

The United DIFFERENCE

Member FDIC



A Message from the President

Even during a year of social distancing it seems the summer has had much activity. Here's just a few of the things going on around UBI and a few additional thoughts as we head into Fall.

At the end of May, we consolidated our Aurelia operations and the entire staff moved into the remodeled Aurelia Main Street location. We look forward to serving the Aurelia community from that location for years to come.

During June and into July, we began to reopen lobbies from 9 am – 1 pm at most UBI locations. Once again, I want to thank all UBI customers for their patience and flexibility as we continue to find the best plans to provide you quality financial services in the safest environment possible. Based on current COVID-19 information and trends, our plans are to have the few remaining UBI lobbies open soon.

In June, Grant Godbersen was elected to the United Bank of Iowa Board of Directors. Grant is the Vice President of Manufacturing at GOMACO, a worldwide leader of concrete paving technology located in Ida Grove. We welcome the insight and knowledge Grant will bring to the board from the perspective of business and manufacturing.

During stressful times like we are experiencing now, it seems the fraudsters and scammers are especially active. One example of this, according to the Federal Trade Commission, are money mule scams. This activity is when scammers try to use you to move stolen money. If you help them, you could be what law enforcement calls a "money mule". Money mule scams happen several ways. The story often involves scams related to online dating, work-at-home jobs, or prizes. These scams can often leave you short on funds in your account which the bank will want you to repay. You could even get into legal trouble for helping a scammer move stolen money. Here are three tips to help you avoid these types of scams.

1. Don't accept a job that asks you to transfer money.
2. Never send money to collect a prize.
3. Don't send money back to an online friend or love interest who has sent you money.

It's always hard to see a customer lose money when caught in these situations so we can't stress enough for you to be careful. Be sure to read the article on fraud precautions in this issue.

From our perspective, even though Washington has provided considerable financial support over the past 90 days, the current health emergency continues to cause a great deal of financial stress for many individuals, businesses, and farmers. Even though some may prefer to try to go it alone, our best advice is that open and frequent communication among family members, business partners, suppliers, accountants, bankers and other interested parties is one of the best tools to overcome financial adversity. At United Bank of Iowa, we welcome any opportunity to visit about your situation and to provide insight, as well as possible financial solutions for a successful path forward.

As I am writing this article, educators across our area are facing the challenge of finalizing plans to begin the school year facing the COVID-19 pandemic. We have confidence that they are committed to do their very best to provide our youth a quality educational experience in the safest environment possible. At United Bank of Iowa, we understand that meeting this challenge extends beyond school walls and is one that requires the support and commitment of parents, neighbors, and local businesses to be successful. We encourage everyone to do their part in keeping yourself and your community healthy and safe.

Thank you for choosing United Bank of Iowa.

Owen

Owen C. Bolte, President & CEO

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Stay Up-To-Date

Are you wondering if your local UBI office lobby is open? Need to know the current hours? Visit our website at unitedbk.bank. Click on *Resources*, *COVID-19 Information*, *Hours and Availability*. Visit often as office hours and availability may change occasionally based on the environment in each community.

WHAT'S NEW IN FRAUD

Be Aware of Phone Call Scams

Have you ever had any of these phone calls?

- Someone you don't know personally asking for your account information.
- Someone, who you have never met, offering to pay you if you agree to let them deposit some funds into your account and have you send the money on per their instructions.
- Someone asking you to apply for an SBA Loan for them using your account information.
- Someone asking you to accept unemployment benefits from another state into your account.
- Someone telling you to act quickly or there will be legal consequences or harm to your loved ones.

These are all scams. Do not become a victim.



Ask Your Bank

If funds show up in your account, it is important to ask your bank the source of the funds. We are happy to research the origin and name on the automatic deposit. Does it really seem logical someone else's unemployment benefits or SBA loan would be coming to your account? Probably not!

ACH Transactions. Many times the caller will ask you to get larger sums of cash and send it on, wire funds to them, or mail funds via a cashier's check. Recent information suggests scammers are now using automatic ACH withdrawal transactions to your account that are originated via cash apps on mobile devices or through the internet.

