

BANKING IN ST. LOUIS

Local St. Louis banks provide many kinds of financial services, such as savings and checking accounts, foreign currency conversion, bank drafts, money orders, bank credit cards, loans, interbank transfers, travelers checks and safe deposit boxes for valuables. Furthermore, some banks may accept your payment of utility bills.

BANK ACCOUNT OPTIONS

1. Savings Account

It is wise to open a savings account where money you don't need to use can immediately earn interest. Also, it protects your money against any potential loss due to fire or burglary since savings accounts are protected by a federal insurance agency.

It is a good idea to compare banks and savings and loan associations as their rates and services differ. The interest rate depends on the time period and type of savings options you choose.

When you open a savings account, you are given a pass book which is a record of the deposits, withdrawals, and interest earned on your account. Transactions may often be carried out by mail upon presentation of appropriate forms, signatures and the pass book.

2. Checking Account

Money can be deposited into a checking account for convenience and safekeeping. Once you open an account (by filling out an application form and depositing a sum of money) you will be given numbered checks imprinted with your name, address, and account number so that you may write checks against the balance in your account.

Many banks have unlimited checking privileges; but others have a service charge ranging from \$2 to \$8 per month if your minimum balance drops below a certain limit (this differs according to the bank). In other cases, you may choose to pay a small amount (15 cents or 25 cents) for each check you write. If you do not write a lot of checks, this last option may be to your advantage, so check around and compare before choosing your bank.

3. Interest-bearing Checking Account

Some banks offer checking accounts that earn interest. Minimum balance requirements can range anywhere from \$100 to \$2500. They usually earn around 3% interest; however, interest rates vary along with the corresponding penalties for falling below the minimum balance requirement. Such penalties may include a monthly fee and/or cancellation of the monthly interest earned. So this type of account is not suited for the small saver (\$750 and under).

4. Money Market Account and Certificate of Deposit (CD)

These banking options are more suited for clients with large savings:

Money market accounts, for instance, usually require a minimum balance of \$1000. Although it yields high interest rates compounded monthly (usually around 3-4%), the rates will fluctuate and checking is limited. Consult local banks for the specific penalties and limitations of their money market accounts.

Certificate of Deposits (CDs) are also high-interest bearing accounts with the stipulation that the money deposited is not available to the client for the duration of the time deposited. Although some CDs will give you limited access to your money, on the whole, the money must remain untouched for 6 months, 1 year, 2 years, depending on the CD's duration. These accounts yield high interest rates (usually above 3.5%) that do not fluctuate and increase according to the time period of the CD. However, they require a high minimum balance (i.e., above \$2,500) and the penalties are quite severe for cancellation of a CD, usually resulting in the loss of all interest earned. Plan carefully before you open a CD.

TRAVELER'S CHECKS

Local checks may not be honored in a different state. For this reason, you may want to carry traveler's checks when you travel. They may be cashed at banks, hotels and most stores throughout the world, and can be purchased at any bank (at a charge of 1%). If they are lost or stolen, report this loss to the company immediately. They can replace the checks and free you from being charged for the missing ones. Remember to carry a record of the numbers of the checks separately from the checks themselves.

RECEIVING MONEY FROM YOUR HOME COUNTRY

Instead of having your family send you a check from your home country, it is possible to arrange for a bank abroad to transfer funds directly to your bank here. For more detailed information, check with your local bank regarding their international banking facilities. Remember all money transfers take time, so it is best to prepare for the transfer well in advance of the time you need the funds.

TRANSFERRING MONEY FROM THE U.S. TO A FOREIGN COUNTRY

There are two ways to send money abroad:

- a. Send an international money order or foreign draft directly to an individual;
- b. Have your bank send the funds to the individual bank, via airmail or cable.

Remember that items that rely on mail delivery are subject to theft, loss or delays. They should be sent by "registered" or "certified" mail as an extra precaution. These systems are not foolproof, but in most cases they provide adequate security. You should not send a cashier's check or personal check outside the U.S.

