

The
TGB

Scoop

The practical bank for business. And you.



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

FREEPORT • CLUTE • ANGLETON
LAKE JACKSON • WEST COLUMBIA

**“WHY WOULD I EVER....
use a debit card?”**



Seems like everywhere you go, people are using a bank debit card to pay for purchases. However, many people are still unsure how they work, why they should use them and question how secure they are.

Let's start at the beginning - what is a debit card? A debit card looks like a credit card but works like a check because the payment is deducted directly from your account. With a debit card, you “pay now.” With a credit card, you “pay later.”

Even though it is a Debit Card and funds usually come out of your account within 24 hours, you are still given the option of choosing credit or debit when you swipe the card. What is the difference? If you choose debit, you must enter your PIN to authorize the transaction. Credit allows you to just sign. Using the credit option can be a bit easier and safer because you don't have to remember a PIN and someone behind won't see your PIN as you enter it. However, if you want to get cash back on a transaction, you must choose the debit option.

Many people use debit cards these days because they find it more convenient than carrying around a checkbook. It is also easier and faster to swipe a card than to write a check. Another advantage is there is no need to carry excess cash.

Consumers who use debit cards like the “pay-as-you-go” concept and enjoy not having a big bill at the end of the month. Unlike the high interest rates

charged on the unpaid balance of a credit card, debit cards are a good way to pay for things without the worry of paying an interest rate at all.

There is the possibility of fees with a debit card. Some accounts might charge a monthly service charge to have the card. And since a debit card can also be used as an ATM card, if you use it at another financial institution's ATM, there may be a charge associated with that transaction. Texas Gulf Bank does not charge to use the card at their ATMs or to use the card at stores for purchases. In fact, we will even reimburse monthly up to \$10 of the fees other banks charge you.

It is possible to overdraw your account using a debit card. Since pay-

ments are electronic, they are deducted from your account within 24 hours. The transaction might be approved at the store, but your account may be overdrawn because the bank doesn't know what other withdrawals will come through until the account settles later that day. The best rule of thumb is: don't spend it if you don't have it.

How secure is a debit card? You must protect your card as well as the account number on the card. Even if someone doesn't have the actual card, it is possible to get money with just the account number. If you lose your card or feel there has been an unauthorized transaction, let the bank know immediately. Debit cards do offer “zero liability” protection on unauthorized transactions, as long as you notify the bank as soon as you discover the card's loss or misuse. It is important to look at your statements as soon as they arrive or watch your accounts online to insure that there are no unauthorized transactions.

Debit cards are a safe and convenient way to pay for your every day purchases because you don't have to carry cash or a checkbook. They are also more widely accepted than checks. If you have any more questions about debit cards or how to use them, please see any of our Personal Bankers. They are here to help!

REAP THE BENEFITS.... *with a Gulf Rewards Checking Account*

Link your checking account to all your other personal accounts and receive big rewards. If you carry a combined balance of more than \$3,000 in all your personal accounts, ask about our Gulf Rewards Checking Account. There is no fee for this account and you receive your personalized wallet checks at no charge. You also enjoy NO FEE on cashier's and single signature traveler's checks. If you have a safe deposit box, or would like to get one, having a Gulf Rewards account earns you a discount on your rental. You receive a single, easy to read monthly statement recapping all your activity for every personal account you hold at our bank. Want to earn some interest on your money? Open a CD or Gulf Rewards Savings account. Visit one of our Personal Bankers today to see if this account is right for you!

PRESIDENT'S *Message*

HAVE YOU REVIEWED YOUR BUDGET LATELY?



Ours has become a society that lives beyond our means and, as a result, we have a negative savings rate. With our economy in a bit of chaos, perhaps now is a good time to review your household budget.

A budget simply puts on paper your available cash flow and how you spend that cash each week or month. The key to a good budget is to include as much information as you can. Start by taking a month to track your spending so that you have a complete record of where your money goes. It is important to keep a detailed and accurate record of your spending so you identify places where you might be able to cut and save money.

The first step in creating a budget is to total all of your income. Do this on a monthly basis. Make sure you write down only your take home pay (your salary minus any taxes and deductions), You might also want to include tips, child support, part time jobs, etc.

Next, you will need to track your expenses. If you have bills that vary from month to month, use a monthly average. If you have an annual bill, divide that by 12 for a monthly figure.

One way of deciding how your income should be spent is to subscribe to the 80-10-10 theory. Ten percent of your income goes for religious or charitable spending, 10 percent towards savings and 80 percent for household and other living expenses. Rent or mortgage payments should be between 20% and 30% of your income. Food should take another 15%. Debt payments should not exceed 15% of your income. Transportation (depending on if you have a car payment or not) can range from 5% to 15%.

Use the budget worksheet on the next page to write down your expenses by category. Make sure you tally everything, including those daily coffees and snacks. Those can add up quickly!

The last step in creating your budget is to total all of your expenses and subtract them from your total income. If the bottom line is zero, then your income and expenses are equal. You might be living paycheck to paycheck. Look to see if you can cut

expenses and develop a savings plan for emergencies or unexpected expenses.

If you have a positive bottom line, then you have money left over at the end of the month! Congratulations! Put that money into savings or, if you have debt, pay more towards that debt.

If your bottom line is negative, you need to make adjustments. Analyze your budget to see where you can cut expenses - especially in the Looking Good or Just for Fun categories.

If you have not looked at your budget lately, I encourage you take the time to sit down and examine your expenses. One good resource available on line is www.aba.com/ABAEF/consumers. Here you will find a wealth of information on all areas of financial needs. You CAN take charge of your finances and your life by setting financial goals and sticking to them!

