

Choosing Your Team: Finding a Financial Institution

Examining how financial institutions operate and the services they provide is a key part of making the most of your money. This 45-minute module equips students with the knowledge to choose banking services, use debit and prepaid cards to their advantage, and understand the factors to consider when managing electronic and mobile banking.

Getting Your Class Game-Ready: When football coaches are directing teams toward a win, they choose the players best suited to each play based on the athletes' strengths and weaknesses. Players themselves consider the best way to maximize their performance and work together as a team to reach a win.

This strategy can also be applied when choosing a financial institution, using debit cards and prepaid cards, and managing online banking; it's good to know their relative strengths as well. Knowing how they work and how best to use them in various financial situations lets you tap into the advantages of each. Just like building a strong football team, working with financial institutions requires clear communication and an understanding of your goals.

Module Level: Rookie, Ages 11-14

Time Outline: 45 minutes total

Subjects: Economics, Math, Finance, Consumer Sciences, Life Skills

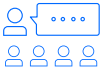
Materials: Facilitators may print and photocopy handouts and quizzes for students, and direct them to the online resources below.

- **Pre- and Post-Test questions:** A short grouping of five questions may be used as a quick, formative assessment for the Financial Institutions module or as a Pre- and Post-Test at the beginning and completion of the entire module series.
- **Practical Money Skills Financial Institutions resources:** practicalmoneyskills.com/ff33
- **Practical Money Guides:**
 - Prepaid Card Basics: practicalmoneyskills.com/ff34
 - Debit Card Basics: practicalmoneyskills.com/ff35
- **What Am I? Game Questions**
- **Affinity Mapping Character Scenarios**
- **Glossary of Terms:** Learn basic financial concepts with this list of terms.

Icon Key

**Activity**

Assign the given activity to students and have them complete it individually or with a group, depending on the instructions.

**Ask**

Pose questions to your students and have them respond.

**Assign**

Designate individuals or groups to complete a particular assignment.

**Debrief**

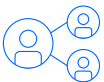
Examine the activities as a whole group and compare answers and findings.

**Did You Know?**

Share these fun facts with students throughout the lesson.

**Pre- and Post-Test**

Have students take the Pre-Test before the lesson, and take the Post-Test after completing the lesson.

**Share**

Read or paraphrase the lesson content to students.

**Turn and Talk**

Have students turn to a partner and discuss a specific topic or question.

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Learning Objectives

- Compare and contrast different types of financial institutions and the services they provide
- Identify the features and costs of personal checking accounts offered by different financial institutions
- Identify how debit and prepaid cards work as payment methods
- Determine the various pros and cons to all types of cards
- Identify how to manage purchases and payments using electronic and mobile banking

Key Terms and Concepts

Before you start the lesson, review the key terms and concepts below. The answers to each question will help you get students prepped and game-ready. Get deeper information around these concepts in the Facilitator Script section on pages 7 to 12 of this guide.

What types of financial institutions are there?

Just like any other business, a financial institution sells products to earn money so that it can run its operations and provide services. Three common types of financial institutions are banks, credit unions, and community banks. To understand how financial institutions operate, know that when you deposit money in a bank it gets pooled into a shared fund along with everyone else's money; this allows the financial institution to make loans. When you deposit money into a checking or savings account, your financial institution is obligated to allow you to access and withdraw funds from accounts you own.

What does FDIC-insured mean?

The Federal Deposit Insurance Corporation (FDIC) preserves and promotes public confidence in the U.S. financial system by insuring deposits in banks for at least \$250,000 per depositor, per insured bank, for each account ownership category. FDIC insurance covers depositors' accounts at each insured bank, dollar-for-dollar, including principal and any accrued interest, through the date of the insured bank's closing, up to the insurance limit. This means that, in the event funds are stolen, the bank fails, or the bank closes, the account holder will be reimbursed for deposits totaling up to \$250,000.

What does NCUA-insured mean?

The National Credit Union Administration (NCUA) preserves and promotes public confidence in the U.S. financial system by insuring deposits in credit unions for at least \$250,000 per depositor, per insured credit union, for each account ownership category. Share insurance coverage offered through the National Credit Union Share Insurance Fund (NCUSIF) protects members against losses if a federally insured credit union should fail.

Do I have to open a checking account? What are the benefits if I do open an account?