When you request cash, cashier's checks, or a large wire, many times these transactions are halted by our bank by asking you several questions about the transaction. When scammers use mobile or internet automatic ACH transfer to move funds from your account, they are simply using a method to get you to by-pass talking to anyone at your bank. If the person is asking you to do this, please contact your local bank office and inquire as to the legitimacy.

Don't be ashamed of what you have done. It is not too late to stop it if you still have the funds. By continuing to participate, even after you may question it, you are simply weaving deeper into the criminal network. In the end, you may be asked to pay these funds back, especially if you profited to some degree by participating in the scheme.

Do we see fraud in rural Iowa? Yes, it is happening to customers just like YOU every day. Talk to someone you trust, rather than the person on the other end of the phone or on the internet.

We are here for you and your financial needs. We will assist in any way to maintain the safety and integrity of your account. Do not be embarrassed or shy about asking us questions if you feel you may have been scammed. We have experienced staff who will walk you through remedial steps to ensure you are not assisting a criminal network.

Remember, if it seems too good to be true, it probably is.

*Tips to Protect Yourself and
YOUR MONEY from Fraud*

1

Be diligent with your account details. Never give anyone your login and password to your online or mobile banking.

2

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When I was in college, my job was working at a lumber yard. The manager, John, was a great individual. He was always calm and levelheaded in any circumstance he was dealt, a characteristic I admired. However,

when John got nervous about something, we all should be nervous as well. When thinking about how John would respond to the circumstances we are facing today, I have no doubt he would be calm, but concerned.

It's important to not let your emotions impact your operations. Some may put their blinders up and act like everything will get better because it usually does. Some may have the opinion it can't get too bad because the government won't let that happen and will create another program. Others may think the complete opposite that the sky is falling and there is no hope. It's human to feel stress and anxiety. Sometimes we all need to be like John and maintain a clear and level head.

We get asked from time to time for our opinion on what has happened so far in 2020. The sky is not falling. We need to stay alert. This year we have had government assistance in the form of unemployment benefits, PPP and EIDL loans, MFP, and CFAP. These programs were put in place to help continue our cash flow and maintain our liquidity until there is a stable new normal. Many were able to qualify and take advantage of these programs, but what would happen if they don't continue?

By staying alert you will be ready to spot opportunities which usually come in the form of increased income and cost savings. Before you can capitalize on an opportunity, you need to make sure you understand

your current operation. Reflecting on your accomplishments and mistakes can be difficult. However, in order to grow, you need to know your strengths, weaknesses, and understand your operation's cash flow before making decisions on future opportunities. This is not a time to become complacent. Be a little nervous, yet proactive, to maintain the quality and soundness of your operation.

As you start harvest and prepare for next year's crop season, think about your liquidity, year-end position, and upcoming 2021 cash flow to determine what areas you can seek opportunities to preserve, grow, and protect your family farm. In some cases, you may want to consider some off-farm income to help cover family living expenses. Consider evaluating items in the operation that are obsolete and can be turned into cash for liquidity protection.

At United Bank of Iowa, you are more than just a customer. You are part of our community of family and friends. We see you in church, at our kids' sporting events, at the grocery store, and have a serious commitment to your wellbeing. For example, after the recent storms many of our lenders instinctively began to reach out to our customers with concern wanting you to know you're not alone and we are here to help in any way we can.

As you are combining or unloading in the bin and thoughts or ideas come to mind, please feel free to contact your lender. We are here for you now and in the future. Thank you for choosing us as your financial partner. On behalf of the staff at United Bank of Iowa, I wish you a safe and plentiful harvest.

Jim Friel
V.P. Regional Branch Manager
Carroll Office



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act quickly. Fraudsters like to create and instruct you to do things quickly don't have time to think it through.

3

Does it make sense? Think about what you are being asked. You may not realize it but you are probably an unsuspecting participant in a criminal network that steals funds from account holders.

