

The
TGB

Scoop

The practical bank for business. And you.



**TEXAS GULF
BANK** .N.A.

FREESPORT • CLUTE • ANGLETON
LAKE JACKSON • WEST COLUMBIA

STEPS TO ESTABLISHING CREDIT... for your business

At some point your business is going to need money. Maybe it will be for expansion or to buy new equipment or additional inventory. You, like many business owners, might be tempted to use your own money, but this could lead to trouble later. The best thing you can do for your business is to establish corporate credit.

WHY DO YOU NEED BUSINESS CREDIT?

Having corporate credit allows your business to qualify for an increase in credit card limits and larger loans. If you use your personal credit to finance the growth of your business or to pay for daily operations, you might be jeopardizing your personal credit score and might have problems financing a car or buying a home in the future. Establishing business credit helps keep personal assets and business assets separate and prevents business creditors from taking personal assets if the business has too much debt.

HOW DO YOU BEGIN TO ESTABLISH BUSINESS CREDIT?

First, the business needs to be set up correctly. Setting up a business as a corporation or an LLC is a good idea because it keeps the business legally separate from the individuals who own the business. Sole proprietorships or partnerships do not separate the business from the individual owners. In addition, make sure that your business has a physical address and a business phone line. Both of these things add legitimacy to your business.



Make sure you are dealing with companies that will give your business credit without using your personal credit. In addition, make sure that the company you are dealing with will report the information to the credit reporting agencies. It is not required that companies report information regarding business credit to the credit bureaus but this is necessary in order for the business to begin building credit.

Once you receive credit, manage your money and debt so that you don't fall behind on payments. Don't build up so much debt that you have difficulty making monthly payments. You want your credit report to show that you are responsible and always pay your bills.

Establishing business credit takes time, however it is worth the wait to know that you can grow your business without risking your personal credit rating. As you build your credit profile, you will be able to get the funding your business needs to succeed.

A LOCAL TOUCH through photography

Next time you are visiting the West Columbia or Angleton branches of Texas Gulf Bank, look for the stunning photographs of local landmarks on display in the lobbies. These beautiful pieces of art are the work of local photographer, Karen Gillenwaters. Gillenwaters also happens to be Texas Gulf Bank's Assistant Vice President of Human Resources.

What started out as a hobby for enjoyment turned into a challenge to create a truly good photograph. Gillenwaters soon began participating in photography contests and has been asked to take engagement and bridal pictures by co-workers and friends.

"My passion is outdoor photography," says Gillenwaters, "whether it is just the landscape or it includes people." Her goal is to produce an outdoor photo that will define her subjects and what they enjoy, creating a photograph they will be happy with for years.

"I was extremely honored when the bank first asked me to take historical photos of West Columbia and the surrounding area to be placed in their West Columbia lobby." Because of the comments received from these pictures, the bank also asked Gillenwaters to take pictures for their Angleton and Brazosport branches. The pictures at the Brazosport branch should be done by the end of September.



PRESIDENT'S *Message*

How TGB helps protect you and your money from scams..



Have you heard about someone winning a lottery they didn't play or getting a cashier's check they weren't expecting? Unfortunately, many times this is a scam and the scam works like this...someone receives a check along with a letter explaining that they should deposit the check and then send a portion of the money back to the company in order to facilitate the delivery of an additional amount of money. You might wonder why they would need you to send them money back. Why couldn't they just deduct those "fees" from the money they are sending you? Well, the check they sent you is probably counterfeit and will end up being returned to your bank as fraudulent. Then, the bank will deduct the money you deposited from your account. In the meantime, you have already used a portion of that money to send this fictitious company the fees they requested. You have just lost hundreds, if not thousands of dollars.

Texas Gulf Bank and its employees are very aware of this scam. So, if a teller sees a suspicious check, they might ask you some questions about

how you received the check and might tell you they are unable to deposit the check. No, they aren't trying to keep you from your money, they are trying to protect you and the money that is already in your account. Or, if they are unsure if the check is fraudulent, they might put a hold on the money or make a phone call to the bank the check is written on in order to insure that the check will be honored and not returned.