Did you know that 6.5% of households in the United States were unbanked in 2017¹ according to the FDIC? That's 8.4 million households that aren't taking advantage of the services offered by financial institutions. It's not mandatory to

Learning Objectives, cont.

open a checking account, but opening an account offers many benefits. An additional 18.7% of U.S. households (24.2 million) were underbanked, meaning that the household had a checking or savings account but also obtained financial products and services outside of the banking system, like payday loans.

Banking — all the services offered by a bank or credit union — allows individuals to deposit funds, transfer money, and complete transactions in a secure place. Checking accounts offer four primary benefits:

- Security
- Convenience
- Budgeting
- Earn interest



Did You Know?

The IRS will never email you or contact you via social media and will rarely call you without first sending you a letter.²

What services do financial institutions offer? What fees do they charge?

Financial institutions offer a range of services and products, including checking and savings accounts. These accounts can allow customers to deposit and withdraw money, pay bills, and earn interest. Some common fees include monthly account fees, ATM fees, and overdraft fees.

What is the difference between a debit card, prepaid card, and credit card?

When football coaches are directing their teams toward a win, they choose the players best suited to each play based on the athletes' strengths and weaknesses.

By the same token, when it comes to choosing among credit cards, debit cards, and prepaid cards, it's good to know their relative strengths. Knowing how they work and how best to use them in various spending circumstances lets you tap into the advantages of each without getting penalized. Before applying for a credit card, research and understand the fees associated with various cards.

Here's an easy way to remember the difference:

Pay now: Debit cards. Debit card transactions are withdrawn instantly from your checking account.

Pay later: Credit cards. Credit card transactions are added to your credit card balance. It's important to pay each balance on time and in full.

Pay in advance: Prepaid cards. A prepaid card can be loaded with funds to make purchases anywhere a debit card is accepted. There may be fees that accompany using a prepaid card.

What services do electronic banking and mobile banking include?

- Locate ATMs
- Direct deposit



Did You Know?

The Consumer Financial Protection Bureau (CFPB) is tasked with protecting consumers and enforcing federal consumer financial laws.

Learning Objectives, cont.

- Deposit checks — some even allow deposit by taking a picture of a check through the banking app
- Debit card purchases
- Track spending and review account history
- 24/7 account access
- Bill pay
- Text message notifications and account alerts

How do I manage my account once it is open? How do I handle inaccuracies or mistakes with my account?

Three quick tips for checking account and debit card management

1. Keep an eye on your bank account balance and how much money you have available.
2. Know your limits. Find out how much cash you are allowed to withdraw and how much money you can spend with your debit card.
3. Communicate with your financial institution. You can receive automatic alerts about changes to your account. If you notice any mistaken charges or inaccuracies, tell your financial institution right away.

Module Section Outline with Facilitator Script

Introduction: Warm-Up

Quick Poll: Get students interested in the topic by asking this question of the class: How many of you have an account with a financial institution like a bank or credit union (checking or savings)?



Optional Pre-Test: Have students answer the questions with the most appropriate answer, noting a, b, c or d.

Finding a Financial Teammate: Exploring Checking Account and Financial Institutions



Share: Explain to students that, just like any other business, a financial institution sells products to earn money so that it can run its operations and provide services. Three common types of financial institutions are banks, credit unions, and community banks. To understand how financial institutions operate, know that when you deposit money in a bank, it gets pooled into a shared fund along with everyone else's money.

Banks are for-profit public companies owned by shareholders who have purchased company stock.

Banks are federally insured by the Federal Deposit Insurance Corporation (FDIC).

Credit unions are nonprofit cooperatives controlled by member-owners. They're also insured, but by the National Credit Union Administration (NCUA). With credit unions, you may be able to access lower-cost services and get higher interest rates on savings. If you want high rates and low fees, credit unions may be a good option.

Opening an account with a bank or credit union offers four primary benefits.

Security

You can keep your funds safe in checking and savings accounts without having to worry about them being at risk. The U.S. government protects money you deposit in the financial institution. A single fund account is insured for up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) or the NCUA, either of which will typically reimburse your insured deposits the next business day. Like the FDIC, which insures bank deposits, the NCUA makes sure your credit union assets stay secure.

Convenience

Money in a credit union or bank can be accessed from anywhere, whether it's online, through an ATM, or just a call to your financial institution's customer service department. With an account in a financial institution, you can arrange for your employer to automatically deposit your paycheck into your account, so it's easier and faster for you to get paid.

Module Section Outline with Facilitator Script, cont.

