



WOODFOREST

Banking your way...EVERY DAY AND NIGHT!

Account Management Guide

Overview

Managing your account is a task that doesn't require a ton of time. In fact, a few minutes devoted to recordkeeping each day can make the difference in your ability to avoid fees and maintain control. This guide will provide you with:

- An explanation of some of the terminology used in the banking industry
- Basic knowledge of how we process transactions
- Ways you can access your account information
- Tips for successful account management

Banking Terms

Credit	Any transaction that increases your balance. (i.e. deposit)
Debit	Any transaction that decreases your balance. (i.e. debit card purchase)
Direct Debit	An electronic debit that you have authorized with your account number and the bank's routing number.
Wire Transfer	A bank-to-bank electronic transfer of funds
ACH	Automated Clearing House. The system used to support electronic transactions such as direct deposits and direct debits.
BillPay Payment	A transaction you initiate through our Online Banking system to pay a bill.
Ledger Balance	The official balance of your account, reflecting all transactions that have posted.
Available Balance	The official balance of your account, plus or minus any pending transactions that have not posted yet.
Pending Transaction	A transaction that was conducted recently that hasn't posted to your account. (i.e. a debit card purchase, ATM withdrawal, or deposit made on the current business day).
Insufficient (NSF) Fee	A fee charged to your account anytime a transaction attempts to post and sufficient funds are not available.
Overdraft Fee	A fee charged to your account anytime a transaction is paid and sufficient funds are not available.
Pre-Authorization	A pending transaction resulting from a debit card transaction.
Point-of-Sale (POS)	A transaction conducted using your debit card.
Hold	When funds from a check deposit are delayed.
Posting	The process of clearing transactions that occurs each night. When a transactions posts, this is reflected in your ledger balance.

Funds Availability Basics

Deposits or Credits

When you make a deposit in person, we make the funds available to you immediately, regardless of whether the deposit is from check or cash. In certain situations, funds from a check deposit may be delayed and we'll discuss that in detail later on. If your deposit is electronic, such as a direct deposit or wire transfer, this will be made available as soon as it's received by the bank. The end of our business day is 8:00 pm; all transaction credited before that time will be posted on the current business day.

Withdrawals or Debits

When you withdraw cash or instruct the bank to pay a third party, you initiate a debit from your account. Gone are the old days of banking, where you wrote checks, and they took weeks to post your account. In the electronic age, there are a variety of transaction types to understand. The time it takes for the transaction to post will depend on the type of transaction. Let's explore each transaction type and understand the "posting time" concept a little better.

Transaction	What appears on your statement	Posting Time
Check	Check # XXXX	Depends on when the person you wrote it to cashes it.
Debit Card	POS ("Point of Sale")	Possibly several days. Transactions conducted using your PIN clear faster.
Direct Debit	ACH Db	Depends on when the person you authorized to debit your account initiates the transaction.
BillPay Payment	BillPay or BP Elec	Electronic BillPay transactions will clear on the same business day you entered the transaction. If we issued a paper check to pay the bill, it will clear when the check is cashed.



Frequently Asked Question

Q: When I use my debit card, how long does it take to post to my account?

A: The transaction will show up as a pending transaction or pre-authorization right away, but will likely take several days to post to your account.

Recordkeeping

Good recordkeeping is the key to managing your account successfully. Here's what you'll need in your tool box to help keep it all straight:



- A register or other log to record transactions as they happen.
- A pencil
- A calculator — even a math wiz can make a mistake!
- A way to check yourself — online banking, email notifications, telephone banking, etc.

Recordkeeping Steps



1.) Enter your recurring transactions. It's likely that you have some transactions that clear your account every month at the same time for the same amount. These should be the easiest transactions to predict, but often times they slip the mind. Enter these transactions first. It could be the amount of your regular paycheck, your car or mortgage payment, or an insurance premium. Below is a table where you can list your known recurring transactions.



2.) Enter each transaction as it happens. Performing this small step takes a few seconds each day, but will save you time and money in the long run. If you put it off, you are likely to become overwhelmed by all of the transactions and abandon the recordkeeping process all together! Each time you enter a transaction, you can re-calculate your balance. This is your *real* balance, and it's probably different from the balance the bank shows because certain debits and credits haven't cleared.



3.) Check off each transaction as it clears. When all transactions have cleared, the balance in your register will match the balance at the bank.

