

Financial Literacy Guide

Your guide to easy banking.



S&TBank

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CHAPTER 1

Financial Literacy with S&T Bank

Making people our purpose. It's what we've done for over 120 years in the financial services industry and what continues to drive us today. At S&T, we believe that all banking should be personal. That's why we cultivate relationships firmly rooted in trust and strengthened by our team members who go above and beyond in every daily interaction. Providing financial literacy is another key component that helps us continue building our future together through People-forward™ banking.

Managing your finances doesn't have to be confusing. With the latest and best-in-class innovations in customer service, products and technology, we're always here to help you achieve your financial goals. In this guide, you'll find helpful financial tips and information to help you succeed. We understand that you want a relationship bank, a team of experts who will put you first. That's your S&T Bank.

So, What Exactly is Financial Freedom?

While this phrase may mean different things to different people, for our purposes, we're defining "financial freedom" as the feeling of personal financial stability. It's being ready to confidently face that next step in life, whether buying a home, financing an education or even planning for retirement. It's having the knowledge and ability to finance your business, pay off your debts or build and protect your wealth.

What Can You Expect to Discover in This Guide?

KEY TAKEAWAYS:

- Personal finance tips
- Budgeting guidance
- Debt lowering information
- Planning tips for life's big events
- Savings starters

Personal Finance Basics

When evaluating your financial situation, it's best to start with the basics. Go from what you know and move on from there. Ask questions and do some research on what you still need to understand. Start small and build on that knowledge to have a better foundation for building your financial future. Your friends at S&T Bank can guide you. From opening your first checking account to evaluating your savings status, we're here for you every step of the way.

Here are some things to consider before you begin reading this guide:



QUESTIONS TO CONSIDER:

- Do you have a checking account? (20% of Gen Zers do not)
- Do you know where your paycheck goes?
- Do you currently use an app or budgeting tool to track your finances?
- Do you know your credit score?
- Are you contributing to a retirement account? (401K, IRA or other)
- Do you have a general idea of how to obtain a mortgage?
- Are you aware of the ways that interest rates can affect your personal finances?

Start With a Checking Account

A checking account you can trust is a key part of building a healthy financial future. At S&T, we have checking accounts designed with you in mind. Visit <https://www.stbank.com/personal/bank/checking> to find one that fits your needs and lifestyle.

It's Never Too Late to Start Saving

Nothing can help you get closer to financial freedom than a solid savings strategy. Visit <https://www.stbank.com/personal/bank/savings> to learn about personalized savings options with S&T Bank. We strive to be your trusted financial partner that can help you reach your savings goals. Our options range from savings accounts for children, just starting to learn about financial literacy, to individuals preparing for retirement. You'll find more information regarding types of savings accounts as you progress through our guide.

Mortgages 101

When considering applying for a mortgage, you can make the process less confusing by visiting <https://www.stbank.com/personal/borrow/mortgage/>. There, you can learn more about home loan options and even calculate what your monthly mortgage payment might be. We give you the tools and knowledge to make your dream of homeownership a reality. Enter the mortgage process better prepared with S&T.

Credit Score Basics

Maybe you've never had to think much about your credit score. But if you're starting to plan for large purchases such as a car or home, it's time to review where you stand. Learn about how your credit score can affect your finances at <https://www.stbank.com/learn/credit-score-basics/>. Good credit counts for a lot at any life stage and affects how much you'll pay long-term on your loans. Our resources can help you make sense of the numbers, build credit and improve your score.

Budgeting

Creating a Budget and Sticking to It

One of the best ways to control your finances on your way to financial freedom is to start with a budget. Even a basic plan will help you track your money and stay on track. Learn how to balance your checking account, payoff debt faster, review your credit score and more at <https://www.stbank.com/personal/plan/money-management>.

Life gets hectic, and a budget can help you easily manage your money. An effective plan involves all aspects of your finances. It will help you stay on top of monthly payments and save for college or that next big purchase. No one is an expert from the start, but starting with a plan can ease financial stress and anxiety.

Budgeting Tools Help You Achieve More

An account balance worksheet can help you track outstanding and cashed checks, deposits, ATM withdrawals and debit card transactions in one place. Mobile and online banking can also help you track your spending, savings and account balances in real time from home or on the go.

Budgeting 101

Here are some ways you can start building your personal budget plan:

Track wasteful spending. Why stop for coffee every day when you can make it at home? Can you reduce frequency of trips to the store to reduce spontaneous purchases? Try tracking and reducing unnecessary costs each week and watch your budget grow.

Make sure you have defined goals. What are your short, medium and long term goals? Sticking with a strategy is easier when you know what you're working toward.

Be smart and intentional with your money. This means working hard for your income and examining where you spend and where you could save more.