Budgeting

By holding accounts and using digital payments such as debit or credit cards, you will be able to review your bank or credit union statements — a record of the balance in your bank account and the amounts that have been paid into it and withdrawn from it. This makes it easier to manage your finances and stick to a budget. With bank statements, you'll know exactly where your money is going and whether it is toward a car payment or a night out with friends.

Earn Interest

Banking allows you to make money with your money. It may sound too good to be true, but with interest, you can earn simply by keeping money in an account. The bank pays you a percentage of interest on your balance, which is added directly to your account on a monthly basis. Generally this occurs with savings accounts, but some checking accounts also offer a small percentage of interest. Traditional brick-and-mortar banks have average interest rates of around 0.04% APY for checking accounts and 0.08% APY for savings accounts.



Activity: What Am I?: Direct students to turn to page 8 of their Student Activities guide. Assign all students, either in teams or as individuals, to represent either banks or credit unions. Give both a moment to research key facts using practicalmoneyskills.com/ff33 and the glossary at the end of their Student Activities guide.



Ask: Keep students in the same groupings from the previous activity. Read statements from the What Am I? activity on page 8 of their Student Activities guide. Example: I am a nonprofit money cooperative whose members can borrow from pooled deposits at low interest rates. “What am I?” Bank, credit union, or both? This game can be played competitively by giving teams points for correct answers. As an alternative, students may also work in pairs to research and answer the questions by circling the correct response on the What Am I? handout.

Optional activity: If there are any questions students don't know the answers to, give them two minutes to research the answer using Financial Institutions content at Practical Money Skills. practicalmoneyskills.com/ff33.

Managing Bank Accounts: Debit Cards & Prepaid Cards, Electronic & Mobile Banking



Share: Explain to students that they have options when choosing among credit cards, debit cards, and prepaid cards. Walk them through the benefits of each and things to watch out for.

Pay now: Debit cards. Debit card transactions are withdrawn instantly from your checking account.

Pay later: Credit cards. Credit card transactions are added to your credit card balance. It's important to pay each balance on time and in full.

Module Section Outline with Facilitator Script, cont.

Pay in advance: Prepaid cards. A prepaid card can be loaded with funds to make purchases anywhere a debit card is accepted. There may be fees that accompany using a prepaid card.

Pay Now: Debit Cards

A debit card (also known as a check card) looks like a credit card but is a payment method that's an alternative to cash and checks. When you make a purchase with a debit card, the funds are immediately withdrawn from your bank account and transferred into the account of the store or business where you completed the transaction. Because a debit card links directly to your bank account, you can spend only what you have in your account.

An ATM card is a PIN-based card. That means that, in addition to using it at ATMs, you may also be able to use it to make purchases (by entering your Personal Identification Number) if the merchant is using one of the same electronic ATM networks that's listed on the back of your card.

A debit card looks just like a regular ATM card, and you can use it at ATMs. The difference is that a debit card usually has the card issuer logo on its face. That means you can use the debit card anywhere debit cards issued by that entity are accepted, for example, department stores, restaurants, or online.

While this helps keep you out of debt, you need to monitor debit card purchases closely and stick to your budget so you don't overdraw your bank account. If you use your debit card to buy something that costs more than the amount of money in your account, the charge may be rejected or, if you have overdraft protection, you may be charged an overdraft fee.

Benefits of debit cards:

- They let you buy items in stores, online, on the phone, or through a mail order catalog without using cash.
- They allow you to make the same kinds of purchases as you do with credit cards so you don't need to carry cash.
- Most provide the same type of "zero liability" protection as credit cards.
- There is no APR or interest rate charged because you pay at the time of purchase.
- There is no monthly payment or debt accrued because you pay at the time of purchase.
- Some debit cards offer rewards programs.

Things to watch out for:

- If you overdraw your account, you may be charged a fee for each transaction.
- If you withdraw money from an ATM that's not part of your financial institution's ATM network, you could incur fees on both sides — from your bank or credit union and the other institution that operates the ATM.
- Some checking accounts require a minimum balance, otherwise a monthly fee may be assessed.

Module Section Outline with Facilitator Script, cont.

Pay Later: Credit Cards

A credit card entitles you to make purchases based on your promise to pay for these purchases at a later date. The card issuer grants you a line of credit, which is a promise from the card issuer to you that it will loan you any amount of money up to the credit limit on the account. You can use that credit to purchase goods, pay bills, or obtain cash advances. Laws from the Credit Card Accountability Responsibility and Disclosure (CARD) Act of 2009 place strict limitations on issuing cards to consumers under 21. If you fall in that age group, you have to have a co-signer or show proof you have sufficient income to repay the debt.

