



CHECKING NAVIGATOR

A Guide to Managing
Your Checking Account

Stillman
BANK



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Introduction

At Stillman Bank, we want you to get the most out of your relationship with us. This Guide is just one of the ways that we try to simplify managing your checking account and help you eliminate the expense and inconvenience of overdrafts.

This Guide covers how to better manage your checking account to avoid overdraft fees. We offer a number of services and products that can help you manage your money, including:

- ▶ Online banking/Mobile banking
- ▶ Automated phone banking
- ▶ Online bill pay
- ▶ Automatic transfers
- ▶ Overdraft lines of credit
- ▶ Overdraft privilege services

Throughout this Guide you'll see definitions of some of the financial terms we use and that you see on your checking account statement. Understanding these terms can help you avoid overdrafts.

If you have questions about the information in this Guide or about your account, we will be happy to help you.

When you have read this Quick Reference and feel that you understand the information, sign the acknowledgement form on page 17 and bring it in to any branch. At that time, one of our representatives will help you determine which services and accounts are right for you.

General Guidelines for Successful Account Management

- ▶ Keep good records. Record all your transactions, including those that can be easily forgotten.
- ▶ Monitor your checking account activity regularly.
- ▶ Balance your checking account each month.
- ▶ Plan for the "unexpected." Save.
- ▶ Don't spend more than you have.

"Don't spend more than you have" sounds like good advice — and it is. But it doesn't address the complexity of managing your life, your finances and your checking account. This Guide will help by providing information you need to manage your checking account successfully.

Managing Your Checking Account

1. Check Register

When you opened your checking account with us we provided you a check register. A check register is a great way to record all of your transactions, not just checks.

Number	Check Date	Description of Transaction	Payment/ Debit	Deposit	Balance

If you don't have a check register, you can get one from us, create one of your own in software like Microsoft Excel, find one online or just use a notebook. The point is to have a tool you use regularly to keep track of the money coming in and going out of your account.

Make sure to use your check register and write down:

- ▶ Every transaction made including debit card and ATM transactions.
- ▶ Every fee assessed — ATM fees, monthly service fees, ATM fees charged by other institutions, etc.
- ▶ ACH auto-debit transactions — the bills or payments you set up to pay automatically from your account that can be overlooked easily.
- ▶ Auto-transfers — money set up to transfer from your checking account to a car loan, savings account or other account that can be over-looked easily.

Each month we provide you with your checking account statement. Your statement is a record of all the transactions that have been posted to your account since your last statement.

The balance you have in your check register may be different than the balance you see on your statement, at the ATM, or the balance you see for your account in our online banking system. This is because the balance we show for your account may not include transactions you have made that have not cleared. However, your check register should include all your transactions. By recording all of your transactions, you'll have a good idea of what you really have in your account.

You can avoid the penalties of overdrawing your account by keeping a careful record of what goes in and comes out of it. After all, it's your money.

TERMS TO KNOW

Direct Deposit	Having money, such as paychecks or Social Security checks, automatically and electronically put into your account.
ACH Auto-debit	Any transaction that you authorize to be paid automatically using your checking account number and our routing number, such as a utility bill or car insurance bill.
Online Bill Payment	A method of conveniently paying your bills using our website.
Recurring Debit Card Transaction	Any regularly scheduled payment (such as a utility bill, mortgage payment, or car loan) that you authorize using your debit card number.

2. Planning

- ▶ Record all of your recurring transactions (those that you have set up to happen automatically on a regular schedule) for the month.
- ▶ Create a reference list like the one below to help you remember to record each transaction every month. You can use simple spreadsheet software, or even just a lined notebook.

Recurring transactions (monthly)

Transaction	Date	Amount
Payroll deposit (direct deposit)		
Other deposits (set up as many lines as you need to itemize them here)		
Mortgage/rent		
Car payment		
Car insurance		
Home insurance		
Other recurring payments (set up as many lines as you need to itemize them here)		
Monthly service charge		
Other financial institution fees		

Note: Remember to record all transactions that you have set up directly with merchants (ACH auto-debit or online bill payment), as well as recurring debit card transactions.

