



Second Chance Checking

Your Guide to a Fresh Financial Start

Allegiance[™]
A CREDIT UNION FOR ALL



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Introduction

Unfortunately, in life sometimes things just do not work out as planned. This can be especially true when it comes to money issues and our finances. While most people are filled with good intentions, we sometimes cannot fulfill promised financial obligations.

Thankfully, some banks and credit unions understand that bad things sometimes happen to good people, so they have come up with some creative ways for people to bounce back from previous banking issues. Those who have had past banking problems and want to establish a better financial situation for themselves should search for a local bank or credit union that offers a second chance checking account when they can't get the approval needed for a standard checking account.

A second chance checking account might be just the solution you are looking for to prove that you are now trustworthy enough to manage your own bank account and show that you are willing to make an effort to create a better financial reputation.

Here are some helpful facts about second chance checking accounts from us to help you learn more about how to manage your finances even if you have made mistakes in the past.



What is a Second Chance Checking Account Anyway?

A second chance checking account is a special type of bank account that is offered by some banks and credit unions to help people who may have had banking issues in the past. For those who have had things like unpaid overdraft fees, insufficient fund issues, and other common banking mistakes with previous bank accounts, it can be difficult to obtain approval to open a new checking account. It is often better to look at smaller, local banks or credit unions when it's time to open a second chance checking account, as many of the larger, national banks do not offer these types of accounts.

Most of the time, these smaller community banks and credit unions have the ability to work with customers better and can offer more banking services than the larger financial institutions. Finding a credit union that can assist you in opening a second chance bank account now and maintaining it properly may provide the opportunity you need to restore your financial credibility so that you are able to open a regular checking account in the future.



What Might Lead People to Apply for a Second Chance Bank Account

People who would benefit most from a second chance checking account at a local credit union or bank include those that have financial hardships that may have caused them to improperly manage their finances. Here are some of the reasons people might apply for a second chance bank account at their local credit union:

Reasons to Apply for a Second Chance Bank Account

- ▶▶▶ Unforeseen Medical Bills
- ▶▶▶ Divorce, Death, Or Other Life Changing Event
- ▶▶▶ Poor Money And Budget Management
- ▶▶▶ Loss Of Employment Or Decrease In Wages
- ▶▶▶ Money Mistakes In Your Youth

If you have any of the following negative marks against your past checking accounts, second chance banking may be a great alternative for you.

- ▶▶▶ Account Overdrafts
- ▶▶▶ Delinquent Or Unpaid Negative Balances
- ▶▶▶ Involuntarily Closed Accounts



For more information on the benefits of a second chance bank account, [review our blog “5 Situations Where You Might Apply for a Second Chance Bank Account.”](#)

Finding the Right Second Chance Banking Options for You

When you realize that you need a second chance at managing your checking account, it is the perfect time to search for the right second chance banking options for you. It is important to find a program that works well for your situation and teaches you how to better handle your finances and create good money managing habits. Second chance checking accounts, like the ones offered to members of Allegiance Credit Union, are for those who have past bank account issues that are making it almost impossible to open a checking account now. These types of checking accounts allow members to start to build a new history of responsible money management, even if you have a negative record on ChexSystems due to an unpaid closure or NSF activity.

Not only will you be able to open a checking account to use to secure your money, but you can also connect with our expert financial advisor to help you form healthy financial habits. Signing up for the second chance checking account and help from our financial advisor will get you on the right path and teach you how to properly manage finances.



For more tips on how to find the account that is right for you, [review our blog “Finding the Right Second Chance Banking Options for You.”](#)

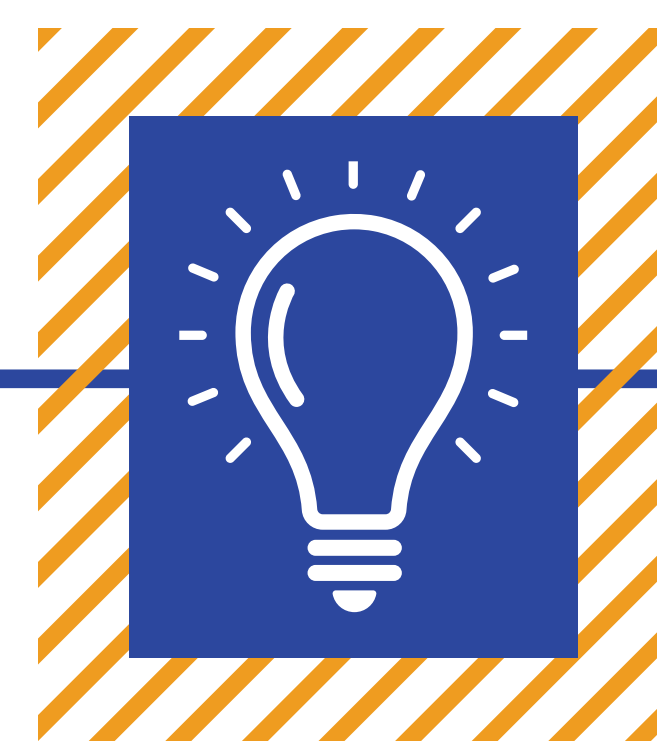




A Few Features to Look Out for When Shopping for a New Checking Account

While some checking accounts for those with past financial issues may offer features and perks of standard checking accounts like direct deposit and debit cards, they often have restrictions on writing checks or online banking options. These accounts may also have excessive monthly fees. While it may not be fun to have to deal with these account restrictions, a second chance bank account can help show financial institutions that you can be a responsible customer.

These special types of bank accounts for those with past banking issues are different from typical checking accounts, so be sure to familiarize yourself with the features so you know about the various types of fees or restrictions of the second chance bank accounts. Here are some of the features you should know about second chance checking accounts before choosing an account.



For more tips on finding the online account that is right for you, [review our blog “How to Find the Best Online Checking Account \[10 Factors to Consider\].”](#)

Second Chance Checking Account Features

Overdraft Protection

Most second chance bank accounts have restrictions that limit spending to the funds that you have available, which protects you from overdrawing the account.

Account Fees

Be prepared for typical monthly maintenance fees like with some standard checking accounts. In addition, check for additional fees for things like purchases, account inactivity, deposits and more, which can really add up.

Minimum Balance Requirement

Many second chance checking accounts require that you make a minimum deposit to open the account in addition to a minimum balance you have to keep in the bank account in order to avoid fees.

Check Writing Privileges

Some second chance accounts do not offer check writing privileges to account holders. If so, they may charge a fee for each check written or limit the number of checks you can write on the account.

Online Banking

If online banking is important to you, be sure to check that your financial institution allows this feature with second chance checking accounts, as this option may not be available with your account or may have additional associated fees.

Once you responsibly maintain the second chance bank account for several months, most banks and credit unions will allow you the option to convert your second chance checking account to a standard checking account.



For more tips to determine if a second chance checking is right for you, [review our blog “5 Questions to Answer Before Getting a Second Chance Checking Account.”](#)

Second Chance Checking Accounts at Your Local Credit Union

Second chance checking accounts help you better manage your money and pay your bills on time with access to bill payer tools and free mobile apps. Establishing a second chance checking account with Allegiance Credit Union is a great way to start getting your finances back in order. Contact us today to learn more.

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