

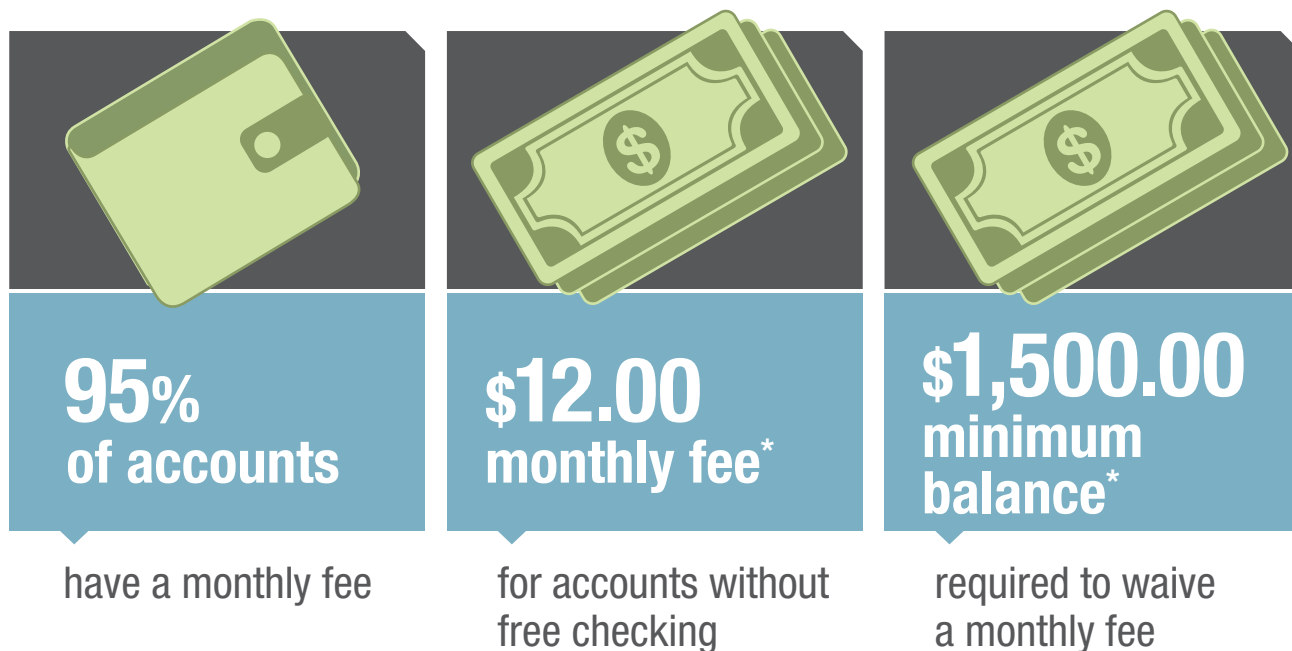
# STILL RISKY: CHECKING ACCOUNTS IN MICHIGAN

Checking accounts, the most widely used financial product in America, contain hidden risks that can harm consumers. Four of the 12 largest banks nationwide offer checking accounts in Michigan and hold 36 percent of all deposits in the state.<sup>1</sup> Here's what consumers in Michigan may be paying.

## Dozens of Fees and Confusing Terms are Buried in Long, Complicated Disclosures



## Accounts are Subject to Monthly Fees



\*These figures are medians.

<sup>1</sup> In its recent report, *Still Risky: An Update on the Safety and Transparency of Checking Accounts*, the Pew Safe Checking in the Electronic Age Project investigated checking accounts advertised online in October 2011 by the 12 largest U.S. banks, which hold over 46 percent of U.S. deposit volume. The data here reflect the median disclosed costs of banking services at the four banks in the study that had branches in Michigan and that indicated a presence in the state on their disclosure forms from October 2011. As of June 30, 2011, these banks held 36 percent of all deposits in the state, according to the FDIC.

<sup>2</sup> Pew identified 12 fees that are common to most accounts, as reflected in its model checking account disclosure box at [www.pewtrusts.org/safechecking](http://www.pewtrusts.org/safechecking).

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Cost of Overdraft Fees	overdraft penalty fee <sup>3</sup>	extended overdraft penalty fee <sup>4</sup>	overdraft transfer fee <sup>5</sup>
		<b>\$35.00*</b>	<b>\$15.00*</b>

## Overdraft Penalty Fees

All numbers are median figures

How much could overdraft penalty fees cost you in one day?

**\$35.00** overdraft penalty fee

**x 4** maximum number of overdraft penalty fees charged per day

**\$140.00** maximum cost of overdraft penalty fees in a single day

one-day scenario

What happens if you keep racking up these fees?

**x 5** number of days an account can be overdrawn before incurring an extended overdraft penalty fee

**+ \$15.00** extended overdraft penalty fee

**\$715.00** maximum amount of overdraft fees you could incur in a single overdraft repayment period<sup>6</sup>

worst-case scenario

\*These figures are medians.

<sup>3</sup> A fee charged per overdraft covered by an advance from the bank.

<sup>4</sup> A fee charged if an account remains overdrawn for more than a specified number of days.

<sup>5</sup> A fee charged per overdraft covered by a transfer from a linked savings account, line of credit, or credit card.

<sup>6</sup> The period of time between when an overdraft (and overdraft penalty fee) is first incurred and when an extended overdraft penalty fee for that overdraft is incurred.