Choosing a bank or credit union is a matter of personal preference. Serving in the military puts you in a unique situation that requires making smart choices with your money. Deployments and temporary duty assignments can be disruptive if you don’t plan ahead. Flexibility is key! Often, your first financial decision is to choose a banking institution. So it is important to select one that meets your needs and has a good reputation.

### MILITARY BANKING

## BANKING BASICS

### TYPES OF FINANCIAL INSTITUTIONS

**Credit unions** are a nonprofit organization owned by its members. Because of its nonprofit status, interest rates on loans and savings accounts tend to be more favorable to you.

**Banks** are “for-profit” institutions. Generally, interest rates on loans tend to be higher and interest paid on deposit accounts tend to be lower than credit unions.

### THINGS TO CONSIDER:

- **Convenience.** Are ATMs and branch locations easily accessible?
- **Fees.** What charges are associated with the type of banking you plan to do?
- **Deposits.** What interest rate is paid to you for the deposits?
- **Balances.** Are there minimum balance requirements?
- **Direct Deposit.** Does the bank/credit union offer early direct deposit of active duty pay, which could allow you to access your pay sooner than regular military paydays?
- **Special Programs.** Do you qualify for any special military savings programs that will help you boost your savings?
- **Mobile Banking.** Can you deposit checks electronically?

### PRODUCTS AND SERVICES OFFERED

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Updated June 2020
Credit cards can be a great tool; they can also get you into trouble if misused. Interest charges are typically high and are added to your balance, making it difficult to get ahead. Be sure to know your interest rate and strive to pay your balance off monthly.

Debit cards are similar to writing a check. The money is withdrawn from your account within a day or two. Because of this, you'll need to track your account balance to make sure you have enough money in the account to cover your spending.

**BANKING FEES**

- ATM withdrawal fees
- Overdraft or non-sufficient funds (NSF) fees
- Loan interest and origination fees
- Monthly service charges
- Low or minimum balance fees
- Usage fees
- Online banking

These are some common banking fees; additional fees and charges may apply. Look for a bank or credit union that has low to no fees and offers special military benefits.

**ONLINE AND MOBILE BANKING**

Conducting financial transactions online is common and offers a great deal of convenience, however, there is some risk. To limit your risk, be careful not to expose your personal data and account information. Avoid public computers, unsecure Wi-Fi access points, and make sure your device’s software and security settings are up to date.

**CREDIT AND DEBIT CARDS**

Credit cards can be a great tool; they can also get you into trouble if misused. Interest charges are typically high and are added to your balance, making it difficult to get ahead. Be sure to know your interest rate and strive to pay your balance off monthly.

Debit cards are similar to writing a check. The money is withdrawn from your account within a day or two. Because of this, you'll need to track your account balance to make sure you have enough money in the account to cover your spending.

**STATEMENTS**

Bank statements provide a lot of information. If you write checks, you'll want to review your statement, along with the check registry, to reconcile any differences. Remember, when using checks, it may take some time before the money is deducted from your account. Be sure to check if your bank provides online statements for easy access.

**CORRECTING ERRORS**

Errors can happen, so you need to be vigilant. The importance of reviewing your bank, loan, and credit card statements frequently cannot be overstated. If you find an error, contact your bank immediately. Be sure to keep accurate records of your communications to include dates, names, and details of the conversations.

Common errors:

- Check amounts that do not match your registry
- Incorrect fees
- Unauthorized/fraudulent withdrawals and charges
- Math errors
- Incorrect transaction dates

**HELP, WHEN NEEDED**

First, you should contact your bank. If the error does not get resolved, you can seek additional help:

- **Office of the Comptroller of the Currency (OCC)**
  - Phone: (800) 613-6743

- **Federal Trade Commission (FTC)**
  - [www.consumer.ftc.gov](http://www.consumer.ftc.gov)

- **National Credit Union Administration (NCUA)**
  - www.ncua.gov or www.mycreditunion.gov