Break up with bad spending habits. Resist the urge to go over budget and bust your spending limits with impulse buying.

Ask for help. Don't go it alone. Seek the help, expertise and guidance of trusted individuals like your friends at S&T Bank.

Use tools to help you. S&T's Spending Insights allows you to view your money behavior and understand its impact on your financial well-being. Read more about Spending Insights [here](#).



Income, Interest and Your Budget

When you're building a budget, it's also important to understand the outside financial factors that come into play, like your income and interest rates.

UNDERSTANDING YOUR INCOME

To budget successfully, you have to start by looking at your income and assess how much money you have coming in each month. Did you know there is a difference in how your income is measured? Gross income is your total pay each pay period; net income is what you end up with after taxes and other deductions, such as a 401(k) contribution. You'll want to use your net income as a baseline to build your budget.

INTEREST RATES AND YOUR BUDGET

Another factor to consider when creating your budget is how interest rates will affect your savings and your bills. Interest rates can positively or negatively affect the U.S. financial market, and it's important to understand how they can affect you personally.

The ups and downs of interest rates can make it hard to know where your money stands. When rates rise, it can help you build your savings, but it can also increase monthly payment amounts if you happen to have an adjustable-rate mortgage, credit card or other variable-rate loans. Rising rates also make it more expensive to borrow money.

STAY REALISTIC AND STAY THE COURSE

Avoid overestimating or underestimating your budget. Be realistic on what you want or need to spend based on your priorities. Set parameters and goals to be consistent and give yourself credit when you make accomplishments. Remember also that your budget may have to be changed and adjusted with life events such as taking a new job or moving. A budget can make you feel like you have control over your financial future and help you work towards the ultimate

goal of achieving financial freedom. Visit <https://www.stbank.com/personal/plan/money-management> to get started today!

WE'RE HERE TO HELP

Wherever you currently stand with your finances, it is important to know your monthly income, create a realistic budget, track your spending, build a plan and do your best to stick to it. It's hard to reach goals when you have no idea where your money is disappearing to each month or when you have more money going out than coming in. Your friends at S&T are here to guide you through the process of money management with expert tips and advice.

CHAPTER 4

Credit Scores

What is Credit and How Does it Work?

Credit is given to a borrower from a lender in the form of a sum of money or a line of credit to obtain something of value. The borrower will pay back the loan to the lender over time. Examples of using credit include buying a home with a mortgage loan or paying for a physical item from a retailer with a credit card.

What is a Credit Score and Why is it Important?

A credit score is a prediction of your credit behavior, such as how likely you are to pay a loan back on time, based on information from your credit reports.

Companies use credit scores to make decisions on whether to offer you a mortgage, credit card, auto loan and other credit products, as well as for tenant

screening and insurance. They are also used to determine the interest rate and credit limit you receive.

If you make regular, on-time payments to your creditors, you help establish a good credit rating. A history of on-time payments will increase the likelihood that you will be able to obtain further credit down the road and receive more favorable rates on the money you borrow.

Your credit history lives in reports compiled by the three credit bureaus: Equifax, Experian and TransUnion. Lenders review the information contained in your reports to assess your creditworthiness. A credit score is a three-digit number (example: 720). Credit scores range from 300 (low) to 850 (high). These scores also fluctuate over time based on your financial activity and behavior.

How Credit Affects Your Life

Good credit can help ensure that you can afford to buy the car you need and that you can afford the monthly payments. It can also influence how much you pay for insurance, the interest rate you qualify for on a loan and much more.

Ultimately, the rate you receive on a loan determines your full repayment amount. For more information, review S&T's credit score basics at <https://www.stbank.com/learn/credit-score-basics/>.

How Can I Improve My Credit Score?

Monitor your credit. Check your credit reports at least annually – but ideally each quarter. Address any incorrect or suspicious information promptly.

Pay your bills on schedule. The best way to maintain, improve and build credit is to pay bills on time and in full. You can schedule and track payments for recurring due dates.

Lower debt. If you have a lot of debt or many kinds of debt, explore management strategies, like prioritizing paying off small or high-interest loans.

Tips on Using Credit Cards the Right Way

Build your savings. Your savings should grow at a pace that matches or even surpasses inflation. If this doesn't happen, you might find yourself turning to credit cards more often than you'd like.

Pay off your card balance each month. Consider paying off balances in full every month to avoid paying interest on the original price of goods or services.

Establish healthy spending habits. Any time your financial standing changes, you must adjust your budget and prevent impulsive credit card use. For instance, as daily essentials like electricity or water costs increase, your discretionary or "fun" spending may have to decrease. If you use the 60-20-20 rule—where 60% of your income goes to living expenses, 20% to savings and 20% to fun—you might adjust your living expenses to 70% and your fun expenses to 10%.