Another way that Texas Gulf Bank attempts to protect you from fraud is through a software called Yellow Hammer, a tool to help prevent debit card fraud. You might receive a call from one of our employees verifying certain transactions completed using your debit card. Many things might trigger the call such as unusual activity or out of state transactions, but the bottom line is we just want to insure that someone is not using your card information to steal money from your account. We would rather make an unnecessary call than have you fall victim to debit card fraud.

Texas Gulf Bank is always on the look out for ways to prevent fraud and to protect our customers. If you ever have questions or concerns about any of our practices, please feel free to contact us. We are here to help you.

James J. Brown, Jr.

James F. Brown, Jr.
President & CEO of Texas Gulf Bank, N.A.

PROTECTING YOURSELF *Tips for ATM Safety* 2 in a 3 part series

With an increase in the fraud and theft of ATM and Debit Cards, it is more important than ever to protect yourself when using your card at ATM machines. Here are additional tips to consider when using an ATM.

Tip 6:

Be especially cautious when strangers offer to help you at an ATM, even if your card is stuck or you are experiencing difficulty with the transaction. You should not allow anyone to distract you while you are at the ATM.

Tip 7:

Check that other individuals in the line keep an acceptable distance from you. Be on the look out for individuals who might be watching you enter your PIN.

Tip 8:

Stand close to the ATM and shield the keypad with your hand when keying in your PIN (you may wish to use the knuckle of your middle finger to key in the PIN).

Tip 9:

Follow the instructions on the display screen, e.g. do not key your PIN until the ATM requests you do so.

Tip 10:

If you feel the ATM is not working normally, press the "Cancel" key and withdraw your card and then proceed to another ATM, reporting the matter to your financial institution.

Tip 11:

Never force your card into the card slot.

Tip 12:

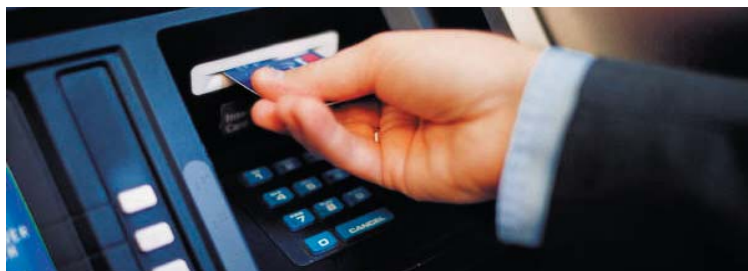
Keep your printed transaction record so that you can compare your ATM receipts to your monthly statement.

Tip 13:

If your card gets jammed, retained or lost, or if you are interfered with at an ATM, report this immediately to the bank and/or police using the help line provided or the nearest phone.

Tip 14:

Do not be in a hurry during the transaction, and carefully secure your card and cash in your wallet, handbag or pocket *before* leaving the ATM.



CHECKING *at the speed of light...*

Have you noticed some recent changes in your checking account? Many checks you are writing are clearing your account quicker than before? Some checks you write are listed on your statement as “ACH” transactions? Instead of receiving cancelled checks back from the bank, you are seeing “substitute checks?”

WHY ARE CHECKS CLEARING FASTER?

Checks are being handled in new ways these days. Electronic processing is becoming more common. Traditionally, when you wrote a check, the paper check had to be transported from bank to bank before the money was taken out of your account. Now that checks can be processed electronically, the money can be taken out of your account much faster. To avoid bounced checks and overdraft fees, you need to have the money available in your account when you write the check.

WHAT ARE ACH TRANSACTIONS?

When a merchant has changed your paper check into an electronic debit, this debit might appear as an ACH transaction on your statement. These are also called Electronic Fund Transfers (EFT) because a merchant or other party has taken money electronically from your checking account.

One kind of EFT uses the Automated Clearing House (which is where the term ACH comes from) network to convert the paper check into an electronic payment. At this point, the original paper version of your check is usually destroyed and only an image of your check is kept. Sometimes the paper check is turned into an ACH transaction right in front of you. The store might scan your check, stamp the check void and then hand it right back to you as a receipt. Then, the payment information is sent to the merchant’s bank electronically. If a merchant wants to turn your paper check into an EFT, the merchant should give you some form of notice that your payment will process this way.

