

Activity 1

MANY WAYS TO PAY



PART 1: Consumers today have many different options when choosing a bank account and method of paying. Answer these T/F questions to test your knowledge of how each choice might fit different situations.

- Digital payment services require a bank account or debit card to make transactions.
 True False
- Interest-bearing checking accounts are a good option for people who keep very little money in their checking account.
 True False
- Prepaid debit cards offer more privacy than traditional bank-issued debit cards.
 True False
- EFTs are a convenient way of paying a recurring monthly bill, such as your Spotify membership.
 True False
- If you have overdraft protection, it's like having extra money in your bank account to use without penalty.
 True False

PART 2: Choose the best option for each scenario:



- When you go jogging, you like to stop for coffee on your way home, but carrying a wallet is inconvenient.
 A. Smartphone Wallet App B. Checkbook C. Online Banking App
- You are going on vacation with a friend's family, and your parents would like to give you spending money. They want something fast, low-risk, and with no long-term commitment.
 A. Cash B. Smartphone Wallet C. Prepaid Debit Card
- You want to open a checking account and have \$1,000 to start with. Each month, you will have your paychecks, totaling \$600 or more, directly deposited into your account. You also plan on setting up automatic payments for your phone bill and cloud storage totaling \$75 per month. Choose the best checking account from the chart below.
 A. Basic Checking B. Interest Checking C. Prepaid Debit
- You are opening your first checking account and have \$25 to start with. Each month, you will have your paychecks, totaling \$250, directly deposited into your account. You don't have any online bills, and pay cash for most things. There are very few banks nearby, so you expect to go frequently to ATM machines that are not owned by your bank. Choose the best checking account from the chart below.
 A. Basic Checking B. Interest Checking C. Prepaid Debit
- You are opening your first checking account and have \$50 to start with. Each month, you will deposit the cash you earn from babysitting, either at the ATM or the bank. You will set up online bill payment for your phone bill and gym membership. Choose the best checking account from the chart below.
 A. Basic Checking B. Interest Checking C. Prepaid Debit

Bank (Type)	Interest	Monthly Fees	Minimum Balance	Fee for using other bank ATMs	Other Features
Basic Checking	0	\$5	None	\$2.50	<ul style="list-style-type: none"> monthly fee waived for setting up automatic bill payments
Interest Checking	1%	\$10	\$500	\$2.50	<ul style="list-style-type: none"> monthly fee waived if you have direct deposits of \$500 or more offers overdraft protection up to \$75
Prepaid Debit	0	0	None	\$0	<ul style="list-style-type: none"> one-time set-up charge of \$15