Don't rely on your credit limit. Avoid relying on your high credit limit to help you afford basic living expenses. Credit cards are one of the most expensive ways to borrow money due to interest rates. Carrying too much high-interest debt could leave you unable to pay it off and cost you thousands. Credit should serve as a backup, not your primary financial strategy.

Prevent late payments. Late fees on credit cards can quickly become a significant financial burden. If you anticipate missing a payment deadline, it's crucial to contact your credit card issuer immediately. Repeated delinquent payments can negatively affect your credit score.

Beware of cash advances. Although a credit card cash advance can seem convenient, it's one of the priciest options for obtaining cash. The moment you take out a cash advance, interest starts accruing, often at even higher rates than your card's standard interest rate. Additionally, fees for this service can be high.

Avoid large high-interest balances. Carrying a significant balance on a high-interest credit card can greatly increase the cost of your purchases as interest quickly accrues. Compounding interest results in mounting debt and financial strain.

Paying Off Debt

If you find yourself needing to eliminate excessive debt, it may be time to get back to the budgeting basics. Updating your budget can clarify where your money is going and what funds may be available to help pay down your debts. Prioritize your essentials, such as utilities and transportation, and work from there.

Next, figure out what kind of debt to focus on paying down first. Keep up with all payments but pay more against high-interest loans to see more progress. You can even try to lower the interest rate on your credit cards. Balance transfers can let you move your balance from one card to another that charges lower interest.

If you find yourself facing a financial emergency such as a job loss, speak to your creditors to see if they offer a hardship repayment plan.

Some creditors (such as those servicing student loans) may offer an income-driven repayment plan that can make your payments more manageable for where you are. Don't be afraid to seek financial advice or credit counseling. There are non-profit agencies that specialize in these services. You may be able to combine debt into one payment with a debt consolidation loan that has a lower interest rate.

Evaluate your personal standing between income and debt by visiting <https://www.stbank.com/learn/calculators/debt-to-income-calculator>.

CHAPTER 5

Planning for Life's Big Events

Planning for life's big moments can feel overwhelming, but with the right financial know-how, it doesn't have to be. In this section, we'll break down important tips for preparing for those important financial decisions like buying a car, owning a home or starting a family. Together, we'll navigate these milestones and make sure your financial future is on solid ground.

Paying for College

If financing a child's college tuition is on the horizon, there are many options to consider. From 529 plans to traditional savings accounts to student loans, we'll cover what you need to know to plan for college confidently.

TYPES OF COLLEGE PLANS

What is a 529 plan, and how does it work?

A 529 plan is a tax-advantaged savings account that encourages early savings for future education expenses. You don't have to be a parent to open one, either. Anyone is eligible to open a 529 account if a living beneficiary is designated. However, 529s are most frequently used by parents and grandparents who designate their children and/or grandchildren (growing into young adulthood) as the beneficiaries. The funds from a 529 plan account can be used only for qualified education expenses.

There are two categories of 529 plans:

Education Savings Plans: With this type of account, your money is invested in money market funds, mutual funds or exchange-traded funds (ETFs).

This plan can be used at most colleges or universities in the United States and sometimes non-U.S. institutions that qualify as part of the federal student aid program.

The majority of plans have an age-based investment allocation option that automatically rebalances the portfolio over time.

Funds can be used not only for tuition and fees but also for room and board, books and other qualified expenses. It's not only for higher education. You can also use the funds at public, private or religious schools for grades K-12.

Prepaid Tuition Plans: With a prepaid tuition plan, you can pay tuition costs now for future usage, even if the price increases. Paying ahead now can hedge against inflation and increasing higher education costs. Prepaid tuition plans are only usable at participating state colleges, higher education systems and universities. Additionally, these plans can only be used for tuition, not books, room and board, etc.

Most of these plans require the student beneficiary or the plan owner to reside in the state offering the account. These accounts are funded with after-tax money, meaning contributions may qualify as a tax deduction. And when the money is withdrawn, it is not taxed if used to pay tuition or student loans with up to a \$10,000 balance.

No matter who the funds are designated for, the sooner you can begin saving, the better. To learn more about ways to pay for college, visit <https://www.stbank.com/learn/options-for-paying-for-college/>.

HOW MUCH DO I NEED TO SAVE FOR COLLEGE?

Answering the question above will require much knowledge and planning. You'll have to know things such as how many years before you or your child ventures to school, what today's tuition costs are and an estimate of how much the cost could increase.

There are other things to consider, such as how many years of college the desired degree will require. You need to think about what you can afford to save each month (on top of living expenses and any other savings accounts) and the rate of return you can expect. To estimate your needed savings, visit our [college calculator](#).

