

SIGNALS

NEW DIRECTIONS IN FINANCIAL SERVICES



FIRST BANK
MEMBER FDIC



Helping our communities prosper FDIC rates First Bank 'Outstanding' for community development

At First Bank, we're committed to the communities we serve and it shows. For the sixth time, First Bank has received the highest possible rating from the FDIC for our performance under the Community Reinvestment Act (CRA). This act requires financial institutions that accept federally insured deposits to support the borrowing needs of their communities — including low- and moderate-income neighborhoods.

The "Outstanding" rating, awarded to less than 5 percent of banks in 2011, is based on our record of lending for mortgages, small businesses and community development projects. It is also based on our record of investment in projects that contribute to local economic growth and community development service hours performed by First Bank's staff and directors.

"First Bank is committed to the vitality and success of the customers and communities we serve throughout Southeast Alaska," said Michael Medford, Vice President and Community Redevelopment Officer for First Bank. "We're honored to receive this rating which represents that commitment and reflects the successful community partnerships that we have formed over the years that allow the bank to serve a vital role

in the community and the economic development of the markets we serve."

Over \$60 million in community development loans

Even during the recent economic downturn, First Bank continues to invest in our communities. Since our last CRA evaluation, we've made 44 loans for over \$60 million to projects related to affordable housing and economic development. In addition, our staff and directors participated in 2,392 hours of service directly related to community development.

As a locally owned and operated bank, First Bank can only prosper when our communities do. That's why, since 1924, First Bank has provided generations of our neighbors in Southeast Alaska with the best in financial services, including a wide variety of home mortgage and personal loans for individuals as well as financing for the businesses that make our local economy stronger.

At First Bank, there's no fee to apply for a personal loan and no application fee or transaction fees on business loan service. We also offer convenient payment plans to fit your needs and budget. For loans and other financial services, you can count on First Bank's ongoing commitment to you and the community.



First Bank's Debit Card — The smart money management tool

Managing your spending and credit wisely is especially important in today's economy. First Bank's debit card is a convenient money management tool that may offer you several advantages over using cash or credit cards for your purchases:

Helps avoid overspending, debt, monthly bills and interest charges —

Debit card purchases are automatically deducted from your First Bank checking account balance, which may help you avoid overspending. Also, you potentially avoid hefty monthly credit card bills and interest charges.

Safer and more convenient than checks or cash —

Carrying large amounts of cash

or blank checks is risky, and getting check approvals can be a hassle. You can use your card wherever MasterCard is accepted with your personal identification number (PIN) to keep your transactions secure. You are also protected from unauthorized use of your debit card. (See the Disclosure Statement for the legal limitations on your liability for unauthorized transactions.)

A handy tool for managing spending

— Tracking your spending can be difficult, especially cash purchases. With the debit card, each transaction is itemized on your monthly statement, including purchases and ATM withdrawals, to help you monitor and manage spending.

You can use your debit card at any Alaska Option or Plus System ATM to withdraw



cash, make deposits and transfer funds between your First Bank accounts. To qualify, all you need is an open First Bank checking account in good standing. Simply complete an application, available at any First Bank office or online at www.firstbankak.com, and deliver it to any First Bank branch. For more information, visit or call us today.



Learn more about us at
www.firstbankak.com

What is more important: Building your savings or paying down debt?

In the wake of the recent recession, many of us are trying to reduce our debt. In fact, according to the National Foundation for Credit Counseling, 89 percent of us now value paying down debt more than saving for the future.

Paying down debt — or even getting out of debt altogether — sounds like it should always be a good idea. However, sacrificing savings to pay debt may not always be the best choice.

When to pay down debt

Paying off debt may be important if you have difficulty making payments or if you need to boost your credit score. High-interest credit card balances should usually be a priority. On the other hand, it makes less sense to pay off a low-interest mortgage instead of building your savings.

When to save

Before you focus on debt, you should save for emergencies. Without an emergency fund, losing your income may put you

further into debt. The general advice is to save enough to cover expenses for at least six months.

In addition, saving for long-term goals, such as a major purchase or paying for college, helps you avoid adding to your debt.

The best advice — do both gradually

Paying down your debt a little at a time while putting some money into a savings account gives you the security of an emergency fund and a more manageable debt burden. First Bank offers a variety of savings account options to fit most everyone's needs with competitive interest rates and convenient services such as direct deposit that help make saving money easier. Talk to the financial experts at any First Bank location about savings options that may be right for you, or visit www.firstbankak.com to learn more.