

Debit Card Authorization Holds

Q. What is a debit card authorization hold?

A. When you use your debit card to conduct a credit transaction (you do not enter your PIN to complete the payment), the merchant sends TruWest the amount, usually your purchase total, for authorization. Once authorized, this amount is placed on hold and removed from your available balance immediately. The hold is released after approximately five days or when the transaction clears, whichever comes first. The hold helps reflect the most current available balance on your account through TruWest's Online Banking, Telephone Banking and at ATMs.

Q. Will debit card authorization holds apply to *all* of my purchases?

A. No, they only apply to debit card purchases when you sign your name or do not enter a PIN. Debit purchases and ATM withdrawals made using a PIN subtract the funds immediately from your account, thereby reflecting an accurate available balance. Gas stations tend to be an exception, however; when using your PIN at a gas station, the merchant may still send a preauthorization request.

Q. What is the difference between my **actual** balance and my **available** balance?

A. Your *available* balance reflects any authorization holds from approved signature-based debit purchases or deposit holds and is used to determine available funds when future transactions attempt to clear the account. If funds are not sufficient in the available balance at the time of clearing, an overdraft fee is charged for each transaction that attempts to clear (unless you have TruCourtesy Overdraft coverage for your debit card). The balance TruWest uses internally as transactions clear is called your *actual* balance or total balance and includes all items that have cleared the account up to that point. This actual balance does not include outstanding debit purchases, checks or ACH payments.

Q. Will the debit card authorization hold always equal the exact amount of my transaction?

A. No. Some merchants, especially gas stations, hotels and restaurants, will preauthorize an amount that is higher or lower than the actual purchase amount. For example:

Gas Stations: Many gas stations preauthorize transactions for amounts ranging from \$1 to \$75 because they do not know how much gas you will actually pump in advance of your transaction. If they preauthorize \$75, we will place a hold for \$75, even if your transaction is only \$45. After two hours, we will release the hold and those funds will be available to you again. If you are worried about large preauthorization holds from a gas station, we recommend you use a TruWest credit card.

Hotels: When using a debit card to make reservations in advance, hotels generally will preauthorize an amount equal to an overnight stay, or more, depending on the length of your stay. This will result in a hold on your account up to five days. Then, when you actually arrive, the hotel will place another preauthorization, often larger than the cost of your stay to cover possible incidental expenses. Because these can result in significant holds against your account, we recommend always using your TruWest credit card for hotel stays.

Q. Do all debit card transactions clear within five days?

A. No. Some merchants will not send the final transaction through to TruWest within the five day time frame of the hold. In that case, the hold will drop off and funds will appear to be available again, although the debit transaction still has to clear your account. Unfortunately, TruWest has no control over how quickly merchants process their transactions.

Q. Can I set up overdraft coverage to ensure my transactions are processed?

A. It is always a good idea to have overdraft coverage set up on your account. TruCourtesy Overdraft coverage is a courtesy pay service that TruWest offers to eligible members. By opting in to TruCourtesy for ATM and debit card transactions, you will have the peace of mind that important transactions will be covered, even when funds in your account are on hold. TruCourtesy Overdraft coverage on your debit card will pay for other transactions coming through while funds are being held. Even if TruCourtesy pays for these transactions, if your actual balance has enough funds to pay for the transactions that process while the holds are in place, you will not be charged a TruCourtesy fee.

Q. Can debit card authorization holds on my debit card be removed?

A. It is not TruWest's policy to remove debit card authorization holds unless an error was made. If an erroneous hold was placed, or there are extenuating circumstances, please call us at 1.800.528.1441.