If you do not have significant savings to pay for a college education, student loans from S&T Bank in partnership with Sallie Mae® can help you get the money you need. Flexible loan options exist for undergraduate, career training or graduate students.

You should also consider scholarships to assist in financing education. S&T Bank's Scholarship Search Tool, powered by Sallie Mae®, gives you free access to 3.5 million scholarship opportunities. To explore these options, visit <https://www.stbank.com/student-loans/>.

Buying or Leasing a Car

In the market for a new set of wheels? Need help understanding your finance options? We've got you covered. Here's some financial information to help inform your decisions before you hit the road:

DIFFERENT WAYS TO FINANCE A VEHICLE

If you're not able or willing to pay for a vehicle with cash (and do not want to lease), you will have to secure a loan through a financial institution or the dealership. This process is also known as direct financing, meaning you get a loan directly from a bank, credit union or online lender.

On the other hand, financing through a dealership means you work with the dealer, who will arrange the funding with a lender on your behalf. Explore your options to make sure you are getting the best deal. You can also use our [auto calculators](#) to evaluate your options.

PURCHASE OR LEASE?

There are pros and cons associated with leasing vs. buying a vehicle. Consider the options and make the best decision for your financial future:



BUYING A CAR PROS AND CONS

Pros:

- Payments that build equity
- Can make custom modifications to the vehicle
- No mileage limit
- Keep the car as long as you want and choose to sell or trade-in down the road

Cons:

- Larger down payment
- Higher monthly payments
- Post-warranty maintenance is not covered
- Value decreases as you drive off the lot



LEASING A CAR PROS AND CONS

Pros:

- Smaller down payment
- Lower monthly payments
- Maintenance is usually covered
- Can choose a new car every few years

Cons:

- Not your personal asset
- Can't make custom modifications to the vehicle
- Annual mileage limit
- Charges for excessive wear and tear

Use S&T's [purchase or lease a vehicle calculator](#) to help you estimate your costs and make an informed decision.

Buying a Home

The thought of buying a home can be an exciting yet daunting idea. You may be beginning the process as a first-time homebuyer or looking to upgrade or invest. Whatever reason you have for entering the real estate market, the following tips can help you feel better prepared along your journey to home ownership:

GETTING STARTED

Here are some things to remember before you start looking for a house that will help set you up for success and set you on the path to home sweet home:

Know Your Credit Score: Credit scores are based on information in your credit files. If you pay your bills and debts on time, both principal and interest, you are considered a good credit risk.

Lenders use credit scores to determine who qualifies for a loan, at what interest rate and what credit limits should be. Read more about credit score basics at <https://www.stbank.com/learn/credit-score-basics/>.

A Down Payment is Required: One important consideration when choosing a home is the amount of cash you have available for a down payment and closing costs. A down payment is the percentage of the total cost of the home that you must contribute from your own funds to buy the home you desire. Traditional down payments are usually calculated at about 20% of the purchasing price. Still, various programs are available, and some offer a down payment of as little as 3%.

Getting a Pre-Approval Before You Make an Offer: Traditionally, home sellers take buyers who come to the table more seriously with a pre-approval from a reputable lender. To obtain pre-approval, you'll need to gather all of the required financial information requested by the potential lender. Your creditworthiness will then be assessed using your credit score, income and debt-to-income ratio. This information will help you better

understand how much home you can truly afford and raise your power to negotiate when making an offer on a house.

You'll Need to Verify Your Income and Employment: In general, proof of employment for at least two years will be needed to ensure that you have a stable source of income. Secondary sources of income may also be considered in this process. The information required is pretty straightforward, usually consisting of your personal bank statements and your W-2s from an employer(s). For verification, self-employed persons may need to provide further documentation, such as business tax returns and profit/loss statements.

Closing Costs Must be Taken Into Consideration When Making an Offer: Don't get caught off guard by closing costs that are incurred in the homebuying process. In most cases, buyers must pay fees for property appraisals, title searches, home inspections and legal fees. Average costs typically range from 2% to 5% of the total mortgage price. S&T has various programs available that can make closing costs more affordable for qualified buyers. Calculate what to expect here: <https://www.stbank.com/learn/calculators/calculate-home-closing-costs/>.

With proper background information and knowledge, you can feel better prepared to make an offer on your desired home and save yourself the feeling of the unknown. At S&T Bank, we strive to be your trusted financial partner, providing you with the tools and options to make important buying and borrowing decisions. Learn more at <https://www.stbank.com/personal/borrow/mortgage/> or visit <https://www.stbank.com/about/our-team/> to find a mortgage banker near you.



