

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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111 E 1st St, Monticello, IA 52310
7641 Lake Dr, Lino Lakes, MN 55014
845 E County Rd E, Vadnais Heights, MN 55127



Tuesdays through September 27, 2022* from 6-7PM
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Cedar Rapids SUMMER 2022

Cybersecurity in Banking

How F&M is protecting your data

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Community

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donations & events

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Regency Trip Recap

A look back on our
Rhine River trip!



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
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NEW TEAM MEMBERS



Maureen Shanahan

Maureen, Customer Service Representative, joined F&M Bank with 23 years of banking experience. She has one son. Maureen said it has been a wonderful and welcoming experience to join the F&M family. Welcome to the team, Maureen!

TEAM MILESTONES



Megan Cozad

Celebrating

10 years



Nate Dunn

Celebrating

15 years

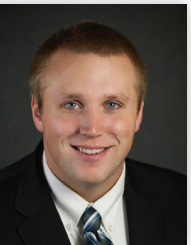
RETIREMENT



Goettsch & Stutt Complete IBA's Iowa School of Banking



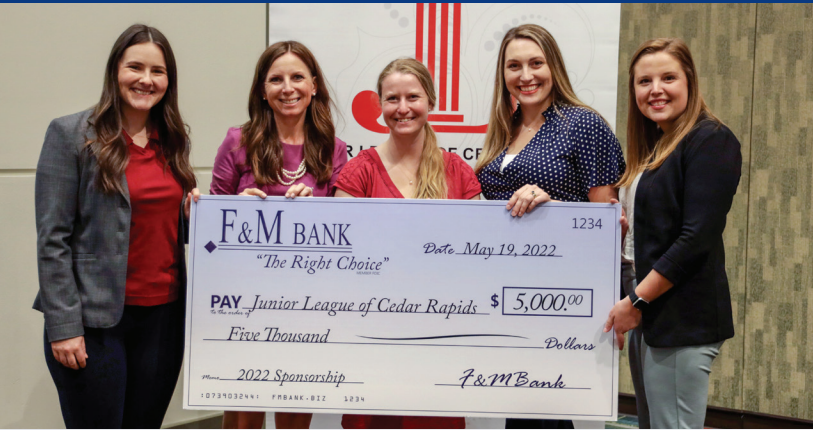
Spencer Goettsch
VP, Commerical
Loan Officer



Ben Stutt
AVP, Senior Credit
Analyst

Congratulations to F&M Bank team members Spencer Goettsch and Ben Stutt on completing their second year of the Iowa Banking Association's Iowa School of Banking.

IN THE COMMUNITY



Junior League of Cedar Rapids F&M Bank team members Britta (far left) and Rylee (far right) presented our \$5000 sponsorship check at the Fostering Strength event in May, which supports "Bridging the G.A.P." - a JCLR project that ensures area youth aging out of foster care have the opportunities and services essential to live independently.

Tech Support Scam

Criminals pose as a technology representative, claiming to be able to fix non-existent computer issues by gaining remote access to devices and sensitive information. Remote access can be a useful tool to allow a TRUSTED Source to access your computer for support. The key is that you must KNOW and TRUST the individual, just as you would if you handed the computer to them. If you feel you have been a victim of a Tech Support Scam, contact us immediately! We can work with you to make sure you are taking the steps to protect your accounts and personal identity.

Johnson Graduates from GSB Bank Technology Management School



F&M Bank is pleased to announce the graduation of Drew Johnson, Information Technology Officer, from the Graduate School of Banking (GSB) Bank Technology Management School at the University of Wisconsin-Madison. The program is unique to the financial services industry, presenting relevant topics to specifically bank technology management.

"Part of my responsibility as the Information Technology Officer at F&M Bank is to use technology to provide our clients with an exceptional experience while at the same time protecting their personal information," said Johnson. "The GSB course work offered a challenging curriculum with real world examples in today's banking environment."



LEADERS who LUNCH

The Leaders Who Lunch event at Eastbank Venue & Lounge in Cedar Rapids was a great success! Each of the nearly 30 Kenwood Leadership Academy students met with local women business owners and leaders over lunch, discussing their aspirations and future goals. F&M Bank is proud to partner with Iowa Women Lead Change to continue to offer these events!

If you are interested in participating in Leaders Who Lunch, please email us at leaderswholunch@fmbank.biz.



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).



Dawson Posekany

Nate Dunn

"Next Generation of Leaders" Scholarships

invest in future young leaders from high schools in each of the communities we serve. Congratulations to Dawson Posekany, Jefferson High School class of 2022 graduate and Nate Dunn Scholarship recipient! Dawson plans to attend the University of Northern Iowa.

Congratulations to the Class of 2022!