

4. OPEN THE ACCOUNT

The quickest and easiest way to open an account is to go to the bank in person and speak to a customer service specialist.

Most banks require an opening balance of \$25 for a new checking account. If you open an account with a check it will take 1 to 5 days to clear. In that time you will not have access to the money deposited.

Before heading over to the bank, it is recommended that you research account options offered by the bank, and make sure you qualify for a bank account. Bring appropriate ID with you so to open the account.

Most banks require two forms of identification. Among the identification accepted are a valid driving license, valid U.S. passport, or government issued I.D. with picture. Employment, state issued, and student I.D.s are also accepted but may be considered "secondary" by some banks, in which case you may need more of these to prove identity. International students should present a passport with a visa to prove identity.

Most banks also require proof of address. However, most banks in the Amherst area will waive this requirement for student accounts.

Questions to ask when opening a Checking Account:

- *Is there a monthly fee for maintaining this account? If so, what is it?
- *Is there a minimum balance that I must keep within this account? If so, what is it? And what sorts of fees apply if I go under that limit?
- *Is there a limit to the amount of transactions (deposits/withdrawals, check writing, ATM uses) I have per month? If so, how many do I get of each? What sorts of fees apply if I go over my limit?
- *Where can I withdraw cash without paying any fees? What is the fee for using an ATM that doesn't belong to this bank?

Center of Town Banks

Bank of America *Type: Large*
1 S. Pleasant St
www.bankofamerica.com

Peoples Bank *Type: Small/Regional*
56 Amity Street
www.bankatpeoples.com

TD Banknorth, N.A. *Type: Small/Regional*
11 Amity St.
www.tdbanknorth.com

Other Banks Close By:

Florence Saving Bank— an ATM is located next to CVS.

Bank of Western Massachusetts
Northampton Cooperative Bank

CASH A CHECK WITHOUT HAVING A BANK ACCOUNT:

TD Banknorth (11 Amity St. Branch only) will cash Amherst College checks of \$500 or below for free.

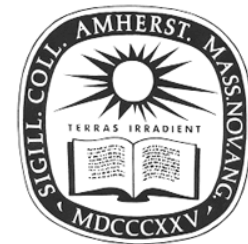
Stop & Shop will cash payroll checks of \$500 or below for a fee of \$1.

Amherst College

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Amherst College

How to Open a Student Checking Account



1. EXAMINE YOUR FINANCIAL SITUATION
2. CHOOSE THE RIGHT BANK
3. PICK A TYPE OF ACCOUNT
4. OPEN THE ACCOUNT

1. EXAMINE YOUR FINANCIAL SITUATION

Let's begin with a practical question: do you have any money? Most banks require a small amount of money to open a checking account. Most student accounts require as little as \$25 to open. It is not recommended you open an account with a check if you need immediate access to the money you are depositing. It will take 1-2 days for the check to clear if it was created by a bank within the state and 2-5 days if is an out-of-state check.

Minimum Balances: Certain types of accounts require you to maintain a minimum balance ; that means that you must have at least a certain amount of money in the bank at all times. If your account ever dips below that minimum balance, then you'll get charged a fine. Many free checking account offers do not have minimum balance requirements.

Service Charges: Some accounts charge you a monthly fee for the privilege of using their services. However, the service fees at most banks are usually fairly low, so it might be worth it for you to just keep an account open if you know that you will at least have some money to put away some time. But it's still an expense to plan for.

ATM Services: Your bank will most likely charge you a fee for using automated teller machines (ATMs) that don't belong to them, and some will limit you to a certain number of ATM transactions per month on your bank's ATMs (if you exceed that number, you'll have to pay an additional fee at some banks).

2. CHOOSE THE RIGHT BANK

The Amherst area offers many banking options. Within walking distance of campus are both national and smaller regional banks. Within blocks of each other in the center of town are Bank of America, TD Banknorth, and Peoples Bank. Proximity and reputation are important factors to help you determine what bank is right for you, but you should also take into account the different conveniences they offer.

A large chain bank vs. a small neighborhood or regional bank

One way to compare a large chain bank and a small or regional bank is the convenience each type of bank offers.

- **Convenience:** Because there are many large chain banks, they offer the advantage of having plenty of ATMs around, domestically and internationally. While small or regional banks may not have ATMs available outside their region.

3. PICK A TYPE OF ACCOUNT

Checking Accounts

A checking account lets you write checks or withdraw money as often as you would like without penalty as long as you meet the bank's minimum balance requirement. Some banks offer accounts which require no minimum balance. These are called "free checking" accounts. These accounts are often meant especially for students. Most banks, especially in the Amherst area, offer free checking accounts. When you open a checking account you will receive a book of checks and an ATM or ATM Debit card.

Free Checking Features

Features to look for when considering a free checking account offer:

- * No Low Balance Fees
- * Free ATM and/or Debit Card
- * No charge for Direct Deposit transactions
- * Free online access to your account
- * Unlimited monthly check writing
- * No minimum check writing amount

Most of the information presented was excerpted from the following websites: <http://www.soyouwanna.com>; <http://banking.about.com/od/checkingaccounts/a/freechecking.htm>; <http://www.vidaamericana.com/english/banking.html>

Bonus Free Checking Features

For the best in free checking, see if you can find free checking that also offers:

- * At least one free book of checks (or free checks for life)
- * Free online bill pay
- * Overdraft protection plans (watch out for the costs!)
- * No charge to use ATMs outside the banking family
- * Reimbursement of ATM fees charged to you by another ATM

What are Debit Cards?

Definition: a debit card is an ATM card with a VISA or Mastercard logo on it.

The difference between an ATM and ATM Debit card? Debit cards are riskier than password protected (PIN-only) old-fashioned ATM cards because debit cards can be used with a PIN OR can also be used with only a signature, without a secret PIN or password, just like a credit card, over the phone or in a store. Remember that purchases made with a debit card will be automatically be withdrawn from your checking account.

Useful Tip on Checking Accounts:

Before depositing a check, you must endorse the check on the back with your signature and/or account number. To be safe, you should also write "for deposit only" on the back. If you do not add "for deposit only", once you endorse the check, it is as good as cash and can be cashed by others if it is lost or stolen.

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