James F. Brown, Jr.

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

TIPS ON CUTTING *Household Expenses*

Make extra mortgage payments when you can. You can save thousands of dollars in interest and shorten the loan period.

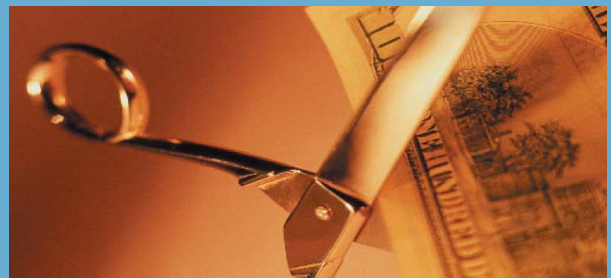
Trade your standard incandescent bulbs for compact fluorescent bulbs. They are more energy-efficient, last for years, consume little power and generate little heat.

Make sure you turn off the television, radio and computer when not in use.

Replace filters in your heating and air conditioning units every month.

Set your thermostat to 78 in the summer and 68 in the winter. In the summer, increase the temperature when not at home.

Pack your lunch for work and bring snacks and drinks from home.



MONTHLY BUDGET *Worksheet*

INCOME

Take Home Pay \$ _____
 Allowance \$ _____
 Gifts \$ _____
 Part-time Jobs & Chores \$ _____
 Other Sources \$ _____

TOTAL \$ _____



EXPENSES

LOOKING GOOD

Clothes & Shoes \$ _____
 Toiletries \$ _____
 Laundry & Cleaners \$ _____
 Hair Care \$ _____
 Other Expenses \$ _____

TOTAL \$ _____

JUST FOR FUN

Movies/ Concerts \$ _____
 Dates/ Trips \$ _____
 Books/ Magazines/ Music \$ _____
 Hobbies \$ _____
 Other \$ _____

TOTAL \$ _____

MISCELLANEOUS

Credit Cards \$ _____
 Savings & Investments \$ _____
 Education (tuition, books, fees) \$ _____
 Gifts & Charity \$ _____
 Pets \$ _____

TOTAL \$ _____

HOUSEHOLD

Rent/ Mortgage \$ _____
 Utilities (electric, gas, trash, water) \$ _____
 TV and Internet \$ _____
 Telephone/ Long Distance \$ _____
 Cell Phone \$ _____
 Other Household Expenses \$ _____

TOTAL \$ _____

FOOD

Groceries \$ _____
 Lunches/ Snacks \$ _____
 Eating Out \$ _____

TOTAL \$ _____

TRANSPORTATION

Car Payment \$ _____
 Insurance \$ _____
 Gasoline \$ _____
 Maintenance & Repairs \$ _____
 Other \$ _____

TOTAL \$ _____

HEALTHCARE

Doctor \$ _____
 Prescriptions \$ _____
 Medical Insurance \$ _____
 Other Healthcare Expenses \$ _____

TOTAL \$ _____

GRAND TOTAL

TOTAL ALL INCOME \$ _____
 subtract - _____
TOTAL ALL EXPENSES \$ _____

BOTTOM LINE \$ _____

Need Help Saving?

Worried that you won't remember to put money into savings each month? We can help! See any of our Personal Bankers to help you set up an **Automatic Funds Transfer** from your checking to your savings account. You can decide the amount you want to transfer and how often you want the transfer to take place. Once it's set up, the transfer will happen automatically and you don't have to do a thing! Do you get paid every 2 weeks? Then set up your transfer to occur every 2 weeks the day after your payday. If at any time you decide you no longer want the transfer to occur automatically, just let us know. We will cancel the Automatic Funds Transfer immediately. Now saving can be a breeze!

TGB *In the Community*

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

BLOOD DRIVES



The Clute and West Columbia Branches each hold 3 to 4 blood drives a year. This past February, Texas Gulf Bank was awarded the Small Business of the Year award by the Gulf Coast Regional Blood Center. Kim Copeland, chairperson for the Clute branch accepted the beautiful blue vase shown here.

Junior Achievement Golf Tournament

Texas Gulf Bank once again volunteered at this year's Junior Achievement Who's Who Golf Tournament held June 6. Employees could be seen driving golf carts, handing out goodie bags and monitoring various holes. Many of our employees also volunteer in the classroom, bringing the program to local elementary school students.



SHRED DAY



In May, TGB hosted a shred day in the parking lot of the Clute branch. This gave the public an opportunity to dispose of sensitive and personal information at no cost. The bank is looking to make this an annual event.

THE KEY TO YOUR SAFE DEPOSIT BOX

With hurricane season upon us, how will you keep your valuables safe? One solution is to rent a safe deposit box. A safe deposit box is a convenient place to store important items that would be difficult or impossible to replace. It offers privacy and security.

Items to keep in your safe deposit box include important papers such as: birth, marriage or death certificates; deeds, titles and other contracts; stocks, bonds or CDs. You might also consider placing valuables like jewels, rare stamps or negatives of irreplaceable photos. Do not put anything in a safe deposit box that you might need in an emergency.

How safe is a safe deposit box? Companies that manufacture these boxes and the vaults that house them make them highly resistant to fire, flood, explosions and other disastrous conditions. However, it is still a good idea to seal items in airtight bags or containers to help prevent water damage. Also, put your name on items and make copies or take photos of the contents. That way if a disaster occurs, you can successfully identify your items.

Starting at only \$15 a year, safe deposit boxes are an inexpensive way to protect your valuables. All Texas Gulf Bank branches have boxes available for rent. Now is the time to get your safe deposit box so you can rest easier during a storm.



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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