Recurring Transactions List

	Payable To / From	Amount	Date to Post
Payroll Deposit			
Other Deposit			
Car Payment			
Mortgage / Rent Payment			
Car Insurance Premium			
Home Insurance Premium			
Bank Service Charge			

Understanding Your Account Balance

Ledger vs. Available Balance

When viewing your account balance on online banking or at an ATM, you'll notice two balances, the Ledger Balance and the Available Balance.

Ledger Balance: This is the "official" balance on your account. It includes all transactions that have posted to your account as of the last business day. At Woodforest, we post transactions 7 days a week, so it is possible that this balance could update every morning after transaction processing.

Available Balance: This is your ledger balance, plus or minus any pending transactions.

For Example:

Ledger Balance	\$462.58
Pending: ACH Cr Walmart	+ \$998.72
Pending: POS Subway	- \$5.62
Pending: POS Sport Clips	- \$15.00
Pending: ACH Db State Farm	- \$123.85
Available Balance	\$1,316.83

As you can see, a pending transaction can be either a credit or a debit. In this situation, the amount of pending credits is greater than the amount of pending debits, so the available balance is more than the ledger balance.



Frequently Asked Question

Q: How can I avoid overdrawing my account?

A: The key to avoiding overdrafts is keeping your register up to date with a running balance. When making purchases, go by your register's balance, not the available balance at the bank.

Holds

As we discussed, you are given immediate availability on deposits that you make. When depositing a check drawn from another bank, however, there are certain times when we will delay the availability of the funds from the check.

Why does the bank do this? Generally, we want to allow enough time for the check to clear the account of the person who wrote it to you. We want to help you protect your account. If the check were to be unexpectedly returned for any number of reasons, this could create a problem for you. Since you weren't expecting the money you deposited to be removed from your account, it could cause your own transactions to start to bounce.



When we delay availability in this way, we place the funds from the check on "hold". During this time, these funds will be reflected in your Ledger Balance but will not show up in your Available Balance until the hold has expired. Anytime we do this, we'll give you a notice with all of the appropriate information and answer any questions you have. Typically, the hold will last for 7 Federal Reserve business days, unless you are a new customer with a new account, then the hold will last for 11 Federal Reserve business days.

When you deposit a U.S. Treasury check, U.S. Postal Money Order, cashier's check, certified check, official check, Federal Reserve Bank check, Federal Home Loan Bank check, or state or local government check, the funds may not be made available to you until the next business day IF we are unable to verify the item at the time of deposit. You will be advised that the funds may not be available until the next business day; however, no notice will be provided.



Frequently Asked Question

Q: If I have a deposit that has been placed on hold, when can I use the money from the deposit?

A: When you make the deposit, the bank employee will provide you a notice which includes the date the funds will be available.

Using Your Debit Card

Debit Card Purchases

When you use your debit card to purchase goods or services, you are often presented with two options: Debit or Credit? This may be confusing, because "credit" often refers to money going *into* your account. In this case, the two options are just two different ways that the transaction can be processed.

Debit - If you choose this, you will be required to enter your four-digit Personal Identification Number or "PIN". You will also be allowed to receive cash back from the transaction, if desired. This can be a convenient way to get cash without going to an ATM.

Credit - If you choose this, you will not be required to enter your PIN. You will be required to sign your name for the transaction, just like you do when you charge something on a credit card. That's why it's called "Credit".

Generally, when you choose Debit, the transaction will be a pending transaction on your account for less time and will post to your account quicker. If you choose Credit, the transaction will be a pending transaction for a longer period of time.



Frequently Asked Question

Q: If I select withdraw cash at an ATM, will I be charged?

A: You are not charged for any transactions done at a Woodforest ATM. If the transaction happens at an ATM operated by another bank, Woodforest charges a \$2.00 fee for each transactions. The other bank also charges a fee, which they include in your withdrawal amount.

Using Your Debit Card

Pre-Authorizations

A Pre-Authorization is what many pending debit card transactions are. Whenever you make a purchase with your debit card, many merchants will issue a pre-authorization for a certain amount, to ensure funds are available in your account. This pre-authorization may be a pending transaction for several days and will fall off when the actual transaction clears.

For example, when you go to purchase gas for your car and you pay at the pump, you are asked to swipe your card. The gas station may pre-authorize \$50 to ensure that your debit card is active and that funds are available. When you finish pumping, your total may be \$36. The \$50 pre-authorization may be a pending transaction for several days until the transaction for the real amount, \$36, posts to your account.

A merchant may also issue a pre-authorization for a small amount such as \$1.00, to ensure that the account is active. In this case, the pending transaction for \$1.00 will be less than your actual transaction, which will make your available balance appear to be more than what you actually have available. That's why it is important to go by the balance you have calculated for yourself in your register, not your available balance.



