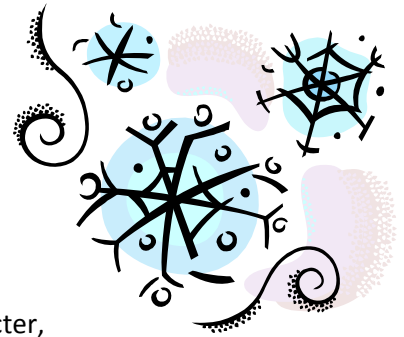


Citizens State Bank

Winter 2011 Newsletter



Are you Creditworthy?

Creditworthiness can be described as the evaluation of the four C's of credit: character, capacity, collateral and credit which help banks determine how likely and able you are to repay a loan.

Character shows that you are responsible through regular payment of utility bills and rent, steady employment, etc. **Capacity** is your ability to pay back the loan – is your regular income enough? The bank will also check your established **credit**, if you have any, to see if you repay what you borrow currently. Some loans require **collateral**, or backing up your loan with something you own. In the case of purchasing a home or car, the home or car would be collateral – something the bank can take away if you are unable to repay the loan.

Here are some tips for improving your four C's of credit:

- **Open a checking account and a savings account.** Applications for most forms of credit will ask for both types of accounts. Demonstrating that you can save money and manage a checking account can improve your standing as a loan candidate.
- **Open an account in your name only.** It is important to establish and maintain your individual credit history – one separate from relatives, friends and even your spouse.
- **Use retail store and gasoline credit cards, and pay them off on time.** Cards for local department stores and gas stations are easy to obtain, but be careful not to over-extend yourself.
- **Use debit cards (also known as check cards), but use them wisely.** Always write down the date and amount of your purchase in your checkbook right away because a debit card deducts the amount from your account almost immediately. There is no grace period, and you can bounce checks written on that account if you don't account for all your purchases.
- **Show stability.** Most potential creditors like to see that you have been in your residence for at least a year and that you have a consistent source of income.
- **Apply for a secured major credit card.** Your bank may be willing to give you a credit card if it is secured by a savings account. Your credit limit may be defined by how much you have in that account, and that account cannot be used for withdrawals.
- **Apply for a standard, unsecured bank credit card or a small loan if needed.** If you have used credit responsibly and have established a positive credit history, you improve the likelihood that a lender will extend credit to you in the future.



We need your help!

To make check processing/imaging easier and to ensure you get proper credit, try not to fold or crumple your checks in your pocket or billfold.

Thank you!

Resolve to Get Your Annual Credit Report Today!

If you aren't already doing so, make it a resolution for 2011 to begin getting your annual credit reports from the three major credit bureaus. If you are like an estimated 14 million other Americans, there may be damaging information on your credit history that you aren't even aware of.



A lot of credit score damage is caused by small collection accounts. Two groups that are quick to turn small unpaid bills over to collection agencies are medical service providers and cell phone providers.

Because the amounts of these bills are so small, the collection companies don't put much effort into them. As a result they can linger in your credit history for years before you know about them. You only find out later when you apply for a loan or some other activity that involves someone pulling your credit report.

Spotting and dealing with small unknown collections if for no other reason, provides value in getting those annual credit reports. Or, it gives the confidence that there is nothing bad on your report. Getting your credit report also helps to spot potential identity theft where someone has used your personal information to establish credit.

The one and only website where you can obtain your annual report at no cost is: www.annualcreditreport.com. This link is located on our website at www.csbpoky.com under the Links tab. There are many websites that talk about "free" credit reports but they are anything but free!

We suggest spacing the three credit bureau reports several months apart. The three bureaus are Equifax, Experian and Transunion. The information on their reports is usually much the same. This allows you to get your report three times during the year.

Getting your report online is by far the fastest and easiest way you can get your report instantly! You can also request your report by phone at 1-877-322-8228. Requesting it by mail is also an option but you will need to complete a form on the website and provide other identifying information. These reports usually take about three weeks.

9th Annual Pocahontas Ag Day Wednesday, February 23^d Rialto Theater - Pocahontas

1:00 p.m. – 3:00 p.m.

Mark Pearson

WHO Radio Host of "The Big Show"

Market to Market Host

Doug Cooper

WHO Radio Host of "The Big Show"



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