**Chapter Notes – Transaction Accounts**

Read the fourth section, Transaction Accounts (pages 409-412), in your textbook, and answer the following questions:

1. Briefly describe the three of accounts offered by financial institutions.

|  |  |
| --- | --- |
| **Account Type** | **Description** |
| Straight transaction account |  |
| Combination account |  |
| Current account |  |

1. Why is it important to prepare a reconciliation each month?
2. Outline the steps involved in reconciliation.

Step 1:

Step 2:

Step 3:

Step 4:

Step 5: