



# MILITARY BANKING

## Overview

Choosing a bank or credit union is a matter of personal preference. However, it's also important to select a financial institution that can meet the unique needs of military life, like frequent moves and deployments. Switching banks or credit unions can be disruptive and time consuming, so it's important to select one that meets your needs and keeps you on track throughout your military service.

## Banking Basics

### Banks



- For-profit institutions
- Tend to be larger than credit unions and offer a wide variety of services
- Generally charge higher interest rates on loans than credit unions and pay lower interest on deposit accounts

### Credit Unions

- Nonprofit institutions
- Members are required to be a part of a specific group for eligibility
- Tend to be smaller than banks and may not offer as many services as a result
- Generally charge lower interest rates on loans than banks and pay higher interest on deposit accounts

## 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?
- **Special Programs** — Are there any special services for Service members?
- **Mobile Services** — What mobile applications and online services are available?

### Account Types



- Checking
- Savings
- Money Market
- Certificates of Deposit
- Loans
- Credit cards

### Services

- Interest on deposits
- Automated Teller Machines (ATMs)
- Online and mobile banking
- Cashier's checks
- Deposit insurance
- Overdraft protection
- Automatic and web bill pay
- Wire and Electronic Funds Transfer

## Banking Fees

See below for a few common banking fees. Please note, additional fees and charges may apply.

- 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



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## Online and Mobile Banking

While conducting financial transactions online is common and convenient, be aware of potential risks including theft and fraud. You can reduce some of this risk by safeguarding your personal data and account information. Avoid public computers and unsecured WiFi access points. Also, regularly update your device’s software and ensure the security settings are up to date. Review your accounts often for unauthorized transactions.

## Credit and Debit Cards

**Credit cards** allow you to borrow money, up to a certain limit, to purchase goods or services. They 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. You should strive to pay your entire balance each month.

**Debit cards** withdraw funds directly from your checking or savings account. 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. You should also take care to protect your debit card because if it’s stolen your entire account balance can be at risk until the situation is remedied by your financial institution.

## Account Statements

Bank statements provide a lot of information. If you write checks, you’ll want to compare your statement to your check registry, to make sure they match. The same applies for debit card purchases and transactions. Be sure to reconcile your transactions to you account activity. Also, when writing checks, remember that it may take some time for the money to be deducted from your account. Mistakes can happen, so be vigilant as you review your accounts. If you find an error, contact your financial institution immediately. As you work to resolve the issue, keep a record of your communications including names, dates and details of the interactions.

Some of the common errors you may encounter include:

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

### Additional Resources:



Contact your financial institution first if there is an issue with your account. If the issue does not get resolved, seek additional assistance from the following resources:

Office of the Comptroller  
of the Currency (OCC)  
[www.HelpWithMyBank.gov](http://www.HelpWithMyBank.gov)  
(800) 613-6743

National Credit Union  
Administration (NCUA)  
[www.ncua.gov](http://www.ncua.gov) or  
[www.mycreditunion.gov](http://www.mycreditunion.gov)

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