Starting a Family

Thinking about starting a family? It's an exciting journey, but it's also a big financial step. Here, we'll cover the average costs of starting a family along with some simple tips to get your finances ready for this new chapter in your life.

UNDERSTANDING THE COSTS

Families come with lots of love, but the costs can add up quickly. That's why it helps to understand the average costs of raising a family so you can plan and prepare properly. According to the USDA, a middle-income, two-child, two-parent family spent about \$12,980 annually (equivalent to \$233,610 from birth to age 18) per child in 2015.

Now, the cost of raising a child is estimated at \$17,000 per year (approximately \$300,000 up to age 18).

Of course, the costs vary based on your location and the number of children in your family. Expenses usually involved in raising a child include food, housing, childcare, transportation, education, healthcare and clothing.



HERE'S THE TYPICAL BREAKDOWN:

- **29%** housing
- **18%** food
- **16%** childcare and education (not including college)
- **15%** transportation
- **9%** healthcare
- **7%** miscellaneous
- **6%** clothing



PLANNING AHEAD

Adjust Your Budget: Create a comprehensive budget that includes anticipated expenses related to having a baby, such as medical costs, childcare, diapers, formula and clothing. Make sure to factor in potentially reduced income if one parent plans to take time off work or work part-time after the baby arrives.

Start an Emergency Fund: Build up an emergency fund to cover unexpected expenses that may arise during pregnancy or after the baby is born, such as medical emergencies or home repairs. Most experts recommend setting aside at least three to six months worth of living expenses in an interest-bearing savings account.

Save for Future Goals: Continue contributing to long-term savings goals, such as retirement accounts and college funds for the child, even after the baby arrives.

Reduce Debt: Prioritize paying off high-interest debt to free up more money for family expenses and savings. Explore strategies for managing debt repayment alongside new financial obligations.

Don't Go it Alone: The S&T team is always here to help. Visit us at <https://www.stbank.com/personal/plan/>, and together we can develop a plan for managing your finances before and after starting a family.

Mobile & Online Banking in a Modern World

Imagine carrying your financial institution in your pocket. In today's digital era, this isn't far from reality.

Mobile and online banking have simplified and redefined how we manage our finances. People increasingly use digital banking services to securely monitor account activity, pay bills and make purchases whenever and wherever they desire. Here, we'll discuss the basics of online and mobile banking and how you can make the most of them every day.

ONLINE BANKING VS. MOBILE BANKING

When you interact with your financial account(s) through the internet on any device, you're truly experiencing online banking. You're using mobile banking when you access financial accounts with an app on a portable device like a phone or tablet.

Why Use Mobile & Online Banking?

Convenience on command. Accessing your financial information online is simple and fast, even when you're on the go. Pay your bills, transfer money or monitor account activity from anywhere with an internet connection.

Straightforward security. With online and mobile banking, your information is typically protected by encryption and a password. Multifactor authentication may also be used, and after a few minutes of inactivity, you'll likely be logged out of your account for your security.

Real-time finances. Enjoy instant access to your accounts so you can manage balances and track activity (among other things). This helps you stay on top of your transactions and can help you avoid overdraft fees by having more awareness of account balances at all times. You can also set up notifications and alerts.

Added benefits. S&T offers a variety of features like depositing your checks via mobile deposit.

What is a Digital Wallet?

With a Digital Wallet, you can pay from your accounts via your smartphone or another smart device, eliminating the need to carry around an actual wallet. Apple Pay, Google Pay and Samsung Pay are three of the most popular digital wallets.



KEY FEATURES INCLUDE:

Security: Digital wallets can provide an additional layer of security because bank account information or card data are not disclosed when making a transaction.

Convenience: In addition to the added safety digital wallets offer, they can also be more convenient than traditional forms of payment as they eliminate the need to carry physical cards.

Contactless payments: When using a digital wallet, the only thing you need to touch is your smartphone or mobile device's screen to complete the transaction, an alternative to using cash.

HOW TO USE A DIGITAL WALLET:

- Open the Wallet app on your phone
- Select the option to add a new debit card
- Scan your card or enter details manually

Hold your device near a compatible terminal at checkout to use your digital wallet for an in-person purchase. You may need to authenticate the payment by entering your PIN or using your device's fingerprint or facial reader (if it has one).

Getting Started with Mobile & Online Banking

Ready to enjoy the benefits of online and mobile banking? Follow these steps:

Speak to your institution. Ask about online and mobile banking options. If available, you should be directed to the appropriate website and/or mobile banking app.

