

Spring 2017

# NEWS

from

# AMERICAN TRUST & SAVINGS BANK

## CDs: A Great Investment Strategy

Interest income has not been very exciting for a number of years. CD depositors are often optimistic that interest rates are going to shoot up very soon and thus only purchase CDs with short maturities.

History has taught us that “very soon” is often delayed. Unfortunately, being prepared for the upward move has resulted in lost opportunities for higher income. A strategy to increase income and reduce risk is to ladder CD maturities.

The process is as follows. Suppose you have \$50,000 to deposit, and are looking at a 4 year time horizon. By employing the CD Ladder Strategy, instead of locking your money in for 4 years, you would spread that around shorter maturities. So you might buy:

- A \$10,000 12-month CD
- A \$10,000 24-month CD
- A \$10,000 30-month CD
- A \$10,000 36-month CD
- A \$10,000 48-month CD

Now if interest rates go up, you have a CD maturing to take advantage of the higher rate. If rates do not go up, you have the benefit of the longer term CDs to give you much more income than having it all in short term. There is no need to chase down the highest special, unless it fits the maturity, and no need to worry about interest rates. Your investments are on their way to being a well-oiled machine.



*Stop by today  
and let an  
American Trust  
banker design a CD  
Ladder Strategy that fits  
your financial needs.*

## Guess the photo and you could win!



Can you guess where in Lowden this photo was taken? If so, submit your entry, including your name, address, phone and email address. Drop it by or send it to the bank at:

**309 McKinley Avenue  
PO Box 129  
Lowden, IA 52255.**

Correct entries will be entered in a drawing for four (4) \$25 gift certificates to local merchants. Entries must be received by May 31, 2017.

**This will be a quarterly contest, so watch our next newsletter for a new photo!**

### We have winners!

Chuck Breneman, Barry Hoffmeier, Julie Hoffmeier and Mary Guizar correctly guessed that the photo from our Winter newsletter was taken of the wall clock in our bank lobby. They will each receive a \$25 gift certificate for Lowden merchants.



# Beware of Malware: Think Before You Click!

Malicious software — or “malware” for short — is a broad class of software built with malicious intent. You may have heard of malware being referred to as a ‘computer bug’ or ‘virus’ because most malware is designed to spread like a contagious illness, infecting other computers it comes into contact with. And if you don’t protect your computer, it could become infected by malware that steals your personal financial information, spies on you by capturing your keystrokes, or even destroys data.

Law enforcement agencies and security experts have seen an increase in a certain kind of malware known as “ransomware,” which restricts someone’s access to a computer or a smartphone — literally holding the device hostage — until a ransom is paid. While businesses have been targeted more than consumers to date, many home computer users have been victims of ransomware.

The most common way malware spreads is when someone clicks on an email attachment — anything from a document to a photo, video or audio file. Criminals also might try to get you to download malware by including a link in the wording of an email or in a social media post that directs you somewhere else, often to an infected file or Web page on the Internet. The link might be part of a story that sounds very provocative, such as one with a headline that says, “How to Get Rich” or “You Have to See This!”

Malware also can spread across a network of linked computers, be downloaded from an infected website, or be passed around on a contaminated portable storage device, such as a thumb drive or flash drive.

Here are reminders plus additional tips on how to generally keep malware off your computer.

**Don’t immediately open email attachments or click on links in unsolicited or suspicious-looking emails.** Think before you click!

Cybercriminals are good at creating fake emails that look legitimate but can install malware. Either ignore unsolicited requests to open attachments or files or independently verify that the supposed source did send the email to you (by using a published email address or telephone number). Even if the attachment is from someone you know, consider if you really need to open the attachment, especially if the email looks suspicious.

**Install good anti-virus software that periodically runs to search for and remove malware.** Make sure to set the software to update automatically and scan for the latest malware.

**Be diligent about using spam (junk mail) filters provided by your email provider.** These services help block mass emails that might contain malware from reaching your email inbox.

**Don’t visit untrusted websites and don’t believe everything you read.** Criminals might create fake websites and pop-ups with enticing messages intended to draw you in and download malware. Anyone can publish information online, so before accepting a statement as fact or taking action, verify that the source is reliable. Don’t click on a link to learn more. If something sounds too good to be true, then most likely it’s fraudulent or harmful.

**Be careful if anyone — even a well-intentioned friend or family member — gives you a disk or thumb drive to insert in your computer.** It could have hidden malware on it. Don’t access a disk or thumb drive without first scanning it with your security software. If you are still unsure, don’t take a chance.



## Did you know?

- Total consumers affected by cybercrime in past year: 106.6 million
- Most common cybercrimes consumers report ever personally experiencing:
  - Credit card fraud: 22%
  - Account password compromised: 21%
  - Email hacked: 19%
- Percent who think children are exposed to more online dangers now than 5 years ago: 81%
- Percent believing it's become harder to stay safe and secure online over the past 5 years: 70%

Source: Norton Cyber Security Insights Report 2016

# Preparing Your Finances for a Flood, Fire or Other Disaster



Without warning, a flood, fire or other disaster could leave you with a severely damaged home, destroyed belongings and barriers to managing your finances.