NOTE: Many bank branches will exchange foreign currencies (usually only paper, not coins) for American dollars during normal operating hours. Some of these locations are indicated on the last page, though they may only do this for those who have an account.

GLOSSARY OF BANKING TERMS

Balance: the amount of money remaining in an account after all deposits, withdrawals, credits, and debits (deductions) have been made.

Certificate of Deposit: an alternative to a traditional savings account. By depositing a fixed amount (\$500 and over, depending on the bank's policy), for a minimum of ninety days, you may earn interest higher than the usual 5.25% (usually 5.75%). However, if you withdraw your money before the certificate matures (at the end of the ninety day period), you lose all interest gained.

Deposit: the amount of money added to an account, in the form of a check, money order, cash, etc. You usually must fill out a deposit slip when you make a deposit.

Minimum Balance: the smallest sum allowed in an account. If the sum drops below this amount, a service charge is applied.

Service Charge: any fee charged for banking "services" for example:

1. Maintenance fees on savings, checking, and NOW accounts: if the amount of money in an account drops below the "minimum balance" at any time during the month, a service charge is applied.
2. Overdrafts: you will be charged a fee when you write a check for more money than you have in your account ("bouncing" a check). The bank charges you for "insufficient funds." Most banks offer overdraft protection; in some cases you may open a credit card account with your bank to back up your checking account.
3. Return checks: if you deposit a "bad" check in your account (i.e. when someone else's check bounces--insufficient funds in his/her account) The bank will return the check to the issuer.
4. Stop Payment: if for any reason you should decide to cancel payment on a check which you have already written, you must call the bank and request a "stop payment" on this check; the service charge assessed is usually from \$7 to \$10.
5. Fees for Information on your Account: some banks have a small charge for giving the account owner information regarding his/her current balance, canceled checks, etc.

Withdrawal: this term is used when you take money out of your account, whether to receive cash or to transfer funds to another type of account (i.e. savings to checking). You must fill out a withdrawal slip to complete this transaction.

LOCAL BANKS AND SAVINGS INSTITUTIONS

BANK OF AMERICA

Mallinckrodt Center at Washington University
Upper Level
(314) 466-0525

* currency exchange available

BANK OF AMERICA

- 4625 Lindell Boulevard 63108
(314) 284-0525
- 7800 Forsyth Boulevard 63105
(314) 466-0460

CITIZENS NATIONAL BANK

7305 Manchester Road 63143
(314) 645-0666

COMMERCE BANK

- 6630 Delmar Boulevard 63130
(314) 726-2255
- 7901 Clayton Road 63117
(314) 746-8860
- 6383 Clayton Road 63117
(314) 746-7421
- 8000 Forsyth Boulevard 63105
(314) 726-2255
* currency exchange available

FIRST NATIONAL BANK OF ST. LOUIS

7707 Forsyth Boulevard 63105
(314) 862-8300

HEARTLAND BANK

- 212 South Central Avenue 63105
(314) 512-8888
- 7818 Bonhomme 63141
(314) 512-8830

LINDELL BANK

6900 Clayton Avenue 63139
(314) 645-7700

PULASKI BANK

6510 Clayton Road 63117
(314) 644-0986

- 415 DeBaliviere Avenue 63112
(314) 367-8800

- 10 Maryland Plaza 63108
(314) 367-8333

SOUTHWEST BANK

2301 South Kingshighway 63110
(314) 776-5200

UMB BANK

- 212 South Central Avenue 63105
(314) 889-4150
- 9 Brentwood Promenade Ct. 63144
(314) 919-1150

US BANK

- 721 Locust Street 63101
(8th and Locust)
(314) 418-2803
* currency exchange available
- 1400 South Big Bend Blvd. 63117
(314) 644-3234
- 4301 Lindell Boulevard 63108
(314) 531-4495
- 6600 Clayton Road 63117
(inside Schnuck's)
(314) 505-8110