

The
TGB

The practical bank for business. And you.

Scoop



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

FREEPORT • CLUTE • ANGLETON
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COMMERCIAL CONSTRUCTION

building your business

Construction of a new building can be one of the most overwhelming experiences a business owner or investor faces. It usually involves a huge capital investment which you might not always have readily available. A commercial construction loan from Texas Gulf Bank is just the solution you need to overcome this obstacle.

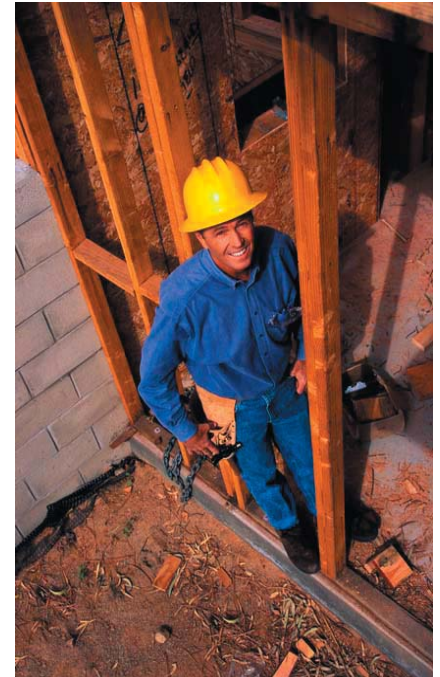
Commercial construction loans are short term loans used for the purpose of financing the construction of new commercial buildings as well as renovating existing property.

“When applying for a commercial construction loan, be prepared to provide documents related to your construction plans,” advises Kevin Baker, a commercial loan officer for TGB. “The bank will also review existing business expenses and cash flow to confirm that you have sufficient income to afford the proposed construction.”

Commercial Construction Loans are generally secured. The land on which the construction is taking place is almost always used as the collateral to secure the loan.

Kevin Baker explains, “With construction loans, only a portion of the loan is released initially. The balance is released in stages called ‘draws’ as work is performed and completed.”

Texas Gulf Bank can help finance your new business construction, as well as help with the permanent financing that might be required when construction is completed. All lending decisions are made locally and the lenders and board of Texas Gulf Bank are familiar with our unique market. For more information or to get started on your business’ construction project, contact Kevin Baker at 297-7211 ext. 13105.



BUILDING DREAMS... with Interim Construction Financing

So you want to build your own home. How will you finance this dream? An Interim Construction Loan is a short-term loan unlike mortgages and home loans. The amount of the loan typically covers the cost of the builder and all building materials. The lender offers the loan until the homeowner moves into their new home. As soon as construction is completed, the loan is typically repaid by getting permanent financing, such as a mortgage and transferring the balance of the loan.

Interim Construction loans can be made to either the builder or the homeowner. If the loan is made to the builder, then they assume responsibility for the loan. If the loan is made to the homeowner, then the homeowner has control over the finances and disbursements of the funds.

During construction, generally interest-only payments are required. When construction is complete, often these loans are converted into permanent mortgages. Texas Gulf Bank cannot only help you acquire the Interim Construction loan to build the home of your dreams, but our lenders can also help you find the right permanent mortgage. Contact any of our lenders to help get the process started on building your home.



PRESIDENT'S Message

Control Health Insurance Costs with a Health Savings Account



Are rising health care costs causing a strain on your budget? You are not alone. The price of health insurance has increased every year over the last 5 years. But the good news is there is some help available. Many businesses and individuals are replacing traditional coverage with a high-deductible health plan, also referred to as an HDHP. Yes, the deductible is higher with these plans, but the premium is lower.

Once you have established your HDHP, then you are eligible to open a Health Savings Account (HSA) and make tax-deductible contributions to the account. This money can be withdrawn tax-free throughout the year for qualified medical expenses. And as an added bonus, the money that you don't use can be rolled over from year to year and continue to earn tax-free interest. Unlike with a flexible spending account, you don't lose unused funds.

Any adult can open and contribute to an HSA if they have coverage under an HDHP, have no other medical coverage, are not enrolled in Medicare and cannot be claimed as a dependent on someone else's tax return. Not only can individuals contribute to their HSA, but many employers are also contributing directly to an employee's HSAs as part of their

benefits package. By doing this, they receive a tax deduction for the amount of any contributions they make.

The HSA helps people with high deductible health plans pay for health costs that might accrue before insurance kicks in. There is a limit to the amount of money that can be put into the HSA each year, but any funds that roll to the next year remain tax-free!

Texas Gulf Bank is excited about offering an HSA Super Now. These accounts have a low opening balance requirement, a low, or in some cases no, maintenance fee, and competitive interest rates. You can also write checks off of this account, or if it is more convenient, a debit card is available for purchases. So if you are currently enrolled in a High Deductible Health Plan, we would love to help you get your Health Savings Account set up. Come by and visit with one of our friendly Personal Bankers to get more information on how a HSA can help you.

James J. Brown, Jr.

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



PROTECTING YOURSELF *Tips for ATM Safety* 3 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 some final tips to consider for managing your ATM use.

Tip 15:

Memorize your PIN (Personal Identification Number). If you must write it down, do so in a disguised manner and never carry it with your card.

Tip 16:

Never disclose your PIN to anyone, whether to family member, bank staff or police.

Tip 17:

Do not use obvious and guessable numbers for your PIN like your date of birth.