Each month, the card issuer sends you a statement that lists all of your purchases and the total amount you have purchased using the card that month. Most credit cards also allow you to check your account balances online or using their mobile app. The total amount you owe is called your balance. When you pay the full amount of the balance before the monthly due date, the card issuer charges you no interest for this service. If you do not pay the full amount, the balance on your card account officially becomes a loan to you from the card issuer and you begin paying interest on this loan monthly.

Benefits of credit cards:

- They let you buy items in stores, online, over the phone, or through a mail order catalog without using cash.
- They help you establish credit history and build your credit score if you always pay your full balance on time and utilize less than 10% of the credit limit.
- Some cards also offer a Rental Collision Damage Waiver (CDW) benefit, which allows you to decline the auto rental company's CDW and Liability Damage Waiver (LDW), thereby saving you money.
- They provide "zero liability" protection, which means that if your card is lost or stolen, you will not be responsible for unauthorized merchant charges.
- They provide access to cash advances in case of emergency.
- Depending on the credit card issuer, their rewards program may provide points with each purchase that can be used to receive free airline miles, merchandise, or cash back.

Things to watch for:

- Some cards come with annual fees or other kinds of costs and fees associated with the card.
- Credit cards make impulse buying easier, which can throw off your budget and increase your level of debt if you don't use them wisely.
- Items charged cost more (cost of item plus interest) unless you pay the balance in full each month.
- Late payments may incur fees, increase interest rates, and negatively impact your credit rating.

Module Section Outline with Facilitator Script, cont.

- If you don't monitor spending carefully, your purchases can push you over the credit limit, resulting in an additional fee. This could also increase your interest rate and lower your credit score.
- Making late payments or carrying high credit card balances can damage your credit score.
- While cash advances can be helpful in emergencies, they come with fees and the interest rate can be higher than for standard purchases.

Pay in Advance: Prepaid Cards

A prepaid card may look exactly like a credit card or a debit card. However, instead of being linked to your bank account (like a debit card) or providing you a line of credit (like a credit card), a prepaid card lets you spend only the amount that's been pre-loaded onto the card.

There are two kinds of prepaid cards: gift and reloadable.

Gift cards

A gift card is pre-loaded with an amount of funds. Once those funds are spent, the card is no longer valid and cannot be reloaded. Many stores and online retailers offer branded gift cards that are good only at their stores. Many financial institutions offer prepaid gift cards that are accepted wherever debit cards are accepted.

Reloadable

Reloadable prepaid cards work exactly like prepaid mobile phones, where you use minutes and then refill them. With a reloadable prepaid card, you (or your parents) load the card with an initial amount of money. You use the card wherever debit cards are accepted. When the balance gets low, you can refill the card on the phone or online and continue to use it.

Other types of reloadable cards include payroll cards — a safe, convenient way for companies to pay employees, with monthly salaries preloaded on the cards. Similarly, benefit cards can also be issued to employees to cover benefits like health care or transportation costs.

Benefits of prepaid cards:

- Spend only what you load onto the card.
- Track your spending online to help you budget.
- No need to carry large amounts of cash.
- Lets you make the same kinds of purchases as with debit cards and credit cards, such as airline reservations and online purchases.
- Most provide the same type of “zero liability” protection as credit cards.
- No APR or interest rate charged, since the payment is made at the time of purchase.
- No debt accrued, since the payment is made at the time of purchase.

Module Section Outline with Facilitator Script, cont.

Things to watch for:

- Some cards, like gift cards, are limited to certain stores.
- Some prepaid cards charge fees, including a loading fee and monthly maintenance fee. Shop around for the best value.
- Some payroll cards include fees, which can often be avoided if you are paid with a direct deposit to a bank or credit union.



Activity: Affinity Mapping

Divide students into small teams to complete the Affinity Mapping Character Scenarios activity on pages 9 to 12 of their Student Activities guide.

Closing: Banking Benefits Group Discussion

Group Discussion: Choose one character from your group's mapping activity; which financial feature/service was most important to that person? What are its benefits?



Optional Post-Test: Have students answer the questions with the most appropriate answer, noting a, b, c or d on page 7 of their Student Activities Guide.