Try to avoid using your debit card at hotel or car rental merchants. These types of merchants issue pre-authorizations for large amounts and can remain as pending transactions for extended periods of time.

ATM Transactions

When you withdrawal cash at an ATM, you will always be asked to enter your PIN. These transactions will be pending your account for a short period of time and will clear relatively quickly. Always use a Woodforest ATM to avoid any transaction fees.



If you use a non-Woodforest ATM, you'll be charged \$2.00. In addition, you will also likely be charged a fee from the bank that operates the ATM, which they will include in the withdrawal amount. If you incur these fees, don't forget to write them down in your register!

Accessing Your Account Information

We provide you with several **FREE** easy-to-use options to access your account information.



Online Banking

If you have internet access, this is an invaluable tool! With online banking, you can log in at any time and view your account balances, posted transactions, pending transactions, and statements. You can also use the system to pay your bills using our BillPay service. Using BillPay saves you time and money, since you won't have to buy stamps. Paying your bills in one place is convenient for recordkeeping too, since you'll have a record of all of your payments. These services are offered to you free of charge!



Email Notifications

If you have an email address, you have all that we need to set up email notifications. We will send you a daily or weekly email that includes your balances and all of the transactions that have cleared your account since the last email. This is a quick and easy way to get account information. Make it a habit to review your email daily and check off your cleared transactions in your register.



Telephone Banking

If you don't have access to a computer, don't worry! You can access your account information anytime using our Telephone Banking service (1-866-BANK-724). Like online banking, you can listen to your balances, posted transactions, and pending transactions.



Frequently Asked Question

Q: I have overdrawn my account. What should I do?

A: Make a deposit to cover the overdraft and the fee that was charged. This will prevent a "chain reaction" from occurring that would overdraw your account further.

Protecting Against Fraud

Unfortunately, identity theft is becoming more common every day. Actively protecting your personal information and keeping a close eye on your account activity are the best ways to defend against and detect this type of fraud.



Top Ten Tips for Preventing Fraud

1. If you lose your debit card or it is stolen, contact the bank immediately so the card can be cancelled.
2. If you notice an unauthorized transaction, contact the bank immediately and report it, so we can begin an investigation.
3. Never write down your debit card Personal Identification Number (PIN) or share it with anyone.
4. Never write down your online banking login information or share it with anyone.
5. Shred financial documents and paperwork with personal information before you discard them.
6. Protect your Social Security number. Don't carry your Social Security card in your wallet or write your Social Security number on a check. Give it out only if absolutely necessary or ask to use another identifier.
7. Don't give out personal information on the phone, through the mail, or over the Internet, unless you know who you are dealing with.
8. Never click on links sent in unsolicited email; instead, type in a web address you know. Use firewalls, anti-spyware, and anti-virus software to protect your home computer; keep them up-to-date.
9. Don't use an obvious PIN or password like your birth date, your mother's maiden name, or the last four digits of your Social Security number.
10. Keep your personal information in a secure place at home, especially if you have roommates, employee outside help, or are having work done in your house.



Frequently Asked Question

Q: There is a transaction on my account that I did not authorize. What should I do?

A: Contact the bank immediately and report the unauthorized transaction. We can work with you to get an investigation started.

Using Your Knowledge

This course should have provided some useful knowledge to help you successfully manage your account. Here are the top ten ways you can use this information effectively.



Keys to Account Management

1. Write down your recurring transactions including expected service charges.
2. Write down your transactions as you complete them and keep a running balance.
3. Sign up for online banking and email notifications and keep track of your account daily.
4. Notify the bank immediately if you notice a transaction that posts in error.
5. When determining how much money you have in your account, go by your register balance, not the bank's balance. The bank is not aware of transactions that haven't posted yet.
6. Check your register balance before you use your debit card to ensure you have the funds available. Otherwise, the transaction may be approved and cause an overdraft later.
7. If you are charged a fee for an ATM transaction, record the Woodforest fee and the other bank's fee in your register.
8. If you have a deposit that is on hold, wait until the funds are in your available balance before using them.
9. If you are expecting a direct deposit, verify that it is included in your available balance before using the funds.
10. If you do overdraw your account, make a deposit as soon as possible to cover the overdraft and the fee. Failure to do so could cause a chain reaction as more transactions post and more fees are charged.



Acknowledgement

I acknowledge that I have reviewed all information in the Woodforest Account Management Guide. I understand the information and have received acceptable answers to all my questions.

Customer Signature

Date

Branch Manager Signature

Date