

## Banking Terms

**Credit** - Any transaction that increases your balance.

**Debit** - Any transaction that decreases your balance.

**ACH** - Automated Clearing House. The system used to support electronic transactions such as direct deposits and direct debits.

**Bill Pay Payment** - A transaction initiated through our Online Banking system to pay a bill.

**Account (Ledger) Balance** - The official balance of your account, reflecting all transactions that have posted.

**Available Balance** - Account balance plus or minus pending transactions.

**Pending Transaction** - A transaction conducted recently that has not yet posted to your account.

**Overdraft Fee** - A fee charged to your account anytime a transaction is paid and sufficient funds are not available.

**Point of Sale (POS)** - A transaction conducted for goods or services using your debit card or debit card information.

**Automated Teller Machine (ATM)** - A computerized terminal that allows basic transactions using your debit card (such as deposits, transfers, and cash withdrawals).

**Pre-Authorization** - A pending transaction on your account conducted using your debit card or debit card information.

**Hold** - When funds from a check deposit are delayed. (see the *Funds Availability Policy disclosure for details*)

**Posting** - The process of clearing transactions that occurs each night. When a transaction posts, this is reflected in your ledger balance.

## Account Management Tips

Here are the top ten ways you can manage your account effectively:

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 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. (*Explained under Recordkeeping.*)
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 use a non-Woodforest ATM, record the Woodforest fee and the other bank's fee in your register.
8. If you have a deposit that's on hold, wait until funds are in your available balance before using them or you could incur a fee.
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.

Ask us about **ReLi**<sup>®</sup>, a revolving line of credit available when you need it. This line of credit provides quick and easy access to your funds while building credit history.

## Your Account Balance

When viewing account balances through online banking or an ATM, you'll notice two balances: Ledger Balance and the Available Balance.

**Ledger Balance:** 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.

**Available Balance:** Your ledger balance, plus or minus any pending transactions.

As you can see, a pending transaction can be 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.

### Withdrawals or Debits

As previously explained, when you withdraw cash or instruct the bank to pay a third party, you initiate a debit from your account. There are a variety of transaction types to be aware of. The time it takes for the transaction to post will depend on the type of transaction, such as Check, Debit Card, Direct Debit, or Bill Pay Payment.

### Example:

<b>Ledger Balance</b>	<b>\$462.58</b>
Pending: ACH Credit Payroll	+ \$998.72
Pending: POS Debit Restaurant	- \$5.62
Pending: ACH Debit Insurance	- \$123.85
<b>Available Balance</b>	<b>\$1,331.83</b>

### Looking for more financial education?

- Woodforest Banking GPS: [www.woodforest.com](http://www.woodforest.com)
- FDIC Money Smart: [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)
- Building Wealth: [www.dallasfed.org/ca/wealth](http://www.dallasfed.org/ca/wealth)

## Using Your Debit Card

Using your Woodforest Debit Card gives you a fast, easy, and secure way to make purchases. When you use your debit card to purchase goods or services in person, you may experience multiple options when completing your purchase depending on the merchant. If you select Credit you may be required to sign a receipt to authorize the transaction. If you select Debit You may be required to enter your 4 digit pin number to authorize the transaction. Selecting Debit may allow you to receive cash back during the transaction at participating merchants. You may not be prompted to enter your pin or sign a receipt on low value transactions at certain merchants.

When using your debit card for purchases online, over the phone, bill pay, or pay at the pump gas stations, you may be asked to enter additional information to authorize the purchase (such as zip code, 3 digit security code, or expiration date).

### Pre-Authorizations

When you make a purchase using your debit card, the merchant may submit a pre-authorization to ensure your account is active and sufficient funds are available for the transaction. The pre-authorization amount request may vary by merchant, and the pre-authorized amount could differ from the final posting amount. Many merchants will submit a pre-authorization for the exact amount of the transaction. Some merchants may submit a pre-authorization for a lesser amount, such as \$1.00 (e.g. gas pay at the pump), to validate the account is active. Specific merchants (e.g. hotels, rent-a-car, cruise lines, etc.) are allowed to submit a pre-authorization for the expected amount of the stay, gratuity, or rental in full. This may result in the pending transaction being different from the final purchase amount. For these reasons, it is important to go by the balance you have calculated for yourself, not your available balance.

