

# BUSINESS EXTRA

www.firstbankak.com • Winter 2009-10

## First Bank Is Here for Your Protection



First Bank would like to inform you of a nationwide increase in criminal fraud which targets users of ACH and Wire Services. Although there have not been any reported attempts on First Bank customers, we want you to be aware of this practice, and the steps you can take to prevent it.

In these attacks, criminals attempt to install malicious software, known as malware, on your computer. The malware monitors key strokes on your computer to obtain username and password data, which leads the criminal to personal information regarding your account.

First Bank employs an additional authentication security service designed to help protect against these malicious attacks. Should an attempt be made to access your account by someone else, from a computer you do not normally use, the authentication security service is triggered. This service verifies you as the user by asking the security

questions you set up when activating your account. Without providing correct answers to these questions, an individual other than yourself will be prevented from logging into your account.

Basic security tips to help protect against malware attacks and other types of fraud:

- One of the most effective and basic controls is for business customers to always initiate ACH and wire transfer payments under dual control. For example, one individual initiates the payment file creation and another approves the file for release.
- Limit administrative rights on users' workstations to prevent inadvertent downloading of malware or other viruses by users. It is also recommended that internet and email usage on the computer used for file transmissions be restricted.
- Ensure that your operating system and its components are up-to-date with current software patches. For example, the most current firewalls,

malicious code filtering, virus protection and spyware removal software will aid in the control of network intrusion tactics.

- Business customers should reconcile their bank accounts frequently. Frequent reconciliation can be used as an early detection method to identify fraudulent activity.
- ACH customers should provide First Bank with a Critical Timing Calendar annually. This calendar is part of First Bank's ACH Implementation packet updated each year. The information is used to alert First Bank if there are any abnormal batches released to the bank from your ACH account.

At First Bank we believe the safety of your online banking should be held at the highest of standards. We hope this information is helpful in maintaining this high level of security against fraud attacks. If you have further questions or concerns, please contact us at **1-888-220-4446**.

*What's in Your Wallet?*

## Learn Habits of Successful Savers



In our fast-paced American culture, time is seen as money and money is meant to be spent. People look for bigger, better, faster, more. That is until recently, when financial security began to waver, and even crumble. Suddenly, saving has

begun to make sense to those who never even gave it a passing nod. Now what?

According to recent research,\* active savers display four distinct characteristics that separate them from those less inclined to stash their cash:

- Savers start early.
- Savers are less hedonistic.
- Savers know their limits and stay within them.
- Savers are happier with their financial situation.

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## Learn Habits of Successful Savers *continued from front*

If you're thinking about reining in spending habits, here are some ways to put saving into practice, based on the four characteristics above.

### START EARLY

Translate that to NOW. Instead of looking for more money to save, check your current spending habits. The most obvious way to save is to cut unnecessary expenses – the morning latte, dinners out, impulse buying. If it seems like small change to you, think again. If you buy a \$3.50 latte each morning and spend \$5 on lunch each day, that's \$42.50 a week, or \$2,210 a year. Keep track of where you spend money for a month. Then, cut out whatever isn't essential.

### BECOME LESS HEDONISTIC

Instant gratification should take a back seat. Think about the long term. Pay down high-interest debt. Plan to only purchase high-ticket items with cash, not credit. If you own a home, pay down the mortgage faster (unless there's a penalty for doing so). Instead of buying the next new thing or high-tech gadget, put money into a retirement account or a 401(k) plan. Start to build an emergency fund. Some experts say you should have enough to cover six months of expenses.

### KNOW YOUR LIMITS

OK, maybe the idea of budgeting is odious to you. But you could begin by having a specific amount deducted from each paycheck and put into a savings



or retirement account. If you don't see it, you won't miss it. Keeping that train of thought, buy goods and services on sale. Embrace frugality and eschew impulse spending and purchase items based on need, not desire. Pretty soon, you'll see that budgeting is really just living within your means.

\* Source: HSBC Direct ASK (Active Saver Know-How) Research Panel, May 19, 2009.

## The Clock Is Ticking on 2009 IRA Tax Savings

If you haven't contributed to an individual retirement account (IRA) yet, do it now. You have until April 15, 2010, to open and contribute to an IRA for the 2009 tax year.\*

IRAs are a smart way to save for retirement on a tax-favored basis. With a traditional IRA, earnings grow tax-deferred; you'll pay ordinary income taxes on withdrawals in retirement.\*\* You may even be able to deduct your contribution, saving on your current tax bill.\*\*\*

Contribution limits for 2009 and 2010 are \$5,000 or earned income, whichever is less. Taxpayers age 50 and older can contribute an additional \$1,000.

In general, you must have earned income to open an IRA, but non-income-earning spouses of income earners can open their own IRAs.

### START TODAY

The sooner you start saving, the longer that tax-advantaged compounding can work for you. If you have questions about opening a traditional IRA, contact First Bank at **1-800-478-6101** or visit **www.FirstBankAK.com**.

\* You can make contributions for the 2010 tax year from Jan. 1, 2010, to April 15, 2011.

\*\* Premature withdrawals are subject to a 10% tax penalty.

\*\*\* Deductibility depends on whether you or your spouse participates in an employer-sponsored retirement plan and, if so, your income.

This financial institution does not give tax advice. Consult your tax advisor for information specific to your situation.



**Check out our new downtown Juneau Branch located at 605 W. Willoughby Ave. in the Foodland Shopping Center.**



**The new, more accessible location is open Monday through Friday from 9 a.m. to 5 p.m. and offers the conveniences of extra parking, a 24/7 ATM and a night drop. Stop by and let our friendly staff help you with your banking needs.**