Lesson 3 Financial Institutions: Answer Keys

- > Financial Institutions Pre- and Post-Test
- > What Am I? Game Questions
- > Affinity Mapping: Character Scenarios

Financial Institutions Pre- and Post-Test

Directions: See page 6 of the Student Activities guide for printable tests. Have students answer the questions with the most appropriate answer, noting a, b, c or d.

Answer Key

1. Banks generally provide what kinds of services?

a. Deposit accounts and loans

b. Insurance services

c. Tax advice

d. All of the above

2. A key difference between credit unions and banks is:

a. Banks usually pay higher interest on savings accounts

b. Credit unions are usually member-owned

c. Bank debit cards are more widely accepted

d. All of the above

3. A single fund account is insured by the Federal Deposit Insurance Corporation (FDIC) for up to how much?

a. \$1,000,000

b. \$500,000

c. \$250,000

d. \$150,000

4. What types of fees do financial institutions charge?

a. Mortgage loan fee

b. Overdraft fee

c. Late payment fee

d. All of the above

5. If you want to switch financial institutions:

a. Compare services at other banks and credit unions first

b. Compare fees at other banks and credit unions first

c. Consider the location and convenience of other banks and credit unions first

d. All of the above

What Am I? Rookie-Level Game Questions

Exploring Checking Accounts and Financial Institutions

Directions: Have students turn to page 8 of their Student Activities guide for a printable questionnaire. Have students answer the following questions by circling the correct answer. The correct answer is noted in blue below.

1. I am a nonprofit money cooperative whose members can borrow from pooled deposits at low interest rates. What am I? (Bank, *credit union*, or both)
2. I am a for-profit public company owned by shareholders who have purchased company stock. What am I? (*Bank*, credit union, or both)
3. I am insured by the NCUA. What am I? (Bank, *credit union*, or both)
4. I am insured by the FDIC. What am I? (*Bank*, credit union, or both)
5. I am where you can go to open a checking or savings account. What am I? (Bank, credit union, or *both*)

Affinity Mapping: Finding the Right Financial Service

Financial Services and Products:

Directions: Divide students into small teams and have them turn to page 9 of their Student Activities guide. Teams work together to answer questions about the benefits of various financial accounts and what to watch for.

Bank A: Simple Checking

No minimum balance requirements, free mobile app and text messages

What are the benefits?

Low cost, easy access to account information

What are the things to watch for?

Limited services, cannot earn interest, possible ATM fees

Bank B: Bundled Savings and Checking Account

\$1,000 minimum balance requirement for savings account and \$500 minimum balance requirement for checking account, overdraft protection with checking account, no ATM fees, savings account pays 0.1% interest

What are the benefits?

Earn interest for savings, basic checking account features

What are the things to watch for?

Possible fees if minimum balance is not maintained

Credit Union C: Free Checking with Add-On Options

No minimum balance requirements, no monthly maintenance fee, free access to 240 credit union ATMs nationwide, option to add savings account for \$1 minimum deposit, savings interest rate of 0.15%

What are the benefits?

Low cost, easy access to account information

What are the things to watch for?

Access to account services — is online banking available or are you limited to credit union hours?

Affinity Mapping: Finding the Right Financial Service, cont.

Prepaid Card D: Paid in Advance and Ready to Go

No loading or monthly maintenance fee, can only spend what is loaded on the card, \$1 per-transaction fee

What are the benefits?

Low cost, spend only what you load on the card

What are the things to watch for?

May be limited to use at specific stores

Affinity Mapping: Finding the Right Financial Service, cont.

Answer Key

Directions: Ask students to check out each of the characters and the services available to them on page 11 of their Student Activities guide. Direct them to choose the best service for each character based on that person's needs and priorities. Review the types of services available to the characters with students before they answer which product would fit the person's needs.

Character: 15 years old

Income: \$45 twice a month for watching neighbors' kids

Current Financial Snapshot: \$125 in cash

Banking Priorities:

- Values convenience — wants easy access to money without having cash on hand

Character Challenges:

- Does not have an adult ready to act as joint account holder

Which product would best fit this person's needs? Why?

Prepaid Card D: Paid in Advance and Ready to Go, can be accessed by a minor. Checking and savings accounts will require an adult co-signer to open the account.