3. Recording Your Transactions

- ▶ Record all transactions in your check register.
- ▶ Remember to record your recurring transactions. You may want to do this at the beginning of every month.
- ▶ Be sure to record easy to overlook transactions like:
 - Everyday debit card transactions ,also called point of sale, or POS transactions
 - ATM withdrawals
 - ACH auto-debits
 - ATM fees
 - Transfer fees
 - Overdraft fees

Check Number	Date	Description of Transaction	Payment/ Debit	Deposit	Balance
	3/7	Payday		\$688.75	\$688.75
1081	3/8	ACME Grocery Store	\$188.75		\$500.00
Debit card	3/8	Coffee Shop	\$ 5.25		\$494.75
ATM	3/8	ATM at Grocery Store	\$ 30.00		\$464.75
Debit card	3/8	Nail Salon	\$ 24.75		\$440.00
Auto-bill	3/10	Car insurance	\$129.86		\$310.14
	3/14	Service Charge	\$ 10.00		\$300.14

TERMS TO KNOW

Everyday debit card transaction or point of sale (POS) transaction	<p>A one-time debit transaction (such as using your card at a grocery store or restaurant). You can typically choose to use your debit card one of two ways for everyday POS purchases. You can choose to make your purchase a debit transaction or a credit transaction. Debit is a PIN-based transaction, which means you enter your PIN number on a keypad at the time of purchase. When you choose debit, the money you spend comes out of your account faster. Credit is a signature-based transaction, which means you sign your name at the time of purchase. When you choose credit, the money you spend may take a little longer to come out of your account. Although it's labeled a credit transaction, using your debit card in this way is not the same as using a credit card.</p>
ATM fee	<p>A fee charged by a bank or credit union for using the ATM to check your balance, withdraw cash or use other services. Most banks and credit unions will charge you a fee if you are not their customer or member. Some banks and credit unions will charge you a fee for using another bank or credit union's ATM.</p>
Transfer	<p>Moving money from one account to another account.</p>
Overdraft Transfer fee	<p>When you have another account linked to your checking account, this is the fee you may pay to have money transferred automatically to keep from overdrawing your account.</p>
Overdraft or Insufficient/ Non-sufficient Funds (NSF)	<p>When there is not enough money in your account to cover your purchases, withdrawals, debit card use, checks, or other expenditures</p>
Overdraft fee	<p>A fee that a bank or credit union can charge to your account when the institution covers your transaction even though you do not have sufficient funds available in your account to cover the amount of the transaction when it posts.</p>

4. Balancing Your Account

- ▶ Keep a running total of the money in your account in your check register as you record your transactions.
- ▶ Use online banking or your monthly statement to check off transactions that have cleared or posted to your account.
- ▶ Compare your balance on your register with the balance you get from us. We may not show the same balance as your register since your account may still have pending transactions that have not posted.
- ▶ To balance your account, you will need to consider the debits and credits that have not yet posted (pending transactions), as well as transactions you have made that have not reached the financial institution at all. You may also need to consider any holds on your account, including check holds and pre-authorization holds.

Some financial institutions may provide two balances. The current balance (sometimes called ledger balance) does not include any pending transactions. The available balance may include pending transactions. We provide your available balance.

TERMS TO KNOW

Post	The process of clearing transactions on your account.
Debit	Any transaction that decreases your account balance, such as an ATM withdrawal, debit card transaction, check, transfer to another account, or service fee.
Credit	Any transaction that increases your balance, such as a deposit, direct deposit, refund, transfer from another account, etc.
Pending transaction	A transaction that you have made but that hasn't been posted to your account yet. These pending transactions may give the appearance that your account has more money in it than it actually does.
Check Hold	A delay in crediting the money from a check you deposit to your account. A check hold allows the financial institution to make sure the check properly clears the account of the person or company who wrote the check. Examples include checks for large amounts or out-of-state checks.
Pre-Authorization Hold	A specific dollar amount that some merchants (usually hotels, rental car agencies, gas stations and restaurants) charge to your debit card to verify that you have enough money to cover the transaction. This hold amount may be higher or lower than the actual purchase amount and will clear when the actual transaction posts.
Current (or ledger) balance	The balance which reflects all transactions that have cleared (or posted to) your checking account. Your current balance does not include any pending transactions that will affect your balance soon.
Available balance	The balance which is the maximum amount of money you can withdraw or spend from your account today. Your available balance may or may not include any pending transactions you have made. Be sure you have included your pending transactions when you consider making withdrawals or purchases.

Before Making a Purchase

Keep these guidelines in mind when you are planning to make a purchase or write a check.

When does a transaction post?

TRANSACTION	WHEN
ATM Withdrawal	Typically posts within a business day.
Point of Sale Transaction	Debit (PIN) transactions typically post more quickly than transactions you authorize with your signature. Depending on the merchant, debit transactions may post immediately or within a business day.
Teller withdrawal at your institution	Typically posts the evening it is processed.
ACH Debit	Typically posts the day you schedule it to pay.
Electronic Bill Payment	The money is taken out of your account first, then it may take one or two days to get to the person or company you are paying if the payment is done as an ACH or up to five days if a paper check is cut.
Check written to a merchant or individual	Typically posts in one to three days from the time the merchant or individual cashes your check.
Deposit (cash)	Typically posts the evening the transaction was processed.

Remember to record fees.

