Answer Key

Chapter 10

Section 3

Reading Study Guide

Graphic Organizer: Main idea: Banks provide services. Details: Customers store money in checking and savings accounts; valuables stored in safety deposit boxes. Customers earn money through interest on deposits. Customers borrow money through mortgage, auto, and other loans. Main idea: Deregulation has removed banking restrictions. Details: Mergers create large banking organizations, increase competition, increase customer convenience, but reduce choice, may have less interest in small customers, community affairs. Banks, insurance companies, investment companies may sell same products. Main idea: Technology has changed how people use banks. Details: ATMs increase availability of services; debit cards function like checks; stored-value cards prepaid, such as transit fare, phone cards; electronic banking enables customers to bank online; convenience of electronic banking offset by concerns re: privacy, identity theft

1. account balance
2. Banks need to employ fewer tellers.
3. Possible answers: loss of privacy; identity theft

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