

# SAVINGS AND CHEQUING



A free publication provided by  
Consolidated Credit Counseling Services of Canada, Inc.,  
a registered charitable credit counselling  
and debt management organization.

Consolidated Credit Counseling Services of Canada, Inc.  
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**CONSOLIDATED**

CREDIT COUNSELING SERVICES OF CANADA, INC.

When debt is the problem, we are the solution.



*Congratulations on taking this important step to a brighter financial future. Consolidated Credit Counseling Services of Canada, Inc. has been helping Canadians across the country solve their credit and debt problems for years.*

*Our Educational Team has created over twenty publications to help you improve your personal finances. By logging onto [www.consolidatedcredit.ca](http://www.consolidatedcredit.ca) you can access all of our publications free of charge. We have tools to help you become debt free, use your money wisely, plan for the future, and build wealth. The topics Consolidated Credit Counseling Services of Canada addresses range from identity theft to building a better credit rating; from how to buy a home to paying for university. On our website you will also find interactive tools that allow you to calculate your debt and see how much it is costing you.*

*We are dedicated to personal financial literacy and providing a debt-free life for Canadians. If you are overburdened by high interest rate credit card debt, then I invite you to speak with one of our trained counsellors free of charge by calling 1-800-656-4079 for free professional advice.*

*Sincerely,*

A handwritten signature in black ink, which appears to read "Jeffrey Schwartz". The signature is stylized and fluid, with a large, looping flourish at the end.

**Jeffrey Schwartz**  
Executive Director

**Consolidated Credit Counseling Services of Canada, Inc.**

# Save, Save, Save! A Little Money Adds Up!

Save this each week	At % interest	In 10 years you will have
\$7.00	5%	\$4,720
\$14.00	5%	\$9,440
\$21.00	5%	\$14,160
\$28.00	5%	\$18,880
\$35.00	5%	\$23,600

**If you invest \$1,000 each year or \$19.20 per week**

Interest Rate	5 yrs.	10 yrs.	15 yrs.	20 yrs.
5%	\$5,525	\$12,578	\$21,578	\$33,065
6%	5,637	13,181	23,276	36,786
7%	5,751	13,816	25,129	40,995
8%	5,867	14,487	27,152	45,762
9%	5,985	15,193	29,361	51,160
10%	6,105	15,937	31,772	57,257
11%	6,228	16,722	34,405	64,203
12%	6,353	17,548	37,279	75,052

# Places and Ways To Save Your Money

## **Passbook Account**

- You would receive a booklet showing all of your deposits, withdrawals, and interest.
- The average interest rate is lower at banks than at credit unions.
- Your funds are easily accessible.

## **Statement account**

- These are essentially the same as a passbook account, except you would receive monthly statements instead of a passbook.
- These accounts are usually accessible through 24 hour automated banking machines (ABMs).
- The interest rates are the same as a passbook account.
- Your money is easily accessible.

## **Guaranteed Investment Certificate (GIC)**

- A type of debt security sold to individuals by banks and trust companies
- Cannot typically be cashed out until the stated redemption date
- Pay interest at fixed rates
- Safe investment with no dependency on stock market fluctuation
- Guaranteed return

## **Cashable GIC's**

- One year term
- Can be cashed out after 30 days of investment
- Rates typically lower

## Accelerated rate GIC's

- 5 year term
- Annual interest rate increases each year
- Typically offers option to cash in and re-invest if rates go up

## Stock indexed GIC's

- Principle is guaranteed
- Profit based on stock market fluctuation
- Can typically be invested in your choice of the Canadian, U.S. or international stock markets
- Typically non-redeemable and non-transferable



Many financial institutions offer additional specialty GIC products that are specific to the bank. Contact your local bank to get more information.

## Compare Chequing Accounts

### Location

Branch offices; hours of operation; availability of ABMs

### Fees

Monthly fees; per cheque fees; printing of cheques; balance inquiry fees; ABM fees, internet/telephone banking fees

### **Other charges**

Overdraft charge; stop payment fees; certified cheque fees

### **Interest**

Rate earned; minimum deposit to earn interest; compounding method; fee charged for falling below necessary balance

### **Restrictions**

Minimum balance; deposit insurance; holding period for deposited cheques

### **Special features**

Direct deposit; automatic payments; overdraft protection; online banking; discounts or free chequing for students, seniors, or employees of certain companies

## **Electronic Banking Services**

**Direct deposit** - earnings (or government payments) automatically deposited into bank accounts, saving time, effort, and money.

**Automatic payments** - utility companies, loan payments, and other businesses use an automatic payment system with bills paid through direct withdrawal from a bank account.