Be sure to review your account opening documents or go to our website to verify all fees:

- ▶ Monthly service charge and/or minimum balance to waive service charge
- ▶ ATM fees
- ▶ Inquiry fees (over the phone or in person)
- ▶ Overdraft fees

Check Writing Checklist

- ✓ **Do you have enough money in your account to cover the check?**
(Think current vs. available balance.)
- ✓ **Did you write the check in ink?**
(Remember, it's a legal document.)
- ✓ **Did you write the correct date on the check?**
Checks may not be accepted if they are written with a future date.
- ✓ **Did you totally fill in the "pay to the order of" line?**
- ✓ **Did you make sure the numeric and written amounts of the check match?**
- ✓ **Did you sign the check just like you did on your signature card at the financial institution?**
- ✓ **Did you record the check in your check register?**
- ✓ **Did you record any associated fees?**
- ✓ **Did you tell others on the account you have written the check so they don't overdraw the account?**

Things to Know about Overdrafts

An overdraft occurs when there is not enough money in your account to cover a transaction when it posts to your account. Overdrawing your account and having checks or electronic payments returned can be embarrassing and cause a lot of inconvenience. Returned items can lead to additional fees, such as merchant fees (returned check fees) and late fees, or even the loss of checking writing privileges.

Remember...

- ▶ Overdrafts can be caused by any type of transaction (check, debit card purchase, ACH, ATM).
- ▶ If a check or electronic payment is returned, you are responsible for the amount of the transaction, plus any fees associated with the returned item.

How to avoid overdrafts

- ▶ Use the tips provided in this Guide.
- ▶ Consider Overdraft Protection Services.

Overdraft Protection Services

(Check with us for details)

- ▶ Overdraft Transfer (or sweep) — moves money from another account linked to your checking account to cover overdrafts. There may be a fee associated with the transfer.
- ▶ Overdraft Line of Credit — a loan that draws a pre-set amount or only the amount needed to your checking account to cover overdrafts. In addition to interest on the loan, there may also be a transfer fee and/or annual fee for this service.
- ▶ Stillman Overdraft Privilege — an optional service that pays overdrafts and assesses a fee up to a pre-set limit.

Opt-In/Opt-Out

- ▶ While your account may provide Stillman Overdraft Privilege automatically for checks, ACH and recurring debit card transactions, you must request this service by opting-in to have Stillman Overdraft Privilege access at the ATM and for everyday debit card transactions.
- ▶ Contact us to find out how you can opt-in.
- ▶ We will provide you with a written confirmation of your consent to opt-in.
- ▶ You can change your opt-in request or completely opt-out of Stillman Overdraft Privilege at any time by contacting us.

How We Can Help

Putting Money in Your Account

- ▶ Direct Deposit
- ▶ Convenient Lobby Hours and Drive-thru Windows
- ▶ Deposits at ATMs
- ▶ Phone Transfers
- ▶ Online transfers

Taking Money Out of Your Account

- ▶ Stillman Bank has ATMs at 17 convenient locations in Northern Illinois.
- ▶ Logon to our website www.stillmandbank.com and click on locations to find the ATM that is the most convenient for you.
- ▶ Stillman Bank offers our customers a Stillman Check Card. With the card, you can pay for your purchases and get cash 24-hours a day, 7-days a week, anywhere it is accepted.
- ▶ Stillman Bank offers free online banking and bill pay! No more mailing checks and spending money on stamps. We'll take care of it for you and it's free! Just sign up on our website www.stillmandbank.com today.

Tools for Managing Your Account

- ▶ Stillman Bank offers a free online banking.
- ▶ Use online banking to monitor pending transactions, posted transactions, balances and insufficient items.
- ▶ Receive text alerts for daily balances or to be notified when your account balance drops to a certain amount.
- ▶ Phone banking for pending transactions, posted transactions, balances and insufficient items.
- ▶ Savings Transfer: Link another account (such as a savings account) to your checking account in case of an accidental overdraft. A small fee applies.
- ▶ Overdraft Line of Credit: Once approved this line of credit can transfer money to your checking account to cover overdrafts up to a preset limit. An APR (Annual Percentage Rate) of 18% will apply on the amount of credit line you use.
- ▶ Stillman Overdraft Privilege: This service is a feature of your checking account. As long as you're in good standing, we may pay overdrafts, caused by checks or ACH and recurring debit transactions.
- ▶ Opt-In/Opt-out: To extend your overdraft privilege coverage to include ATM and everyday debit card transactions you must "opt-in" or request that we add it to your account. You can change your opt-in request or completely opt-out of Stillman Overdraft Privilege at any time by contacting us.
- ▶ ATMs – for balances.
- ▶ Our business cut-off times: Teller cut-off time is 5:30 PM Monday – Thursday and 6:00 PM on Friday. Stillman online transfers can be performed until 7:00 PM Monday – Friday.