Character: 17 years old

Income: \$0, occasionally gets cash for holidays or birthday

Current Financial Snapshot: \$75 in cash in wallet

Banking Priorities:

- Values security — doesn't want to worry about losing cash

Character Challenges:

- Limited funds for opening and maintaining an account

Which product would best fit this person's needs? Why?

Bank A: Simple Checking or Credit Union C: Free Checking with Add-on Options, allows low minimum balance to open and maintain account.

Affinity Mapping: Finding the Right Financial Service, cont.

Character: 18 years old

Income: \$120 a week working part-time

Current Financial Snapshot: \$500 in a checking account

Banking Priorities:

- Values cost savings — doesn't want to have funds eaten up by fees

Character Challenges:

- Current checking account charges \$4 ATM fees; needs a better option

Which product would best fit this person's needs? Why?

Credit Union C: Free Checking with Add-on Options, offers no ATM fees.

Glossary of Terms

Have students study this list of personal finance terms to help warm up before playing Financial Football. By mastering these terms, students will have a better opportunity to answer questions in the game correctly and score.

Annual fee: The once-a-year cost of owning a credit card. Some credit card providers offer cards with no annual fees.

Bank: A financial institution that invests money deposited by customers, provides loans, and exchanges currency.

Bank services: Services offered by a bank for convenience, such as online banking, automatic transfer, and check cancellation.

Brokerage firm: An organization that charges a fee to act as an intermediary between buyers and sellers of stock.

Certificate of deposit (CD): A savings certificate issued by a bank, depositing money for a specified length of time.

Checking account: An account at a bank that allows checks to be written and deposited by the account holder.

Credit union: A nonprofit cooperative that is owned by its members. Like banks, credit unions accept deposits, make loans, and provide a wide array of other financial services.

Debit card: A card that allows consumers to make purchases using money from their bank account. Debit card transactions are paid instantly, not in the future. A debit card is tied directly to a bank account, so when you make a purchase with that card, money is withdrawn from your account.

Deposit: Adding a sum of money to your account to increase your account balance.

Federal Deposit Insurance Corporation (FDIC): A body that regulates most banks in the United States and insures most private bank deposits. The Federal Deposit Insurance Corporation (FDIC) preserves and promotes public confidence in the U.S. financial system by insuring deposits in banks and thrift institutions for at least \$250,000. It does this by identifying, monitoring, and addressing risks to the deposit insurance funds; and by limiting the effect on the economy and the financial system when a bank or thrift institution fails. An independent agency of the federal government, the FDIC was created in 1933 in response to the thousands of bank failures that occurred in the 1920s and early 1930s.

Financial advisor: A professional who provides financial services and advice to individuals or businesses.

Financial partnership: A relationship that requires financial interdependence, contribution, and communication.

Financial plan: A strategy for handling one's finances to ensure the greatest future benefit.

Guaranteed interest rate: The minimum interest rate an investor can expect from an issuing company.

Internal Revenue Service (IRS): A United States government agency that is responsible for the collection and enforcement of taxes.

Invest: Putting money into an item, enterprise, or financial product with the expectation of earning a profit on that fund over time.

Glossary of Terms, cont.

Investment: An item or financial product on which a consumer expects to earn a profit in the future.

Investment portfolio: A range of investments held by a person or organization.

Investment strategy: A set of rules or procedures to guide an investor's selections.

Liquidity: Being able to easily or quickly withdraw your money.

Minimum balance: A specific amount of money that a bank or credit union requires in order for you to open or maintain a particular account without paying maintenance or minimum balance requirement fees.

National Credit Union Share Insurance Fund (NCUSIF): The National Credit Union Administration preserves and promotes public confidence in the U.S. financial system by insuring deposits in credit unions for at least \$250,000 per depositor, per insured credit union, for each account ownership category.

New York Stock Exchange (NYSE): A New York City–based stock exchange, which is considered the largest equities-based exchange in the world based on total market capitalization.

Nonprofit organization: An organization chartered for purposes other than making profits. These are groups that are tax-exempt under Internal Revenue Code Section 501(c)(3) as “public charities” because they are formed to provide “public benefit.”

Online banking: Allows customers to conduct financial transactions via the internet.

Overdraft fees: Fees incurred when a customer withdraws more money from an account than what is available in the account.

Withdrawal: When you take money out of your account, thereby reducing your principal.

Withdrawal limit: The maximum amount a customer is able to withdraw from an account on a given day.

Withdrawal penalty: Any penalty incurred by an account holder for early withdrawal from an account with withdrawal restrictions.