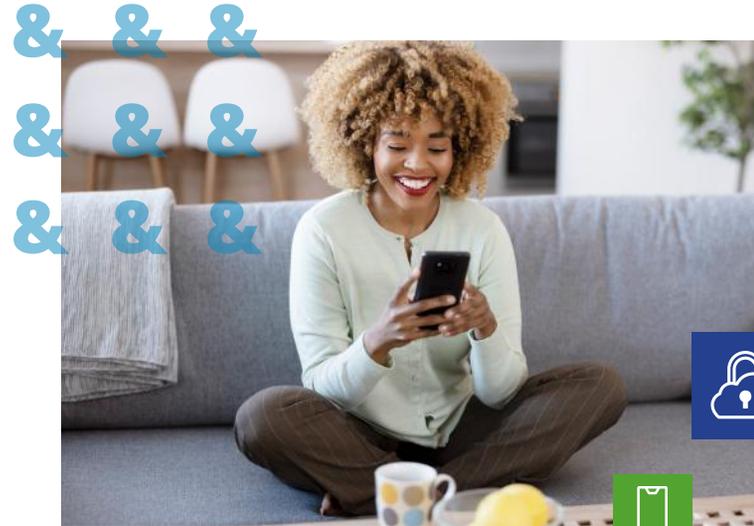
Follow the instructions. Download the mobile banking app or register for online banking. You can also consider other reputable mobile payment apps to help you transfer, track, spend and manage your money.

Create a secure password. Protect your account with a password that uses a mix of numbers, letters and symbols and is free of guessable or searchable information. Keep this information private.

Set up your digital wallet. If your device has this option, link your financial accounts or cards to enable online and in-store purchases.

Protect Your Money with Alerts

Stay protected! Subscribing to account alerts as part of your online and mobile banking experience can keep your accounts safe and secure.



Imagine: You're lounging on your couch when suddenly your phone buzzes. Your financial institution has sent you an alert about a transaction on your account that you don't recognize. Your heart races as you wonder whether someone has stolen your identity or your card. But before you panic, you read the details. It's just an online purchase you made that's been flagged as potentially fraudulent. You smile with relief, happy that you signed up for these alerts.

WHAT ARE ACCOUNT ALERTS?

Alerts can help you quickly identify and address any issues – such as unauthorized charges or overdraft fees.

Account alerts are automated notifications your financial institution sends you via phone, email, text or push notifications. They let you know about various events and activities related to your accounts. In most cases, you can customize the alerts and choose the ones that are right for you. Set these up within online banking and learn more at <https://www.stbank.com/alerts>.

A FEW EXAMPLES OF ACCOUNT ALERTS:

Low Balance Alerts: These types of alerts notify you when your account balance falls below a certain threshold. You'll know when to move money into your checking account from savings to avoid overdraft fees or even tighten spending until the next payday.

High Balance Alerts: You always want your money to work hard for you, and a high balance alert can help. This alert can let you know when it's time to move money from your checking account into your savings, retirement or other investment account. This alert can be useful for budgeting and saving goals, allowing you to celebrate your financial progress.

Large Purchase Alerts: This specified amount is usually set higher than the one used for normal, single-transaction alerts, and it's meant to let you know when a major purchase has been made.

Debit Card Use Alerts: Keep track of your spending by setting up a debit card use alert. This feature can notify you of debit card purchases made on your account, including transactions made without the debit card being present, as well as out-of-state and international transactions.



CHAPTER 7

Staying Secure While Using Online Banking

Beware of Scams

While alerts can help monitor your account activity, it's important also to be aware of potential scams.

TYPES OF SCAMS:

Phishing scams: Scammers may send emails that look like they're from your financial institution, asking for personal information or directing you to an official-looking webpage to log in.

Vishing scams: In these scams, scammers will call you. The call may display a fake caller ID to make it look like it's your financial institution calling. They may ask for your information or advise you to transfer your money to a new account.

Smishing scams: Criminals will contact you by text message, posing as your financial institution and asking for personal information.

To avoid falling victim to account alert scams, be cautious of any alerts that ask for personal information or direct you to click on a link.

WHAT TO DO IF YOU SUSPECT YOU'VE BEEN SCAMMED

If you suspect an alert or message is fraudulent, contact your financial institution immediately to take the correct actions.



FOR FURTHER ASSURANCE, YOU CAN TAKE THE FOLLOWING STEPS:

1. Visit annualcreditreport.com for a free copy of your credit report and review it for signs of fraudulent activity.
2. Follow the important steps outlined by the Federal Trade Commission (FTC) on the “what to do right away” document. This document outlines the steps to take upon recognizing identity theft.
3. Follow the important steps outlined by the Federal Trade Commission (FTC) on the “what to do next” document.

Visit S&T Bank's [Security Center](#) for more information on reporting and protecting yourself from fraud.