Keeping Track of Your Account

- ▶ Use online banking to keep track of account balances and transfer money from one account to another.
- ▶ Use our online education tool, Checking Navigator, for more help in managing your checking account.
- ▶ Use e-mail notifications, if available, to receive daily account balances or alerts if your balance is too low or insufficient.
- ▶ Take advantage of our e-statements — the safe, secure way to get your monthly statement.

Acknowledgement Form

Stillman Bank is always happy to help you choose the products and services that are best suited for your financial management needs. Now that you have a better understanding of how to manage your checking account, avoiding costly errors and overdrafts should be much easier. And you will also find that you will be able to budget and save more efficiently as well. Please sign the acknowledgment stating that you have reviewed and understand all the information in this guide and have received acceptable answers to any questions you may have.

I acknowledge that I have read all the information in this guide. I understand the information and have received acceptable answers to all my questions.

Account Holder Signature

Date

Glossary of Terms

ACH

The system that connects banks and credit unions to one another and enables electronic transactions, such as automatic payroll deposits, debit card purchases, and online bill payments to be handled and processed across financial institutions.

ACH Auto-debit

Any transaction that you authorize to be paid automatically using your checking account number and your bank's or credit union's routing number, such as a utility or car insurance bill.

Available Balance

The maximum amount of money you can withdraw or spend from your account today. This balance may or may not include any pending transactions you have made. If your bank or credit union does not include pending transactions when calculating your available balance, be sure you have made those calculations yourself when you consider making withdrawals or purchases.

ATM Fee

A fee charged by a bank or credit union for using their ATM to check your balance, withdraw cash or use other services. Most banks and credit unions will charge you a fee if you are not their customer or member. Some banks and credit unions will charge you a fee for using another bank's or credit union's ATM.

Bounced/Returned Check

A check that has been returned to the person or business you wrote it to because there is not enough money in your account to cover the amount of the check. This also applies to payments made through online bill pay.

<p>Check Hold</p>	<p>A delay in crediting the money from a check you deposit to your account. This allows the financial institution to make sure the check properly clears the account of the person or company who wrote the check. Examples include checks for large amounts, from out-of-state banks or credit unions. There may also be check holds on your account when your account is new.</p>
<p>Credit</p>	<p>Any transaction that increases your balance, such as a deposit, direct deposit, refunds, transfers from other accounts, etc.</p>
<p>Current (or Ledger) Balance</p>	<p>The balance which reflects all transactions that have cleared (or posted to) your checking account, but does not include any pending transactions that will affect your balance soon.</p>
<p>Debit</p>	<p>Any transaction that decreases your account balance, such as an ATM withdrawal, debit card transaction, check, transfer to another account, or service fee.</p>
<p>Debit Card</p>	<p>A card, typically carrying a brand or logo such as Visa or MasterCard on the front, that is issued to you by your bank or credit union. Your debit card can be used to make purchases at merchants and also to withdraw cash, check your balance and make transfers at ATMs. The amount of a debit card transaction is deducted directly from your checking account (not to be confused with a credit card).</p>
<p>Deposit</p>	<p>Money you or someone else (like your employer) puts in your account.</p>

Debit Card Transaction

Any transaction that you authorize using your debit card number. Examples include:

- Recurring: a regularly scheduled payment (such as a utility bill).
- Everyday: a one-time debit transaction (such as using your card at a grocery store or restaurant).

Direct Deposit

Having money, such as paychecks and Social Security checks, automatically and electronically put into your account. With direct deposit, you don't physically deposit a check into your account, which saves time and ensures the deposit is made on time.

Insufficient/Non-Sufficient Funds

When there is not enough money in your account to cover your purchases, withdrawals, debit card use, checks, or other debits.

Online Bill Payment

A method of conveniently paying your bills using your bank's or credit union's website and online banking service.

Overdraft Fee

A fee that your bank or credit union can charge to your account any time you do not have sufficient funds available in your account to cover the amount of the transaction when it posts.

Pending (or pre-authorized)
Transaction

A transaction that hasn't been posted to your account yet. Pending transactions may give the appearance that an account has more or less money in it than it actually does.

Point of Sale (POS)

Any transaction made at a merchant with your debit card. There are two types of POS transactions:

1. A Debit Transaction is a PIN-based transaction, which means you enter your PIN number on a keypad at the time of purchase. When you choose debit, the money you spend comes out of your account faster.
2. A Credit Transaction is a signature-based transaction, which means you sign your name at the time of purchase. When you choose credit, the money you spend may take a little longer to come out of your account.

Posting

The process of clearing transactions on your account.

Posting Cut-off Times

The time when the financial institution's processing day ends. Transactions made after the posting cutoff time will be processed with the next day's transactions.

Pre-Authorization Hold

A specific dollar amount that a merchant charges to your debit card to verify that you have enough money to cover the transaction.

Transfer

Moving money from one account to another account. Many transfers can be automatic between accounts at your financial institution.