

Using a debit card in a store, you may have the option of choosing "credit" and providing a signature. This is a smart choice if your account limits the number of free debit transactions monthly. Otherwise, choose "debit" and enter your PIN (personal identification number).

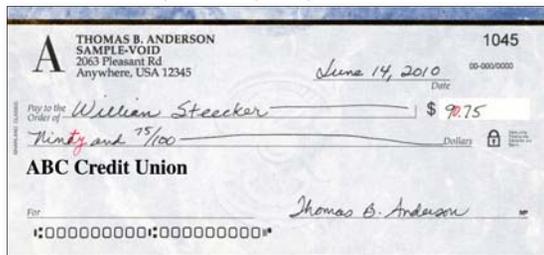
Checks are still widely accepted. Follow these suggestions to protect your checks from forgery and to reduce the possibility that honest errors will result in mistakes in your account.

- **Before you write the check, deposit funds to cover it.** The Check Clearing for the 21st Century Act cut the time it takes a check to clear from days to hours.
- **Use permanent ink.** Check ink written in blue ink or pencil can be altered.
- **Use permanent presignatures.** Any signature made on a check before it is cashed or deposited into an account.
- **Use the correct date.** A postdated check can be deposited and cashed before the date.
- **Make checks payable to a name, not "cash."** Otherwise, anyone can cash that check.
- **Draw a line after the name of the party who's supposed to get the money.** This prevents a thief from becoming an alternate payee by adding the word "or" and an alias.
- **Print numbers as close to the preprinted dollar sign as possible.** This makes it hard to increase the amount by inserting a digit, for example,

changing \$ 25 to \$125. Note, if the amount spelled out and in numerals disagree, the amounts spelled out rules.

- **Develop a form of your name to use only when you sign checks and other documents.** For example, if you're known as "Ed Miller," reserve "Edward Miller" for share drafts. With this special signature on file and on your driver's license or similar identification, anyone who presents your draft for payment with any other form of your name will be suspect.
- **If you make a mistake, write a correction in initial it.** If it gets messy, rip up the check, and start over. Don't use "void" in your register to indicate a voided check.

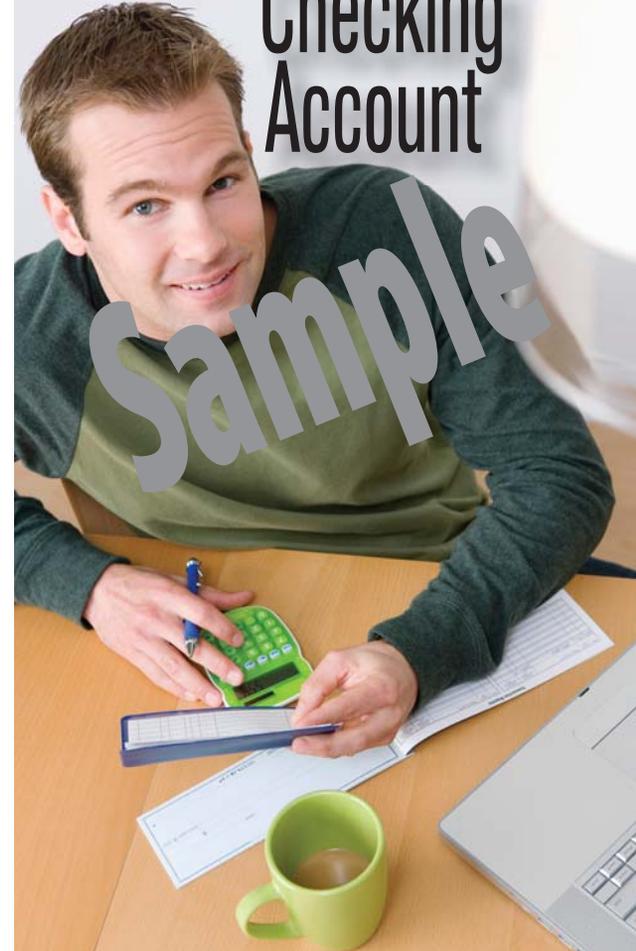
The staff at your credit union can answer your questions and help you develop good share draft habits. Just ask.



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How to Manage Your Checking Account



Debit card, online access, ATM, automatic transfer, electronic bill payment—with so many ways to access your checking (share draft) account, it's a challenge keeping track.



KEEP A POSITIVE BALANCE

To avoid overdrawing your account, keep these points in mind:

1. A transaction can clear at any time. The check to Uncle Harry for the game ticket may sit in his wallet three days or three months. So don't rely solely on your balance from online banking. The automatic teller machine deposit, or from a phone call to the credit union.

You are responsible for the balance in your account. The way to be sure you have enough in your account is to track every transaction. Find a method that works for you:

- Use a smartphone to note each transaction. For a smartphone, download a checkbook app.
- Collect receipts, and keep a running tally of your balance.
- Enter transactions in software (such as Quicken) or an online service (such as *Mint.com*).
- Maintain a checkbook register, and predate lines each month for automatic transfers and deposits.

3. There are ways to protect your account. Smart habits and a little planning can help. Ask at the credit union about overdraft protection to cover a transaction in the event you don't have the funds in your account.

Read on for safe ways to move money in and out of your account.

DEPOSIT CHECKS AND ADD FUNDS

Make **direct deposit** your first choice for convenience and fast access. You can also move money into your checking account with a transfer from a savings account.

For cash and check deposits, you can visit a branch or use an ATM.

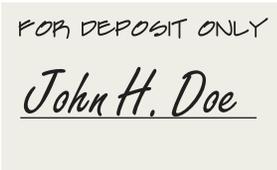
You must **endorse**—sign—a check before you can deposit it. If there's an error in your name on the face of the check, first endorse the check by signing just showing the error. Then sign your name correctly just below.

Often, you'll use a "blank endorsement" by simply signing your name on the back of the check. The problem with a blank endorsement is that anyone holding a loan endorsement can cash it.

Your check is **void** if you specify that a check is "for deposit only" above your signature; this is called a restrictive endorsement.

If you're giving the check to someone else, use the special endorsement "pay to the order of" and the name of the person to whom you're signing over the check. Then sign your name.

When you deposit a check, you may not have access to the funds right away. The Expedited Funds Availability Act determines how long an institution may "hold" a check before crediting your account. Your credit union will inform you of its funds availability policy. Holds vary based on where you deposit your check (with a teller, by mail, or at an ATM), and where the check is from (the government or a local party, for example).



WRITE CHECKS AND WITHDRAW FUNDS

Debit card, ATM, Electronic Funds Transfer (EFT), and online billpay are common methods to access funds in your account. >>>

RECONCILE YOUR ACCOUNT

Whether you keep a paper checkbook register, an electronic register (using software such as Excel or Quicken), or an envelope of receipts and notes, record your records at least monthly with the credit union's records.

Update your balance each month by secondary sources such as your bank's monthly dividends shown on the online statement.

Your updated register balance: _____

Current online balance or end balance from the statement: _____

Add recent deposits + _____

Subtract the total of not-yet-cleared checks, debit card transactions, and ATM withdrawals - _____

New balance: _____

Your account reconciles when your updated register balance (top line) matches your new balance (bottom line).

