

THE KEY

MAY 2010



UNLOCKING YOUR FINANCIAL OPPORTUNITIES



MEMBER FDIC

Farmers
STATE BANK

Building Your Success

THE INTERNET BANKING EDITION

SIMPLY MANAGING MONEY

IN THIS ISSUE:

**PAY EVERY BILL ON ONE SCREEN,
LESS PAPER, MORE SERVICE &
MOBILE MONEY MANAGEMENT**

CD RATES:

9-13 Mo. - 1.75%^{APY*}

15-17 Mo. - 2.00%^{APY*}

25-30 Mo. - 2.27%^{APY*}

60-67 Mo. - 3.27%^{APY*}

IRA CD RATES:

26-32 Mo. - 3.00%^{APY*}

*APY = Annual Percentage Yield. IRA = Individual Retirement Account. Qualified funds only. Substantial penalty for early withdrawal. Rates subject to change daily. \$1,000 minimum opening deposit for 15-17 month, 25-30 month, 26-32 month and 60-67 month terms. \$2,000 minimum opening deposit for 9-13 month term. 9-13 month CD interest rate 1.74%, 15-17 month CD interest rate 1.99%, 25-30 month CD interest rate 2.26%, 26-32 month IRA interest rate 2.98%, 60-67 month CD interest rate 3.24%. Interest compounds semi-annually for 15-17 month, 26-32 month & 60-67 month CD's and every 3 months for 9-13 month CD. Effective 5/1/2010.

For the first time, more bank customers (25 percent) prefer to do their banking online compared to any other method, according to a 2009 survey of 1,000 consumers conducted by Ipsos Reid, an independent market research firm.

Convenience is the number one attribute people look for when shopping for bank services and online banking defines convenience for many customers. With a few clicks of a mouse, customers can check deposits, pay bills or even submit a loan application.

Mandatory security upgrades were recently required by bank regulators. Online banking systems now must include “multi-factor authentication,” which consists of validation and authentication of a customer using more than one method of verification. This can include security questions, a security key and a password.

Nearly 70 million American households are using online banking services, according to the financial services technology firm Fiserv Inc. Forrester Research estimates 92 million, or 76 percent, of American households are expected to be banking online by 2011.

The popularity of online banking is not exclusive to the youngest consumers: it is the preferred banking method for all bank customers under the age of 55 according to the 2009 ABA survey. Consumers older than 55 years old still prefer to visit their local branch (26 percent) followed by ATMs (17 percent).

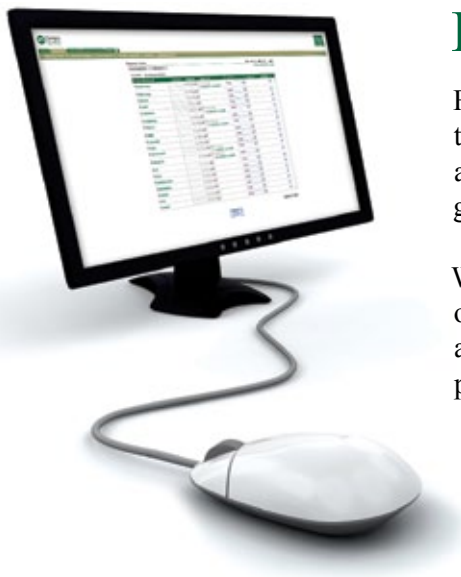
Consumers cited these top attractions: convenience (79 percent); saves time (71 percent); better control over finances (52 percent); and privacy – you don’t have to talk to anybody (41 percent) [Pew Research].



EQUAL HOUSING
LENDER

MEMBER FDIC

1-877-FSB-1879 • www.FSB1879.com



PAY EVERY BILL ON ONE SCREEN

FSB Bill Pay offers you the convenience of paying your bills when and how you want to. It can help you manage your finances while allowing you to pay virtually anyone, anytime from anywhere. Paying your bills online is quick, easy, secure, free and guaranteed. You can access Bill Pay using your I-Banking account.

With Bill Pay you have a variety of payment options: you can pay your doctor, a friend, or regular bills. You can also quickly schedule one time, weekly, monthly, quarterly and yearly payments. When using this service you can easily track past and future payments.

Some experts recommend online bill payment as a way to protect yourself against identity theft; less paper means less chance for your information to get into the wrong hands. Also, regularly checking your online accounts is a great way to prevent unauthorized transactions.

HOW TO SIGN UP

Log into our I-Banking website using your current account information. Once you've logged in click on the payments tab. Then click on the account that you choose to pay bills from. Next complete the application and within 24 hours you will receive an email saying you have been approved.

After you sign up for Bill Pay, you'll receive a welcome email within one business day. When you receive this email, you're officially registered and can begin using Bill Pay.

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WHAT FARMERS STATE BANK OFFERS

FSB I-BANKING - HELPING YOU BANK WHEREVER, WHENEVER YOU DECIDE. IT'S FREE AND SECURE!

- VIEW ACCOUNT BALANCES
- VIEW IMAGES OF CHECKS AND DEPOSITS
 - USE FREE BILL PAY
 - TRANSFER FUNDS
- MAKE LOAN PAYMENTS
 - ORDER CHECKS
- VIEW OR PRINT STATEMENTS
- SEND MESSAGES TO THE BANK
- DOWNLOAD ACCOUNT INFORMATION TO POPULAR FINANCIAL SOFTWARE

eSTATEMENTS... LESS PAPER, MORE SERVICE

Stacks of your monthly statements can pile up before you have a chance to review and file them away. This can create clutter and chaos on your kitchen counter, not to mention waste paper.