WHY ARE MY CANCELLED CHECKS NOT RETURNED?

Because many companies are now going to electronic processing, original checks are often not available. If for some reason you need your cancelled check, you can request a substitute check from the bank. These are special paper copies that have the image of the front and back of your check. They are legal copies of your check and can be used in the same way you would use the original check.

WHAT IF SOMETHING GOES WRONG?

If the wrong amount is deducted from your checking account or you discover a payment that you never authorized, contact the bank immediately. The bank will work with you and try to get the error corrected quickly. Even without the cancelled check, you can prove you made a payment with your bank statement which will show the date, the amount of the payment, and sometimes, to whom the payment was made. You also might have a receipt from the transaction. In any case, the law does not require you to have the original paper check to resolve the problem.

Electronic processing will only become more common, so it is important to understand your rights and to pay attention to what is happening in your bank account. Always look at your statement as soon as you receive it so that if problems arise you can identify them quickly. Texas Gulf Bank makes every effort to keep customers informed about any changes that might affect them and their account.



Quicken and Quick Books Interfaces Now Available!

You have been asking for it and now it is here! If you use Texas Gulf Connection, TGB’s internet banking product, you can now download your account information to Quick Books or Quicken. Just log on to Texas Gulf Connection, click on the Select Activity drop down box next to your account and choose Download. You will then need to select the range of transactions you would like to download and the format (Quicken or Quick Books). Hit submit and you will get a link that will download your transactions directly into Quicken or Quick Books. It is just that simple! If you have any questions, please visit with one of our friendly Personal Bankers or call Customer Service at 979-849-2372 or 979-297-7211.

TGB In the Community

Volunteerism is a great way Texas Gulf Bank employees get to participate in their community. Look for us the next time you are out!

RELAY FOR LIFE



On May 4 & 5, employees of Texas Gulf Bank participated in the Southern Brazoria County Relay for Life. TGB was a corporate sponsor for the event and the employees helped to raise over \$2400 for the American Cancer Society.

JUNIOR ACHIEVEMENT GOLF TOURNAMENT

Texas Gulf Bank was the title sponsor for this year's Junior Achievement Who's Who Golf Tournament held on June 8. Not only did Texas Gulf Bank donate money to help sponsor the event, but over 20 employees took time that day to work at the event. Employees could be seen driving golf carts with beverages, handing out goodie bags and refreshments and monitoring various holes.



PORT FREEPORT TAKE A KID FISHING



Employees could be seen helping kids register at the Take a Kid Fishing Tournament sponsored by Port Freeport. This event was held in April at the Freeport Municipal Park.

CUSTOMER SERVICE

Looking for a few good shoppers....

Texas Gulf Bank is committed to offering great service to all our customers. In order to insure that our employees are providing excellent service, we would like to enlist the help of our customers.

TGB WANTS YOU!



Do you visit our branches on a regular basis? We are looking for customers that are interested in helping us conduct mystery shops. What is involved? We are asking our "shoppers" to conduct a minimum of 3 shops each month. During these shops, you would "visit" various employees and then record your experiences on a survey provided. You will then be compensated for your participation.

Prior to beginning the shops, a short meeting will be held with all shoppers to discuss expectations and answer questions. You will also receive monthly letters from our marketing department, keeping you up to date on the mystery shop program. We ask for a commitment of at least 4 months.

If you are interested in finding out more about this program, please contact Deana Fuchs in the Marketing Department at 979-345-1666 ext. 16108.

Texas Gulf Bank Directory

Locations

Angleton 849-2372
1717 N. Velasco, 77515

Brazosport 233-3536
1400 Brazosport Blvd, 77541

Clute 297-7211
1030 Dixie Dr., 77531

Lake Jackson 299-1308
203 This Way, 77566

Freeport 233-4401
200 W. 2nd St., 77541

West Columbia 345-1666
730 W. Brazos Ave, 77486

Q-Line 979-233-2900 or 979-849-2354

Nationwide Toll Free Line 800-467-7216

Website: www.texasgulfbank.com



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