



Tips About Low-Cost Bank Accounts

What is a low-cost bank account?

A low-cost account is a bank account that costs a maximum of \$4.00 per month and includes the following features:

- no charge for deposits
- the use of a debit card
- the ability to write cheques (some banks may charge additional fees for cheques)
- 8 to 15 free debit transactions per month, at least two of which can be made in the branch. Debit transactions can include:
 - writing cheques
 - paying bills
 - taking money out of an automated bank machine (ABM) or with the help of a bank teller
 - transferring money between accounts
 - buying something at a store with your debit card
- free monthly statements or a bank book – showing you all the money that came out of and went into your bank account during the month.

Where can you open a low-cost bank account?

To find out which banks offer low-cost accounts, visit the Banking section of FCAC's website at www.fcac.gc.ca, and look at the options under *Personal Accounts*.

Who can open a low-cost account?

Under Canadian law, everyone has the right to open a bank account.

You can open an account with a bank even if:

- you don't have a job
- you don't have money to put in the account right away
- you have been bankrupt.

To open an account with a bank, you have to:

- go to the bank in person, or contact the bank to see if it offers other ways to open an account
- provide the bank with some identification (ID).

You must use *original* ID – not photocopies.

Responsibility for regulating other deposit-taking institutions, such as credit unions and *caisses populaires*, is with the provinces or territories, which may have different requirements.

For more information on the types of ID you must show, see *Opening a Personal Bank Account: Understanding Your Rights*.

Things to consider when shopping around

Here are some things to consider when shopping for a low-cost bank account:

- Are there branches and ABMs of the bank close to your home, place of work or school?
- How much extra will you have to pay if you use ABMs of other financial institutions?
- How many transactions are allowed in the monthly fee? Are there any restrictions by type?
- What are the fees you must pay if you go over this limit?
- Can you order cheques free of charge, or do they cost extra?
- Do you prefer a bank book or a monthly statement?
- What kind of ID will you need to open a low-cost account?

Other FCAC information of interest

For more information on choosing a low-cost account, consult the following FCAC publications:

Tip Sheets

- Choosing the Right Chequing Account and Banking Package
- Choosing the Right Savings Account
- Opening a Personal Bank Account: Understanding Your Rights

Interactive Tools

- Banking Package Selector Tool
- Savings Account Selector Tool