Clean up your act and sign up for email statements (eStatements). You can have your monthly statements delivered electronically directly to your email address in a secure password protected file.

There's no paper so there's no worry of losing your personal information in the mail. You can receive eStatements a few days faster than mailed statements.

Improve your filing system by saving received statements to your PC. You can easily view and print them for tax season.

To sign up for eStatements give us a call at 1-877-FSB-1879 or stop by your local Farmers State Bank branch today.



DON'T BE FOOLED BY BOGUS POP-UP WARNINGS

Everybody has seen them, those boxes that suddenly appear on a computer screen seemingly out of nowhere. They shout warnings about computer-related threats. They have buttons for the user to click to make the threats go away. The problem is, some of these are legitimate and some are not. Clicking on a bogus button could easily introduce all sorts of bad code or malicious programs into your system.

A study by North Carolina State University showed that most people cannot tell the difference. While the experiment deliberately inserted subtle differences between the real pop-up warnings and the fake ones, participants were fooled 63 percent of the time. Participants clicked on the "OK" button even though they had been told that some of what they would be seeing would be false.

When such alerts pop up, close the box instead of clicking on the enclosed button.

MOBILE MONEY MANAGEMENT

Mobile banking has progressed from a trendy offering to a necessity in today's marketplace. FSB's Free Mobile Banking Services allow you to access FSB I-Banking through your Internet capable device, making account information available to you anywhere and anytime.

Use a smart phone, pocket PC, or other WML (Wireless Markup Language) compatible device to access your account. There is no separate software or hardware required. With Mobile Banking, you can bank with complete confidence that your personal information is protected by advanced encryption technology to prevent unauthorized access.

Mobile banking allows you to manage your account in a variety of ways. You can check your balances, which allows you to view your accounts in real time, and see both current and available balances. You can also keep track of recent activity by viewing your account history. More features available with mobile banking include: transferring funds from one account to another, making loan payments, checking account alerts, opening I-Banking messages, and submitting stop payment requests.

HOW TO START MOBILE BANKING TODAY:

- Step 1. Activate your I-Banking account
- Step 2. Navigate to: <http://m.fsb1879.com>
- Step 3. Log into your account, just as you would for your FSB I-Banking
- Step 4. Choose a service





**Farmers
STATE BANK**

Building Your Success

CLICK



Apply for
an Auto Loan



Apply for a
Mortgage Loan



Apply for
an Account

AT

www.FSB1879.com

BRANCH & ATM LOCATIONS:

Cedar Falls

(1st St & Hudson Rd)
1710 1st St Ste A
(319) 268-1879

Waterloo

(Kimball & San Marnan)
1009 Peoples Sq
(319) 287-3961

Jesup

1310 6th St
(319) 827-1050

Raymond

300 South 3rd St
(319) 232-3070

Dunkerton

905 Jon Rd
(319) 822-2521

Gilbertville

1222 5th St
(319) 296-1410

OTHER ATM LOCATIONS:

Cedar Falls

Prime Mart - 2827 Center St
Tobacco & Liquor - 2328 College St
Prime Mart - 2323 Main St

Waterloo

Supervisors Club - 3265 DeWitt Rd
Omega Cabinets - 1205 Peters Dr
Court House - 316 E 5th
Prime Mart - 1008 LaPorte Rd
Prime Mart - 3535 Marigold Dr

Gilbertville

Mini Mart - 115 25th Ave

Independence

Starlight Cinema - 2401 Swan Lake Blvd

FIND YOUR KEYS

R R E E S T T R O T O R U I
 E T N A S R S A B N O T O I
 T S O R N A I C D E C E A P
 U S T E O N B I L L L A C R
 P E E A T S O D B I T F O T
 M O G C T F O S B R C F O T
 O N N N U E F O N W T K C N
 C G I N B R M S K L A S S R
 M N K E E E E E B T E B P E
 E C N E I N E V N O C U A U
 S D A O L N W O D T P T Y S
 U Y B E R A W T F O S L N L
 N F I N A N C E P T E R T C
 A Y N O C N N P T T W U E B

KEY WORDS

- BILL
- BUTTONS
- CLICK
- COMPUTER
- CONVENIENCE
- DOWNLOAD
- ESTATEMENTS
- FINANCE
- FREE
- IBANKING
- MOBILE
- PAY
- POPUP
- SECURE
- SOFTWARE
- TRANSFER

FDIC DEPOSIT INSURANCE COVERAGE LIMITS THROUGH DECEMBER 31, 2013 BY ACCOUNT OWNERSHIP CATEGORY *	
Single Accounts (owned by one person)	\$ 250,000 per owner
Joint Accounts (owned by two or more persons)	\$ 250,000 per co-owner
Certain Retirement Accounts (includes IRAs)	\$ 250,000 per owner
Revocable Trust Accounts	\$ 250,000 per owner per beneficiary up to 5 beneficiaries (more coverage available with 6 or more beneficiaries subject to specific limitations and requirements)
Corporation, Partnership and Unincorporated Association Accounts	\$ 250,000 per corporation, partnership or unincorporated association
Irrevocable Trust Accounts	\$ 250,000 for the non-contingent, ascertainable interest of each beneficiary
Employee Benefit Plan Accounts	\$ 250,000 for the non-contingent, ascertainable interest of each plan participant
Government Accounts	\$ 250,000 per official custodian

For questions about FDIC coverage limits and requirements, visit www.FDIC.gov/deposit/deposits, call toll-free 1-877-ASK-FDIC, or ask one of our helpful representatives.

* On January 1, 2014, the standard coverage limit will return to \$100,000 for all deposit categories except certain retirement accounts (includes IRAs), which will continue to be insured up to \$250,000 per owner.