Many people think of disaster preparedness as having a stockpile of water, canned food, and flashlights, but people also need access to cash and financial services. That's why it is important to include financial preparedness in your disaster plans. Here is our latest summary of important preparations.

**Periodically review your insurance coverage.** You should have enough insurance to cover the cost to replace or repair your home, car and other valuable property, as well as temporary housing if you are displaced from your home. Those who do not own a home should have renters insurance. Also, make sure that you have the right kind of coverage for the types of disasters likely to occur in your area. For example, homeowner's insurance does not typically cover events such as flooding or earthquakes, so you may want to consider whether you need additional coverage.

**Build and maintain an emergency savings fund.** While your personal hazard insurance should cover most or all of the damage to your home and property, an emergency savings fund deposited in an insured financial institution can provide for immediate expenses and help fill the gaps.

**Sign up for direct deposit of your paycheck or government benefits.** In a disaster, taking care of simple things like depositing a check can be overwhelming. Direct deposit will help you avoid missing out on important income during a disaster.

**Gather and organize important documentation.** Here are suggestions for what to collect, followed by where to keep these items:

- A list of phone numbers, web addresses and other contact information for your bank, brokerage firms and insurance companies.
- Originals and copies of identification documents such as your driver's license, passport, Social Security card and birth certificate. These will be helpful if you have to prove you are who you say you are. While it is best to have originals, it is important to have copies in case the originals are lost or destroyed.

- Copies of credit and debit cards (front and back) and a check (front). During an emergency, you may need your account information from these documents to authorize payments over the phone.
- Originals and copies of insurance cards and documentation of health, homeowner/renter, auto and life insurance coverage.
- An inventory of valuable personal property. It's fairly easy to take a video of your property, but you should also separately document the value of the items by keeping receipts, written appraisals, and documentation of any home improvements.
- Records of property ownership, such as a copy of your most recent property tax bill.

**Think about what to keep where.** The following are options to consider.

- **Digital storage:** Many documents can be kept electronically. When deciding which documents to keep electronically, security and access are major considerations. Among other things, consider whether and how to access the documents using your smartphone or a computer. Be sure to encrypt the sensitive material and set your phone security to require a PIN, a password, your thumbprint or another option recommended by your phone manufacturer to unlock your screen.
- **A safe deposit box at American Trust:** This may be the best place for important documents that will be difficult or impossible to replace, and that you won't need to access. In case there's a flood or other water damage, seal these items in waterproof plastic bags or containers.
- **A waterproof emergency evacuation bag:** In addition to personal safety items, it should include copies of some of the important documents discussed above (except perhaps a copy of your Social Security card or number in case your bag is lost or stolen) and a small amount of cash (large amounts of cash are better off in your FDIC-insured bank account). Keep your evacuation bag in a safe and secure place in your home.

## Mark Your Calendar



### Cookie Day at American Trust



Friday, May 12, 2017  
during banking hours

#### Bank Holidays

The bank will be closed on Monday, May 29 for Memorial Day and Tuesday, July 4 for Independence Day.

*If you would like us to publish upcoming community events, be sure to contact us at the bank. We'll include it in our quarterly newsletter.*

#### Firemen's Spring Cookout

Sunday, May 7, 2017

Location: Lowden Fire Station



#### Lowden Garage Sale Day

Friday and Saturday, June 9-10



#### Park Days in Lowden

Sunday, August 22, 2017



## April is Community Banking Month

so we encourage you to think about where you bank and how your money has the power to make a meaningful impact on our community. From local farms to craftsmen to startups, banking locally with American Trust & Savings Bank connects you to our community and neighbors and gives everyone a stake in our joint success. Here are a few reasons why:

- Community banks respect the communities we serve by doing right by their customers and community. American Trust and our local community have a symbiotic relationships—one cannot thrive without the other.
- Community banks are relationship lenders. We know our customers and understand their financial needs, unlike larger institutions that take a transaction-based approach to banking.



■ Community banks understand and celebrate local economies. As a small business ourselves, American Trust is an unequivocal resource for entrepreneurs looking to launch a local small business. A study from seven Federal Reserve Banks found that small businesses that apply for loans with community banks are the most successful and most satisfied.

■ Community banks give back. Serving our local community is second nature to American Trust. We take pride in making our community stronger through a multitude of service projects.

Making our community better and stronger is something that we all have a stake in. We hope you will join us in continuing to make Lowden, Clarence and the surrounding area thrive and prosper for years to come!



# AMERICAN TRUST & SAVINGS BANK

[www.atsb-lowden.com](http://www.atsb-lowden.com)

309 McKinley Ave., Lowden, IA • (563) 941-5391

