

Banking Basics Word Search

Answer Key

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■ 10 Terms & Definitions

<p>CHECKING</p> <p>A checking account is a bank deposit account designed for frequent, everyday transactions. It allows unlimited deposits and withdrawals through debit cards, checks, ATM access, and electronic transfers. Checking accounts typically pay little or no interest because they prioritize</p>	<p>ROUTING</p> <p>A routing number (also called an ABA routing number) is a 9-digit code assigned to financial institutions by the American Bankers Association. It identifies which bank or credit union holds an account and is used for electronic transactions including direct deposits, bill payment</p>
<p>OVERDRAFT</p> <p>An overdraft occurs when you spend more money than is available in your checking account, causing your balance to go negative. Banks typically handle overdrafts in two ways: declining the transaction (overdraft protection off) or covering it and charging a fee (\$25–\$35 per transa</p>	<p>FDIC</p> <p>The Federal Deposit Insurance Corporation (FDIC) is an independent US government agency that insures deposits at member banks and savings institutions. Created in 1933 after thousands of bank failures wiped out depositors' savings during the Great Depression, the FDIC insures up</p>
<p>WIRE</p> <p>A wire transfer is an electronic transfer of funds between banks, typically used for large or time-sensitive payments. Domestic wire transfers (within the US) usually complete the same business day; international wires may take 1–5 business days. Wire transfers are more secure an</p>	<p>ACH</p> <p>ACH (Automated Clearing House) is an electronic network for processing batch financial transactions in the US. ACH transfers include direct deposits (payroll), bill payments, tax refunds, Social Security payments, and peer-to-peer transfers through apps like Venmo and Cash App. A</p>
<p>INTEREST</p> <p>Bank interest is the amount paid to depositors for keeping money in a savings or money market account, or charged to borrowers for using credit. For depositors, interest is expressed as Annual Percentage Yield (APY), which includes the effect of compounding. Following the Fed's r</p>	<p>DEBIT</p> <p>A debit card is linked directly to a checking account, allowing purchases and ATM withdrawals by immediately debiting (reducing) the account balance. Unlike credit cards, debit cards don't create debt — you can only spend what you have. They are protected by federal Regulation E,</p>
<p>DEPOSIT</p> <p>A bank deposit is money placed into a bank account for safekeeping. Deposits can be made via cash, check, mobile deposit (photograph), ACH transfer, or wire transfer. Demand deposits (checking accounts) can be withdrawn anytime; time deposits (CDs — Certificates of Deposit) lock</p>	<p>CREDIT</p> <p>A credit union is a member-owned, nonprofit financial cooperative that provides banking services — checking accounts, savings, loans, and mortgages. Unlike for-profit banks, credit unions return profits to members through lower loan rates, higher savings yields, and reduced fees.</p>