

**Title:**

Many Kinds Of Banks - Many Kinds Of Accounts

**Word Count:**

471

**Summary:**

Sometimes looking into opening an account or accounts in banks can be confusing. There are so many types of banks and bank accounts! Which banks are right for you to open an account in? Which types of accounts do you need to open? Below are some simple explanations of several types of banks and the accounts you can open. One will surely be right for you!

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**Keywords:****Article Body:**

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There are many kinds of banks:

1. Savings Banks - these banks can also be called "Thrifts", and are businesses that are for-profit. Savings Banks take deposits of money, invest that money, and pay the depositor interest out of the money made from those investments. Some Savings Banks give credit to depositors.

2. Credit Unions - these banks are non-profit financial institutions. A Credit Union is owned and controlled by those doing business there. Membership is needed to get into a Credit Union, normally determined by where the person works, their location, or possibly where the go to church.

3. Commercial Banks - these banks used to only deal with businesses, but have

extended their services to individuals. Commercial banks offer individuals most of the same services as other types of banks.

4. Savings & Loans - these banks usually provide savings accounts. Money deposited into these banks is then loaned out to local residents in the community, normally for home loans.

5. Investment Banks - these banks do just what the name says...they invest. Investment Banks buy and sell stocks and bonds and give investment advice to its clients. These banks do not accept deposits, make loans, and are not insured by the FDIC (Federal Deposit Insurance Company).

There are many kinds of accounts:

1. Savings account - this type of account is probably the most basic account offered by banks. You deposit money into a savings account and earn interest on that deposit based on the APR, or Annual Percentage Rate.

2. Checking account - this type of account allows for depositing, withdrawal, and the writing of 'checks' to pay bills and for purchases. Many banks now offer ATM or debit cards along with the standard checkbook when you open a checking account.

3. Certificate of Deposit - this type of account, also known as a CD, is for deposit only. You don't touch the money deposited in a CD for an agreed upon amount of time, ranging from 6 months to several years, and you will earn a guaranteed amount of interest. If you do withdraw the money before the agreed upon date, many banks will charge you a fee.

4. Money Market account - this type of account is similar to a savings account. The interest rate of a money market account is higher than the traditional savings account, but the minimum balance is typically \$10,000 or more!

These are the basic kinds of banks and accounts available. Look around, and shop around, for a bank that is right for you.