

Depositing Checks

1. Collect member deposits
2. Send to your Broker with deposit slip
3. Wait for email from AccountSync™
4. Identify payments



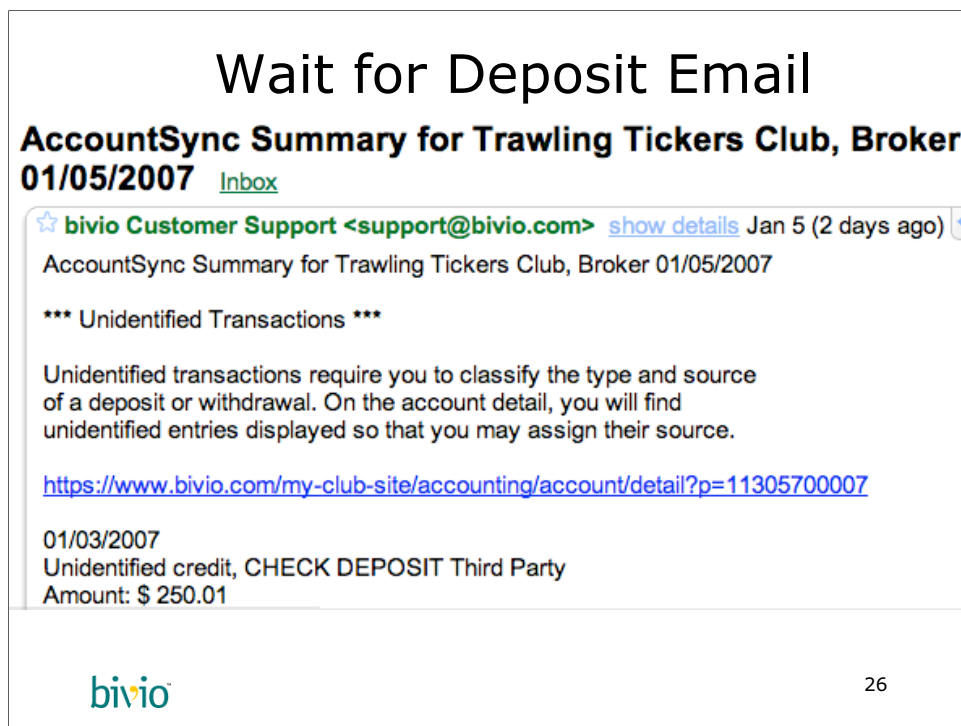
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The most common transaction you have to deal with is member deposits. bivio recommends that you deposit checks quarterly, not monthly like traditional investment clubs do. Financial statements come out quarterly so you can't really make sound investing decisions monthly. Rather also to deposit a larger amount so you also get more money to invest at one time. This will lower your overhead (broker commissions) with respect to your portfolio.

There are four steps: get the checks from the members, send them to your broker, wait for AccountSync to notify you that they've been credited to your account, and finally, identify payments. We'll go over all these steps.

Once you write the checks, send them in along with a deposit slip to your broker. Don't ask the broker if you can make the deposit with multiple checks. Something we've learned is that brokers always take the money. Customer service representatives will probably say no, but the checks will get deposited.

Before you write any checks, you need to understand how AccountSync identifies payments. Please follow the next slides to understand the complete process. It will save you time and effort, and also provide a good auditing trail to let people know who wrote which check.




When AccountSync imports transactions from your Broker, you'll get an email from bivio Customer Support <support@bivio.com> that contains information about the transactions. In this example email message, you see the first transaction was imported. The others are there in the rest of the email. All you have to do is click on the link in the email. It's highlighted in blue. This will bring you to the Account Detail page for your Broker Account.

In this example, we have received the deposits, and AccountSync needs you to identify them. The first time you do this will be tricky, but after that, it will be a breeze.

When you click on the link in the email, you'll go to the page on the next slide.

Identify Multiple Payments

<u>Date</u> ▲	<u>Exec.</u>	Type	Remark	Amount
01/03/2007	account_sync	Identify Credit ▼	CHECK DEPOSIT Personal Check	250.01
01/03/2007	account_sync	Identify Credit account transfer multiple fee	CHECK DEPOSIT Personal Check	250.02
01/03/2007	account_sync	multiple payment single fee single payment	CHECK DEPOSIT Personal Check	250.03
01/03/2007	account_sync	Identify Credit ▼	CHECK DEPOSIT Personal Check	250.04
01/03/2007	account_sync	Identify Credit ▼	CHECK DEPOSIT Personal Check	250.05


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You'll see that we have 5 Unidentified Credit entries in our Account Detail page for the Broker. You get a choice of identifying each one, or what you really want to do is identify them all at once. Just click on any of the Identify Credit boxes, and select "multiple payment". You can see it highlighted in blue above.

When you release your mouse, you'll be transferred to the Payments page with all the values filled in as shown on the next slide.

Penny Payment System

Name	Amount	
Rose Caesar	250.02	<i>Rose Caesar always deposits an extra two cents into the club.</i>
Sam Chase	250.03	
Rodrick Escobar	250.01	
Tam Rodriguez	250.04	
Rollie Sherman	250.05	<i>Rollie Sherman always deposits an extra five cents into the club.</i>
Total	1250.15	

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bivio has invented a way for AccountSync™ to automatically detect which deposit should be credited to whom. We call it the Penny Payment System. The first time you enter a “multiple payment”, enter the checks for each member. Next time you enter a multiple payment, the form will use the cents amount to line up the checks with the members. Future payments only require that you verify them and click OK. Once you click OK, you’ll return to the Account Detail page and see that all the members are credited properly.

In this example, Rose deposited \$250.02. This whole amount gets credited to her capital account in the club. The \$0.02 is real money that also lets us know its from Rose, and not Sam (whose cents amount is \$0.03). Each member must remember his or her cents amount. It doesn’t hurt to remind each member their cents amount in the beginning. After a couple of times, they’ll remember. No matter what they pay in, they always put in the same cents amount, never double the amount, nor triple. Some people think that if they double their payment they should double the cents. Don’t do that! Still, always put the same cents amount on your club deposits.

Your members will be getting slightly different shares of the club which upsets some people. We suggest you tell them that the bivio computers are very good at arithmetic, and they won’t lose their pennies. Indeed, the extra cents is very useful for auditing purposes. It becomes obvious who’s check was missing if one gets lost on a desk full of papers. In the old days of paper based club accounting, or even with spreadsheets having everyone make equal payments made life easier for treasurers. We’ve found other ways to make it easy for treasurers.