



Access Alliance
Multicultural Health and Community Services

Sense2Dollars:

Financial Empowerment for New Canadians



MODULE 2: INTRO TO BANKING



BANKS	CREDIT UNIONS	FRINGE BANKS
For Profit	Not-for-Profit	For Big Profit
Regulated by Federal Government	Regulated by Provincial Government	Not Regulated
2 pieces of ID; personal history	2 pieces of ID, personal history & membership	No ID; limited personal information
Locations across country (sometimes international)	Not as conveniently located as banks	A LOT of locations in & outside of Canada
Accounts, line of credit, credit cards, loans, mortgages, investments, currency exchange, etc..	Offer most of the services that regular banks do	Cheque cashing services; small loans (with high interest); currency exchange; money transfers
Up to \$100,000 deposit insurance through CDIC	Deposit insurance varies by province. In ON, up to \$100,000 in unregistered deposits & 100% in registered plans	Not applicable

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BMO



Scotiabank®

Private Banks:

- For profit (pleasing investors)
- Regulated by Federal Government
- Need 2 pieces of ID & personal history
- Locations across the country & internationally
- Up to \$100,000 deposit insurance



RBC Royal Bank



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Credit Unions:

- Not-for-Profit
- Regulated by Provincial Government
- ID + Membership
- Not as conveniently located
- Offer most of the service private banks do
- Deposit insurance varies according to province (\$100,000 in Ontario)



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What Is Deposit Insurance?

Canadian Deposit Insurance Corporation- deposit insurance protects Canadians' savings in case a bank or other financial institution fails.

There are some savings that CDIC does NOT insure, such as mutual funds and stocks

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Types of Bank accounts

Savings Account

This type of bank account can be used to set money aside for short to medium-term savings. You may have a debit card for the account as well. This will allow you to make deposits, withdraw cash, pay bills, pay for purchases using Interac, move money between accounts, and check your balance.

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Chequing Account

This type of account is used for everyday banking and for pay bills.

Interest rates are low or you may not earn interest at all.

But transaction and service fees are generally lower for these accounts

There are many types of chequing account.

Make sure that you talk with your bank about the best account for you based on your income, spending habits and financial obligations

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Interest:

Compound interest: you receive interest on interest previously paid into your account.

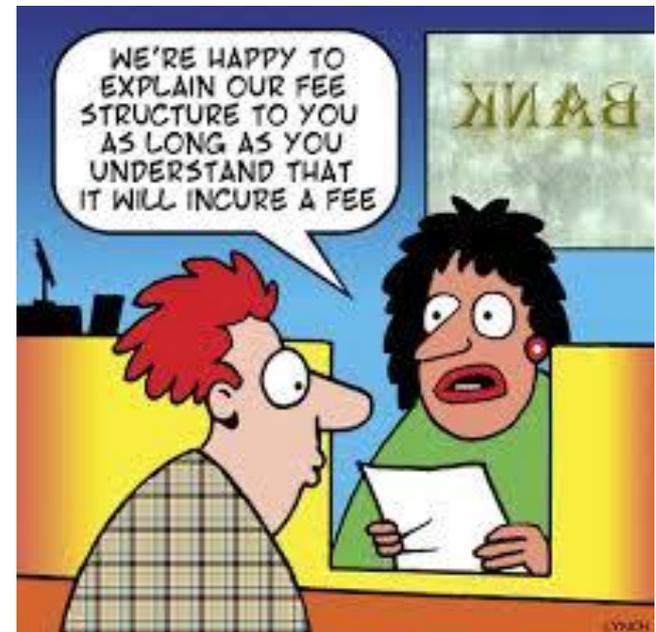
Simple Interest: the amount of interest is calculated on the original amount only, not on the interest added to the account



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Bank Fees Tips

- Consider a Low-Cost Bank Account or No-fee banking institution
- Know your minimum balance & maintain that balance
- Use bank machines wisely
- Take advantage of cash back



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Problems with your Bank?

RBC Royal Bank Customers:

ADR Chambers Banking Ombuds Office

1-800-941-3655

www.bankingombuds.ca



All Other Bank Customers:

Ombudsman for Banking Services and Investments (OBDSI)

1-888-451-4519

www.obsi.ca

do you have a complaint?

OBSI is an independent service for resolving banking services and investment disputes. Our services are free to consumers.

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Fringe Banking Services:

- Looking for big profit
- No ID required
- LOTS of location
- NOT regulated
- Cheque-cashing
- Payday loans
- Pawn shops
- Rent-to-own



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CASH MONEY®

THANK YOU!!

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