make deposit to the Banking Customer banking system make withdrawal These customers essentially make withdrawals/deposits from from the banking the banking system. This is done system through ATM cards, paper deposits / « extènds » or use of their credit cards. extension point: \extends» «extends» uses ATM card «extends» extension point: use their credit card credit any account (except transfer monies from a checking for both accounts, the bank offers services and penalties. saving CDs. to a saving account The services consist of the following; a). Stop Payment. In the context of a stop payment, the account owner calls the bank and gives them a check number. debit checking and saving The bank will not pay the check with the stop payment number accounts (i.e. providing cash to There is a \$15.00 charge for this service. transfer monies from a saving the customer). account to a checking account extension point: in person Checking accounts. Banking Tellers "Gold/Diamond" account. There are two types of checking accounts. This type account maintains a minimum balance of \$1000.0. The "That's My Bank" account. There is no charge for transactions against this account if the minimum balance is maintained. access recent debits (checks honored by the In this account, the customer's are charged 0.50 per transaction. The account also earns interest on the average balance in the account. account, payments made to credit cards, A transaction is considered both a deposit and a withdrawal. The rate is flexible in that it changes on a daily basis and is 0.5*(the rate on the savings account). Monthly transfers (for home mortgages, payment of bills, or movement of money to other accounts) can be made from the TMB account. etc), account status (current or behind). access account balances These cost 0.75 per transaction. There is no minimum balance to be maintained for this account Overdrafts. The bank frowns on overdrafts. In case of an overdraft, the bank returns the check unpaid and charges the account with a \$20 overdraft fee. The bank offers a protection for overdrafts. Customers having Savings accounts can use them as backup to the checking accounts. In this case, an overdraft will not occur if there is enough money in the savings account to cover Savings accounts.

the check. The banking system will remove the correct amount of money from the savings account deposit it in the checking account and then honor the check. This is done at no cost to the

sustomer. The customer must however specify the "overdraft"

|backup account.

These are simple savings accounts. Customers can add or withdraw money from them at any time. The accounts earn a fixed interest rate that is compounded daily.

> The bank also has CDs. These have a fixed rate of return for a specified period of time.

The bank has a penalty for withdrawal before the time is complete and after customer notification, the CDs automatically roll over.

3. Loans. The bank maintains three different kinds of loan accounts:

a. The long term Mortgage loan. This loan is of either the 15/30-year type. These loans are fixed rate, fixed payment plan. The bank receives these loans on a monthly basis. If loan payment is late (beyond a given due date) the bank adds a \$75 dollar late fee to that month's payment. Extra payments maybe made on loans at anytime, however no amount maybe added to the loan. If a payment is missed, the account is flagged as a problem account.

b. The short term loan. This is a loan of approx. 5 years for things like cars. The short-term loan has the same characteristics as the long-term loan.

c. Credit Cards. The bank has a credit card system it supports. In this type of loan, debits against the loan are made with each credit card purchase. For each CC account there is a limit on the credit available for that account. So each purchase is checked to determine if it will bring the account balance over the limit. If not the purchase (and the debit on the account) are authorized. A record of each purchase is maintained. CC bills are sent on the first of each month, payable by the 10'Th. Each bill consists of a finance charge and a total of the charges incurred that month. The account holder can pay the entire account off each month in which case there will be no finance charge. Payments can be credited to the bill at anytime throughout the month. The finance charge is calculated on the average balance of the bill through out the month.

ATM Cards. Holders of accounts in the bank may have ATM cards for withdrawal. ATM cards apply only to checking accounts and to simple savings accounts. Holders are not allowed to withdraw more that the account is worth. Further they are Illowed to make no more than two ATM withdrawals per day.

credit or debit any account

Bank Management

Each month they initiate the process

that sends the bills out

to the credit card and

mortgage accounts.

access to all

information on all

manage the loan

accounts.

accounts.

set the interest rates paid monthly on

checking and savings

initiate the process

that sends out the roll

over notices for CDs