



Vocabulary



Usually when you are earning money you have to deal with a bank. Many employers today require you to have a bank account, so that they can deposit your paycheque directly into it.

There are many banking terms that you will come across that you should be familiar with.

Debit	A transaction – money is taken out of your account to pay for something. Most people use a Debit card to make purchases – money is immediately removed and paid to the store.
Direct Deposit	Money is deposited into your bank account automatically. Usually employees are paid with direct deposit – their pay check goes directly into their bank account.
Interest	A percentage of your money is earned and placed back into the account.
Transactions	Routine use of the account, such as depositing and withdrawing money.
Account Balance	The amount of money you currently have in your bank account.
Automatic Withdrawal	Money that comes out automatically to pay a bill.
Bank Fees	Fees the bank charges you for services.
Chequing Account	Bank Account that allow you to write cheques or use a debit card on the account balance. A cheque or a debit card is a substitute for cash. This means you do not have to withdraw cash to spend money.
Savings Account	Accounts where money is deposited and interest is paid by the financial institution on the account balance, or amount of money, in the account.
Tax Free Savings Account	Account that earns a high amount of interest. You do not have to pay income tax on this money.

Self Service Banking	Banking that people do without the help of bank employees. This could mean using the ATM or using online banking.
Full Service Banking	Banking that people do WITH the help of bank employees.
e-transfer	Money is sent to another individual or business through email. The recipient must accept the transfer by entering a secret password. The money is transferred between bank accounts online!
ATM	Automated Teller Machine
EFT	Electronic Funds Transfer – you transfer money online.
Opening Balance	The amount of money that is in your account when you first open it.
Overdraft Protection	The bank will still honour withdrawals or scheduled payments from the account even if you do not have enough money in the bank to cover them. They charge interest on the overdraft.
NSF Cheque	Non-Sufficient Funds Cheque is a bounced cheque – one that was not able to be cashed because there was not money in the account to cover it. The bank charges a fee every time this occurs.
Minimum Balance	The lowest amount of money that needs to be in your bank account.
Joint Bank Account	A bank account controlled by 2 or more people.
Bounced Cheque	Just like a NSF Cheque - One that was not able to be cashed because there was not money in the account to cover it. The bank charges a fee every time this occurs.
Certified Cheque	A Cheque that says the money is guaranteed to be in the account when it is cashed.