For example, at a restaurant your final bill is \$100.00 which is pre-authorized against your account. You approve the merchant to apply a \$20.00 tip. The amount pending on your account is \$100.00 until the merchant submits the final purchase amount of \$120.00.

It may take several business days before the merchant submits the final purchase amount to your account. When the final transaction is received by Woodforest, the pending transaction will be removed and the final purchase amount will be posted to your account. For most merchants, this occurs within 3 to 5 business days.

## Debit Card Transactions and Your Available Balance

A transaction may still overdraw your account, and incur fees, even if the funds appeared to be available at the time you completed the transaction. Other outstanding transactions, such as ACH, checks, or debit card transactions for which no temporary hold was placed or the temporary hold has been removed, may not be reflected in your available balance on record at the bank and could be presented for payment to the bank before the subject transaction. For consumer accounts, no OD item fee is charged for ATM or everyday debit card transactions unless you Opt In for those transaction types. We recommend you track all your outstanding transactions and determine your available balance based on your records.

For consumer accounts: If an overdraft fee is assessed on an ATM or everyday debit card transaction that the bank identifies was authorized by the bank when an available balance existed in the related primary account sufficient to cover the amount of such transaction at the time of the authorization and such transaction later posts to the account in an equal or lesser amount when your account balance is insufficient to cover the amount of the transaction, the bank will automatically refund the associated overdraft fee(s) for such transaction promptly, typically within two hours, following the assessment of the overdraft fee(s). During the time between the assessment of the overdraft fee(s) and any refund of the overdraft fee(s), you will not have access to the amount of funds equal to the overdraft fee(s), which could result in the decline of any debit card transaction(s).

### Recordkeeping

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

- A register or other log to record transactions
- A pencil
- A calculator
- A way to check yourself (online banking, email notifications, etc.)

### Recordkeeping Steps

- 1) **Enter recurring transactions in your register or log.** It's likely you have transactions that clear your account every month at the same time for the same amount. This could be a regular paycheck, car or mortgage payment, or an insurance premium.
- 2) **Enter each transaction as it happens.** It takes a few seconds, but can save time and money in the long run. If you put it off, you are likely to forget, or be overwhelmed by the number of transactions and abandon the recordkeeping process all together. Each time you enter a transaction, re-calculate your balance. This is your real balance, and may be different from the balance the bank shows because certain debits and credits have not cleared your account.
- 3) **Check off each transaction as it clears.** Decide which form of account reconciliation works for you. Whether you use online banking, notifications, or telephone banking, be consistent with the resource you use. When all transactions have cleared, the balance in the register should match the balance at the bank.

We provide you with several free easy-to-use options to access your account information, such as Online Banking, Email Notifications, and Telephone Banking.

## Fraud Prevention

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 this type of fraud. Here are ten tips for preventing fraud:

1. If you lose your debit card or it's stolen, contact the bank immediately so the card can be cancelled. (1-866-682-7045)
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 PIN or share it with anyone.
4. Never write down or share your online banking login information.
5. Shred financial documents and paperwork that contain personal information before you discard them.
6. Don't carry your Social Security card in your wallet. Give out your Social Security number only if absolutely necessary.
7. Don't give out personal information through phone, mail, or the Internet, unless you know who you're dealing with.
8. Never click links sent in unsolicited email. Use firewalls, anti-spyware, and anti-virus software to protect your home computer.
9. Don't use an obvious PIN or password like birth date, mother's maiden name, or part of your Social Security number.
10. Keep personal information in a secure place at home, especially if you have roommates, or have work done in your house.