Best Practices for Staying Secure When Using Online Banking

Online and mobile banking offer convenience and simplicity when managing your finances. While financial websites and mobile apps often have their own security features, you should always take additional steps to stay safe:

- Use a strong password – and keep it secret
- Always use a secure internet connection
- Verify who you are communicating with
- Download only from a trusted source

- Regularly monitor your accounts and transactions
- Don't forget to log out of accounts when finished using
- Keep anti-malware and antivirus software up-to-date

Learn how to embrace the world of mobile and online banking – a realm that can help you develop healthy financial habits and make managing your money more convenient and efficient.

Remember, in this digital age, your financial security is paramount. Stay vigilant, stay updated and stay secure. The power to protect your financial future is in your hands – let us help you take care of the rest.

Visit <https://www.stbank.com/personal/> to learn more and enroll in online banking.



Investing Tips for Beginners

If you're like most people, the thought of investing can be overwhelming. Where do you begin? How do you contribute money in the best way for your financial future and success? The ultimate goal of investing is to earn more money over time and contribute to your financial well-being and peace of mind. By starting small, gradually increasing your investments and taking a little time to research your best options, you can successfully grow your wealth over the years.

Types of Investments

First, you need to understand the various types of investments available. Some common options are stocks, bonds, mutual funds and real estate. Here's a very simple explanation of what each type of investment is and how they generally work:

Stocks: You buy a part of a company. If the company does well, your investment grows, but if the company struggles, you might lose money.

Bonds: You lend money to a company or government. They promise to pay you back with interest. Bonds are usually safer but may offer lower returns compared to stocks.

Mutual Funds: A group of people pool their money to invest in stocks, bonds or both. A professional manager decides where to invest the money. It's a bit like buying a variety pack of investments with expert guidance and management.

Real Estate: You buy property like a house or land. You can rent it out to others or sell it for more money later. Real estate can be a long-term investment that grows over time.

Types of Accounts

At S&T Bank, we offer a variety of accounts that can help you meet your investment goals. Here's a quick explanation of the most common types of investment accounts and how they work:

High-Yield Savings Accounts: High-yield savings accounts offer higher interest rates compared to traditional savings accounts, providing a safe place to save money while earning more interest. These accounts are easily accessible, making them suitable for short-term savings goals or emergency funds.

Certificates of Deposit (CDs): Certificates of Deposit (CDs) are time deposits with fixed terms and interest rates, where money is locked away for a set period, ranging from a few months to several years. While CDs generally offer higher interest rates than regular savings accounts, they may charge penalties for early withdrawals.

Individual Retirement Accounts (IRAs): Individual Retirement Accounts (IRAs) are retirement accounts that allow individuals to save for retirement with tax advantages. Traditional IRAs offer tax-deferred growth, meaning taxes aren't paid until funds are withdrawn, while Roth IRAs provide tax-free withdrawals on qualified distributions.

401(k) Plans: 401(k) Plans are employer-sponsored retirement plans that enable employees to contribute a portion of their salary to retirement savings before taxes. These plans often include employer matching contributions, which can boost retirement savings and contributions and earnings grow tax-deferred until withdrawn during retirement.

Our team of experts can help you make informed investment decisions and create a plan that works for you. Visit <https://www.stbank.com/financial-services/> for more information.

Understanding Investment Risk and Reward

Have you ever heard the term risk and reward? This phrase usually speaks to the higher the risk, the higher the potential return, and is something important to keep in mind when investing. You need to consider your own risk tolerance and investment goals before you invest.



GENERAL TERMS FOR LEVELS OF RISK, FROM LOW TO HIGH:

LOW

Conservative



Moderately Conservative

Moderately Aggressive

Aggressive

HIGH

Very Aggressive

Remember, investing involves risk, and it's important to consult with a financial advisor and conduct thorough research before making decisions. Whether you're starting with a small amount or want to explore socially responsible options, take careful consideration and try to think with a long-term perspective for success.

Where Do I Begin?

When it comes to investing, always start with what you can afford and then research some useful platforms that allow you to start small with a contribution that fits your personal budget. For example, you may be able to invest in high-priced stocks with a smaller financial contribution if you use investment platforms that offer the purchase of fractional shares.

To simplify the process, you can set up automatic contributions into your investment account(s). Remember, even small contributions can add up over the years. Don't forget to take advantage of your 401(k) (if offered by your employer). These are often employer-matching plans that can help build your portfolio.

It's important to have a solid financial plan in place before you start investing. A good financial plan includes creating a budget, paying off high-interest debt and building an emergency fund. By taking these steps, you can set yourself up for success and start building wealth for the future.



Retirement and You

Retirement is a time for you to relax after years of hard work. It's also a time when financial planning is more important than ever. Let's take a look at the ins and outs of planning ahead so you can enjoy your retirement when the time comes.

