INSTITUTION FOR SAVINGS
BUILDING STRONGER COMMUNITIES TOGETHER SINCE 1820.

## 5 Signs It Might Be Time to Switch Banks

Switching banks can be an overwhelming and daunting process, but when done right, it can save you a significant amount of money in the long run. Each person's banking needs differ based on their individual financial situations, but several priorities are held by a wide variety of bank customers. Therefore, the following list encompasses the leading signs that it might be time to switch banks in today's dynamic industry.

**#1: Unnecessary Fees**

A clear sign that it is time to switch banks is if your current bank charges you unnecessary or especially high fees. Such fees might include charges for not meeting minimum balance requirements, overdraw fees, foreign ATM transaction fees, or paper statement fees. Often, these fees are lower, or likely even non-existent, at small banks in comparison to large banks. For instance, while many big banks will charge a fee to have a checking account, many small banks offer free checking accounts. Therefore, when deciding whether to switch banks, be sure to consider if the benefits of your current financial institution outweigh the extra charges.

**#2: Non-Competitive Interest Rates**

Whether you want to increase your savings or are paying off a loan, it is important to understand how your bank's interest rates compare with those of competitors. Between small banks, large banks, and credit unions, there can be significant differences in the interest rates offered for deposits and loans, which can result in major differences in interest gained or paid over time. Therefore, you should see how your current bank's interest rates measure up against those of other banks and if your bank cannot match the competition, it might be time to consider switching financial institutions.

**#3: Lack of Adequate Insurance Coverage to Protect Your Money**

Since 1933, the FDIC, or the Federal Deposit Insurance Corporation, has been responsible for providing deposit insurance to customers of U.S. commercial banks and savings institutions. The corporation provides insurance for checking accounts, savings accounts, money market deposit accounts, and certificates of deposit. For each customer of an insured bank, the corporation insures up to $250,000 in deposits. In addition, some banks, like the Institution for Savings have additional insurance coverage through the Depositors Insurance Fund (DIF). The combination of FDIC and DIF insurance provides customers of our member banks with full deposit insurance on all their deposit accounts. No depositor has ever lost a penny in a bank insured by both the FDIC and the DIF. If your bank is lacking FDIC insurance and it fails, you risk losing your deposits.

**#4: Lagging in Technology**

When it comes to personal banking today, customers are increasingly turning to internet and mobile banking services for many of their financial transactions. If you struggle to find the time to visit a bank branch and instead prefer to do much of your banking online, then your financial institution should offer convenient and reliable features such as online bill pay, transfers, and check deposit. Being able to take advantage of these technological services, and many more, will save you valuable time and energy, and thus might be a deal breaker when deciding whether to switch banks.

**#5: Inadequate Customer Service**

An integral component of managing your personal finances is establishing and maintaining a strong relationship with your bank. You should feel comfortable trusting your bank with your hard-earned money and this trust is often the result of accessible, high quality customer service. For instance, your bank should offer branch locations, hours, and additional services, such as ATMs and drive-through windows, that work for you. If you find that your bank's customer service is inadequate or inaccessible, then it might be time to switch to a bank that can better meet your specific needs.

**Questions? Call us at 978-462-3106 or email us at info@institutionforsavings.com.**