**Automatic banking machines** - allow customers to obtain cash and conduct banking transactions.

**Point of sale transactions** - acceptance of ABM/Interac cards at retail stores and restaurants for payment of goods and services.

**Stored value cards** - prepaid cards for telephone service, transit fares, laundry service, library fees, and school lunches.

**Electronic cash** - companies are developing electronic replicas of all existing payment systems cash, cheque, credit cards, and coins.

**Cyber Banking** - banking through online services. Banks with Web site “cyber” branches allow customers to check balances, pay bills, transfer funds, compare savings plans, and apply for loans on the internet.

## Smart cards

**Smart cards**, sometimes called “electronic wallets,” look like ABM cards, but they also include a microchip.

- This minicomputer stores prepaid amounts for buying goods and services.
- A smart card can also store data about a person’s account balances, transaction records, insurance information, and medical history.

*Uses for smart cards may expand in the future.*

Consolidated Credit Counseling Services of Canada, Inc. can help reduce interest rates, stop creditor harassment, and offer one monthly payment for your debt. For more information, including many free educational publications, visit [www.consolidatedcredit.ca](http://www.consolidatedcredit.ca).

# Choosing A Chequing Account

Name of bank: \_\_\_\_\_

How far is it from your home: \_\_\_\_\_

How far is it from your work: \_\_\_\_\_

Number of ABMs: \_\_\_\_\_

Are your funds insured? \_\_\_\_\_

Types of accounts offered that you are interested in: \_\_\_\_\_

## **Fees:**

Must maintain a minimum daily balance of: \_\_\_\_\_

Must maintain an average daily balance of: \_\_\_\_\_

Monthly maintenance charge: \_\_\_\_\_

Overdraft fee: \_\_\_\_\_

Fee for printing cheques: \_\_\_\_\_

Fee for bouncing cheques: \_\_\_\_\_

Stop payment fee: \_\_\_\_\_

Fee for certifying cheques: \_\_\_\_\_



**Interest:**

How much interest do you earn on your account? \_\_\_\_\_  
\_\_\_\_\_

How is it calculated? \_\_\_\_\_

**Extra Services:**

Can you transfer funds over the phone? \_\_\_\_\_

Can you transfer funds over the Internet? \_\_\_\_\_

Do they offer bill payment over the phone? \_\_\_\_\_

Do they offer an ABM card? \_\_\_\_\_

Do they participate in Direct Deposit? \_\_\_\_\_

## About Consolidated Credit Counseling Services of Canada, Inc.

Consolidated Credit Counseling Services of Canada is a consumer oriented, nonprofit, registered charity. We are an industry leader in providing credit counselling and debt management services. Our mission is to assist individuals and families in ending financial crises and to help them solve money management problems through education, motivation, and professional counselling. Our organization is funded primarily through voluntary contributions from participating creditors. Our programs are designed to save our clients money and liquidate debts at an excellent rate.

We are dedicated to empowering consumers through educational programs that will influence them to refrain from overspending and abusing credit cards, as well as to encourage them to save and invest. Regardless of whether your financial problems are due to the purchase of a new home, birth of a child, major illness, or any other circumstance, we can help.

\* If you are headed for a debt disaster visit [www.ConsolidatedCredit.ca](http://www.ConsolidatedCredit.ca) or call 1-800-656-4079 for free professional advice by a certified counsellor.











# Now you can find **FREEDOM FROM DEBT!**

Consolidated Credit Counseling Services of Canada, a registered charitable non-profit organization, will provide you with professional financial education, counselling and resources.

In addition, you can benefit from customized Debt Management Programs, which incorporate a bill consolidation plan to help you regain your financial freedom.

**Our professionally trained  
Counsellors will negotiate  
directly with your creditors to:**

- Reduce or even eliminate interest rates!
- Lower monthly payments.
- Eliminate late charges and over-limit fees.
- Consolidate debts into one lower payment.
- Help you pay off debt faster.
- Rebuild your credit rating.
- Save you thousands of dollars.
- Get you on a plan to be debt free!



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CREDIT COUNSELING SERVICES OF CANADA, INC.  
When debt is the problem, we are the solution.

Call today, and take your first step  
toward financial freedom!

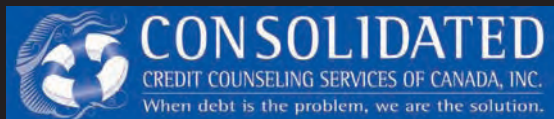
**1-800-656-4120**  
or visit [www.ConsolidatedCredit.org](http://www.ConsolidatedCredit.org)

# You can be **debt free**



## There is help waiting for you now.

- Reduce or eliminate interest charges.
- Consolidate credit card bills into one lower monthly payment.
- Pay off your debt in half the time.
- Save thousands of dollars.



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