How Much Money Do I Need to Retire?

This is always one of the first questions people trying to plan for retirement ask themselves. For many, the thought of retiring can be scary, but you can prepare now for your future financial well-being. The key to successfully accumulating wealth is starting early. Over time, compounding interest can be vital to achieving financial stability and even financial freedom.

Types of Retirement Funds

401(k) Plans: These are tax-advantaged accounts generally available through an employer.

Individual Retirement Account (IRA): If you don't have a retirement savings plan through work, consider starting a traditional or Roth IRA.

Money Market Accounts: These accounts can earn higher interest rates than traditional savings accounts. In addition, they usually allow you to write checks or use debit cards for withdrawals.

Emergency Fund: At every stage of life, it's wise to have some cash on hand for unexpected expenses. Most experts recommend setting aside at least three to six months' worth of living expenses in an interest-bearing savings account.

Plan with confidence using S&T Bank's Financial Planning services and work with our team of experts who can build a customized plan with you. Learn more by visiting <https://www.stbank.com/financial-services/>.

How Long Will My Retirement Savings Last?

How you distribute your money affects its longevity. Consider speaking with an experienced wealth manager at this stage. They can help you prepare by discussing investment strategies and tax considerations. You may also need to work with an estate planning professional who can help you allocate your legacy and distributions to your beneficiaries.

Planning for your retirement requires careful consideration, whether it's an immediate need or many years away. Although many things affecting retirement can be speculative, you can make some fairly solid assumptions based on the past.

THINGS TO CONSIDER:

Long-Term Care Costs: While it's hard to predict your healthcare needs as you age, you can start by looking at your current health status, family history and lifestyle. You may also need to budget for an assisted living facility.

Home Loan: Paying off your mortgage before retirement can significantly decrease your monthly expenses.

Possible Lifestyle Changes: If you expect to start eating in fancier restaurants and traveling extensively, you must alter your retirement savings plans.

Support for Children: If you have children, where will they be when you retire? Is it possible for you to provide financial support for your grandchildren?

Macroeconomic Considerations: Inflation could seriously impact the amount of money you need to be able to retire. Taxes are another factor that affects your retirement.

While knowing the exact amount you'll need to retire ahead of time is impossible, you can begin budgeting now. It's wise to aim higher with your retirement budget and end up with more savings rather than not having what you need. To learn more about making retirement decisions, contact your S&T Bank team today.

Retirement Planning Mistakes to Avoid in Your 20s

Don't put off until tomorrow what needs to begin today: every minute and every dollar counts. If you start saving even a small amount now, you won't need to contribute as much later. Time and compound interest can do most of the work.

You'll also want to take advantage of employer matching funds early on in your working career. Your company may have a 401(k) matching program that contributes money to your savings based on a portion of what you save individually.

Remember that you can afford to invest your retirement more aggressively when you are young because you'll still have time to recover from ups and downs in the market. Listening to random investment advice is not a good idea. Ideally, you can grow your retirement account through a diversified long-term investment strategy. Consider consulting a financial advisor who can help you.

Avoid withdrawing retirement funds early for other uses. It can be tempting, but try to keep in mind your long-term goal for that retirement savings. Taking money from your 401(k) could set you up to pay taxes on that money, plus an additional 10% early withdrawal fee.

Retirement Planning Mistakes to Avoid in Your 30s and 40s

Retirement still seems a long way off if you're in your 30s and 40s. However, the decisions you make now will determine when you can retire and how much money you'll have. Between raising kids, traveling and advancing your career, you have

many competing interests in your life. However, the longer you wait, the more you will lose out on years of compound interest that could be accumulating.

Again, take advantage of your employer matching 401(k) contributions (if provided) and avoid using retirement money to pay for other things.

While saving for your children's college education is a considerate venture, avoid doing so at the cost of your retirement funding. Student loan options may help finance college in a way that can work for all.

Visit <https://www.stbank.com/student-loans/> for more information.

Securing Your Financial Future

No matter what stage of life you're currently in, our team has the expertise and financial products to help you prepare for retirement.



CHAPTER 10

Your Trusted Financial Partner

We hope this free guide from S&T Bank will help start you on your journey to financial freedom. Knowledge is power, and at S&T, we care about your finances, goals and overall peace of mind.

Always remember: You don't have to go it alone. Our best-in-class products, services and digital banking capabilities are available at your fingertips. Our team of experts is just one click or call away.

S&T offers banking for wherever you are and wherever you want to be on your journey to financial freedom. Enjoy relationship banking with a dedicated team of experts working to build our future together through People-forward banking.™

Visit <https://www.stbank.com> or call our Solution Center at **800-325-2265**.

