

Cybersecurity *in Banking*

F&M Bank is constantly adapting and growing with current technology trends to stay informed and prepared. Read below as our dedicated team of fraud specialists and information technology experts share how we keep our clients' information safe and secure.

What We're Facing | Due to current international events, there is an increase in both global cybersecurity threats and fraud through checks and online banking technology. F&M Bank is continuously navigating these threats with the guidance of regulators, strategic technology partners, and peer banks. We know there is an increased number of phishing and network penetration attempts, both international and domestic. We are also seeing fake/impersonation checks and attempts from fraudsters talking to clients to access their online banking accounts.

What We're Doing | In addition to making our clients and team members aware of these threats, F&M Bank regularly monitors accounts and transactions to identify all types of scams before they happen. Our team is trained and tested monthly to detect and report suspicious emails and phishing attacks. The bank also proactively blocks all internet traffic to and from Russia, China, and other sensitive countries. Bank and clients' data are backed up daily, including off-site backups in the event of a ransomware attack. Our team performs regular testing to ensure security controls are protecting your information and operating as intended.

Future Plans | In this ever-changing space, F&M Bank recognizes the importance of the continued investment in necessary technology not only to meet the needs of our clients, but to also provide multiple layers of protection for all systems and data. We continue to work closely with vendors and strategic technology partners to ensure essential controls are in place to protect all sensitive data. F&M also plans to implement new tools and options for clients to utilize for monitoring of accounts and transactions to report suspicious activity, so our clients are notified sooner of possible fraud. Our team is also hosting Cybersecurity and Fraud Lunch & Learn education webinars and workshops to help our clients better understand and mitigate threats.

If you have questions or concerns about how your data is protected, please don't hesitate to reach out.



OUR TEAM APPROACH

Multiple bank departments and technology consultants work together to keep your information safe and secure, including Digital Banking, Fraud, Information Technology, and many more.

Key Terms in Cybersecurity

Phishing

The fraudulent practice of sending emails purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers.

Ransomware

A type of malicious software designed to block access to a computer system until a sum of money is paid.

Malware

Software that is specifically designed to disrupt, damage, or gain unauthorized access to a computer system.

Penetration Testing

An authorized simulated attack performed on a computer system to evaluate its security.

Spoofing

The act of disguising a communication from an unknown source as being from a known, trusted source. This can apply to emails, phone calls, or other forms of communication.

Spyware

A malicious software that gathers data from a device sends it to third parties without the user's consent.

F&M BANK

"The Right Choice"

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7641 Lake Dr, Lino Lakes, MN 55014
845 E County Rd E, Vadnais Heights, MN 55127



HAVE LUNCH

with us!

Friday, July 29th
11:30 a.m. - 1 p.m.

F&M Bank • Vadnais Heights

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MEMBER FDIC

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Minnesota SUMMER 2022

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How F&M is protecting your data

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A look back on our Rhine River trip!

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A MESSAGE FROM OUR PRESIDENT



To Our Valued Clients

As we approach the mid-way mark of 2022, the opportunities and challenges we all face are part of the “new normal”. With that said, we thought it would be prudent to share with you a few important topics, not only to inform you, but also to hopefully ease any concerns you may have. Just as we did with Covid-19, many of us are experiencing these life events for the first time.

Cyber Security

Security and privacy are top priorities at F&M. The current administration, media and regulators continue to warn American consumers and businesses about the potential for increased cyber security breach attempts by Russia. If you are a business owner, you likely out-source your IT or you have an in-house IT department. It is part of being in business these days. As your

community bank of choice, we have been taking steps for decades to build up our cyber defenses, including the regular security patching of internet-facing systems and infrastructure (using code to update systems or software). We have proactively blocked internet traffic to and from Russia and other specific countries. We are constantly training our team on detecting and reporting suspicious e-mails. Last, but certainly not least, we are systematically backing up our data daily. We pride ourselves on the safekeeping of your private information.

Inflation

On a national level, we are experiencing higher than normal inflation, especially at the gas pumps and in the grocery stores. Supply chain issues, a shortage of workforce and lingering effects of Covid-19 are all playing into the inflation equation. The Federal Reserve has finally delivered their first couple of interest rate increases, and there will likely be more in hopes to curb this higher-than-normal inflation. There will certainly be some bumps along the way as we climb out of this historically low interest rate environment. There will be uncertainty in the stock market and likely a flight to safety. All of this is natural and to be expected.

As we persevere through these challenging times, I would like to share a few words of advice. First and foremost, don’t make any decisions based out of fear and/or emotion. This reminds me of a great quote from Warren Buffet; **“The most important quality for an investor is temperament, not intellect. You need a temperament that neither derives great pleasure from being with the crowd or against the crowd.”** When emotions and concern are highest, we should all take a deep breath before acting. Secondly, don’t lose trust just because you hear or see something on social media or through traditional media outlets. Finally, stay the course and know “this too shall pass”. During challenging times, we invite you to lean into your trusted financial advisors that you have built relationships with over the years. The F&M Team stands ready to help, however we can.

In closing, I speak for all of us at F&M Bank when I express how much we value you, our clients. We will all continue to navigate our way through these times and other unforeseen challenges in the future. That is the essence of grit, determination, and perseverance.

With Gratitude,

Nate

Nathaniel W. Dunn • President & CEO
ndunn@fmbank.biz

TEAM MILESTONE



Nate Dunn

Celebrating

15 years

Save the Date!

Women in Leadership Luncheon

Wednesday, September 21, 2022

11:30 a.m. at North Oaks Golf Club



Featured Speaker

Courtney Misener

Courtney is a writer, speaker, and emotional health rebel. She provides tools that promote emotional health, respectful communication, awareness around depression and empathy, self-care and self-affirmations, and how to establish healthy boundaries.

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F&M BANK
“The Right Choice”

in Partnership with
VHEDC
Vadnais Heights Economic Development Corporation

IN THE COMMUNITY

Team members enjoyed a day of training and team bonding in June, including an afternoon of building beds for a local chapter of Sleep in Heavenly Peace, a nonprofit organization that provides hand-made beds to children who do not have beds of their own.



“I have had a great experience banking with F&M. When I decided to build my new building, they provided the financing and have been phenomenal to work with!”

Paul Selbitschka

Integrity Automotive

YOUR TEAM OF

Commercial Bankers



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REGENCY CLUB EVENTS



KOBLENZ, GERMANY



LUCERNE, SWITZERLAND



KEUKENHOF TULIP GARDENS

Cruising the Rhine River

Regency members spent 10 days cruising the Rhine River, exploring Lucerne, Switzerland, and continued on to visit various locations along the Rhine River including the Black Forest in Germany, Strasbourg France, Riquewihl France, Koblenz Germany, Cologne Germany, and Amsterdam in The Netherlands. Highlights of their trip included their morning sailing the Rhine Gorge (a 36 mile stretch of river that passes multiple medieval castles and geological features) and Keukenhof Gardens in Amsterdam.

Learn More

If you are interested in any upcoming trips with our Regency Club, please visit us at www.fmbank.biz/regency-club-events for a full listing as well as itineraries and registration forms. For further information or to request our Regency Club Newsletters, please call Sue Peacock (651-429-8000) or Britta Grebner (319-366-4040).



Aiden Sherer

Nate Dunn

"Next Generation of Leaders" Scholarships

invest in future young leaders from high schools in each of the communities we serve. Congratulations to Aiden Sherer, Centennial High School class of 2022 graduate and Nate Dunn Scholarship recipient! Aiden plans to attend Biola University to study Cinema Production.

Congratulations to the Class of 2022!