Tip 18:

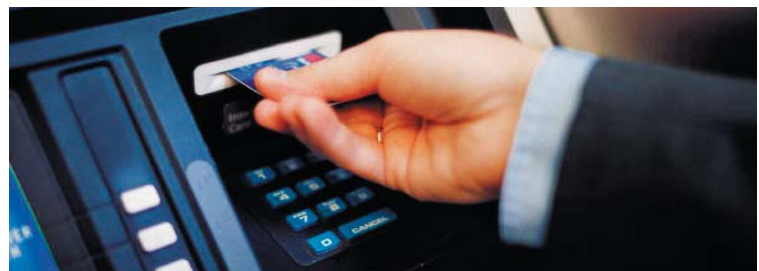
Change your PIN periodically, and, if you think it may have been compromised, change it immediately.

Tip 19:

Set your daily ATM withdrawal limit at your branch at levels you consider reasonable.

Tip 20:

Keep your printed transaction record so that you can compare your receipts to our monthly statement. Regularly check your account balance and bank statements and report any discrepancies to your bank immediately.



STUDENT LOANS

investing in your future...

A college education is one of the most important investments you can make in your future. But, with the rising cost of tuition and related expenses, financing your higher education can be difficult. Fortunately, education loans are available to you through Texas Gulf Bank's partnership with TIB. Here is some basic information and common sense advice to help you arrive at a reasonable borrowing plan.



WHERE TO BEGIN

One way to help finance the expense of college is through the Federal Family Education Loan Program (FFELP). This program is the only federal student loan program that offers borrowers a choice of lenders. A borrower's eligibility is determined by first filling out a Free Application for Federal Student Aid (FAFSA). The form is available through your high school Guidance Counselors office, college and university financial aid offices, by calling 1-800-433-3243 or online at www.fafsa.ed.gov.

The completed FAFSA can be submitted online. You must include your chosen school's FAFSA code to ensure that your results are sent to your college's financial aid office. After you have received your Student Aid Report, obtain and complete a loan application from Texas Gulf Bank. You will then submit the completed application to your college's financial aid office. The school certifies the appropriate section of the application and then forwards it to Texas Gulf Bank and the guarantor. The lender will review the loan application, receive the guarantee from the guarantor and disburse funds through the guarantor to the school. The school will then verify enrollment and release the funds to the student or parent.

FFELP student loans, which include the Federal Stafford Loan and the PLUS Parent Loan described in this article, have a maximum repayment term of 10 years and the minimum monthly payment can be as low as \$50. Students must be enrolled in at least 6 hours per semester to be eligible for these types of loans.

FEDERAL STAFFORD LOAN

For students that have been granted eligibility, all or a portion of the Stafford Loan may be subsidized by the government. This means that the student is not charged interest on the subsidized portion of the loan while they are in school. Any unsubsidized portions of the loan are charged interest from the time the funds are disbursed. Repayment of the loan begins six months after the student leaves school or drops below half-time attendance.

The annual adjusted variable interest rate cap on Federal Stafford Loans cannot exceed 8.25%. The rate for all lenders is determined by the Department of Education. There are also limits to the amount of the loan. The origination fee on these loans cannot exceed 3% of the actual loan amount and will be deducted from each disbursement. This amount is forwarded to the Department of Education.

PLUS PARENT LOAN

With a PLUS Parent Loan, parents may borrow up to the cost of the student's education minus any aid amount the student receives. These loans have no grace period. Repayment begins within 60 days after the final disbursement of the loan. Eligibility for a PLUS loan is NOT need-based. Loans are made regardless of parents' income.

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New Packaging for Deluxe Checks



If you have recently received checks from Deluxe, the check service used by Texas Gulf Bank, then you know that the traditional mailing cartons are gone! Deluxe has started sending checks in all new packaging in order to meet changing Postal service requirements. This new package meets new postal regulations and helps keep mailing costs to a minimum. The flat package is streamlined, but still delivers the quality and security you expect - and inside the package, the easy-to-assemble flat box folds together to store checks.

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!

WALK FOR HABITAT



Once again TGB helped with the Habitat Penny Drive and Walk for Habitat. During the week prior to the Walk, TGB was the drop off spot for all the coins being collected by area schools.

Many of our employees stayed late to help count and roll all the coins, which totalled over \$5,700. Several employees were also present to help with various "chores" at the walk on Saturday, November 2. The event raised over \$89,000 for Habitat for Humanity.

JUNIOR ACHIEVEMENT BOWL-A-THON

On Saturday, November 17, employees from TGB laced up their bowling shoes and helped raise money for Junior Achievement. Our team raised a total of \$1,038.



SALVATION ARMY KETTLE

If you visited the Brazos Mall during the week of December 10 thru 14th, you might have seen one of our many employees ringing the bell for the Salvation Army. Every year, our employees sign up for shifts, put on the red apron and help raise money for the Salvation Army.



STUDENT LOANS

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The annual adjusted variable interest rate on PLUS loans cannot exceed 9%. These rates are also determined by the Department of Education. The origination fee cannot exceed 3% of the actual loan and will be deducted from each disbursement.

Texas Gulf Bank can help you apply for either of these types of loans. For additional information about applying for a student loan through Texas Gulf Bank, contact Irene Ocañas at (979)297-7211 ext. 15103.

LOVE TO SHOP?

TGB will pay you to do what you love...

We are looking for customers that are interested in helping us conduct mystery shops. Secret Shoppers will be compensated for simply doing their everyday transactions with Texas Gulf Bank. You can have an impact on the products and services we offer and earn extra money!

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

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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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