



Finding the Right Savings Vehicle

How do I open and start a savings account?

How can I get the best interest rates?

Are there any fees and penalties involved with withdrawals?

If these questions are on your mind, here's how to find the answers:

Most banks and credit unions offer checking and savings accounts. Many even offer special plans if individuals use their services for both of these accounts, or at least for several different financial programs. Taking the time to research the products available can provide a better idea of what will best fit your needs.

1. Start by calling local banks or banking institutions to discover offers. Let the banker know that you are shopping for the best interest rates on a savings account. They often are willing to negotiate in order to keep up with the market and the competitors.
2. Check out credit unions. Credit unions often offer competitive programs and some of the best interest rates on savings, so be sure to check with all credit unions when talking with current financial companies.
3. Compare interest rates on line. There are many online banking companies that offer high- yield money market accounts. There are also many financial companies that not only offer higher interest rates on a savings account, but will also offer no-fee savings with no minimum balances required. This will also give you an idea what other companies are offering to bring in customers.
4. Consider splitting your savings money between liquid accounts such as money market accounts versus those intended for more long-term savings such as certificate of deposits. Some banks and financial companies provide higher rates with more stringent requirements while others offer lower interest rates and higher flexibility.
5. Consider flexibility. Do not put all your savings money in an account that penalizes a withdrawal. Save some money for unpredictable emergencies in a no-penalty account.
6. Once you decide which company to use, start saving. Put an amount each month into this account and resist the temptation to withdraw it unless there is an emergency.

For more ideas on creating your spending and savings plan, call Consumer Credit Counseling Service
605-330-2700 or 888-258-2227

It's Possible!