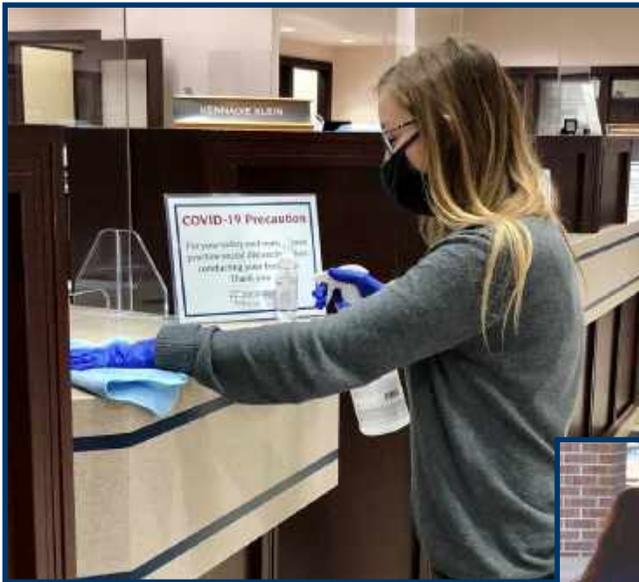
501 2nd Street
Ida Grove, IA 51445



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|-------------|------------|-----------|---------------|
| Alta | Cushing | Kingsley | Onawa |
| Anthon | Denison | Kiron | Pierson |
| Arthur | Dunlap | Lake City | Pocahontas |
| Aurelia | Fort Dodge | Lohrville | Rockwell City |
| Boone | Galva | Lytton | Rolfe |
| Carroll | Glidden | Marcus | Sac City |
| Charter Oak | Harlan | Moorhead | Schleswig |
| Churdan | Holstein | Moville | Storm Lake |
| Cleghorn | Ida Grove | Odebolt | |

unitedbk.bank 

Staying Safe at UBI



The health and safety of our employees, customers, and community is important to us. In addition to increased cleaning and sanitizing, you may see us wearing masks in common areas of our offices. To maintain distance, we've asked employees to remain in their departments and offices when possible, and hold training and meetings online and even outdoors.

We encourage you to bank online, by phone, or use our drive-up and night deposit. When you need to use the lobby, we encourage you to wear a mask, and if you don't have one, we are happy to provide you with either a mask or face shield. Together, we will find the best way to serve you.



the Emerald Club

THE
EMERALD
CLUB



Wendy Lorenzen
Emerald Club
Coordinator

The Emerald Club So Much More Than Trips!

We usually feature upcoming trips and events in this space. Even though we have put all travel and gatherings on hold for your safety, you can still enjoy all the other benefits of the club.

Club Benefits

- No maintenance fee on Classic Checking account*
- 50% discount on personal checks*
- No monthly fee on personal ATM/Debit Card*
- No fee on personal money orders
- Discount on Visa® gift cards (pay only \$3/card)
- FREE photocopy service
- FREE notary service
- FREE financial counseling

*One account per person only

Invite Your Friends to Join!

If you have friends and neighbors who may enjoy all these benefits, along with organized tours and social events, invite them to join!

To become an Emerald Club member, you must be age 55 or better and simply maintain one or more of the following:

- \$2,500 minimum balance in a checking, savings or IRA account
- \$10,000 in certificates of deposit
- \$5,000 in loan balance
- Pay a \$5 per month membership fee

At UBI, we believe that loyalty has its rewards and we're pleased to offer a club full of added benefits to enhance your financial success.

Invite your friends to join in the savings and the fun!

Dear Emerald Club Members,

Who would have thought I would be writing another letter to you wonderful people instead of sitting on a coach with you going somewhere fun and exciting. With the current environment, it seems the decision we previously made for no travel in 2020 is proving to be a good one.

I have been listening to many conference calls with other tour managers and travel companies on what our travel world will look like in the future and when we will be able to travel again... such an unknown question for so many of us right now. As I always say on our trips, my number one responsibility is to keep you all safe when we travel and my second responsibility is to make sure you have a great trip. With that in mind, I ask for your patience as we wait for more guidance on the new way of traveling for the Emerald Club.

I do want to share some news with you. Denise Siefken, my Emerald Club traveling companion from our Rockwell City office, retired from United Bank of Iowa at the end of June. If you see her smiling face out and about, tell her "Happy Retirement". Now she will be a traveler just like the rest of you... if I can get her to go on some trips!

I sure do miss you all. Take care and stay safe.

Wendy

Manage Your Debit Card with Your Cell Phone

You just realized you left your debit card behind while getting groceries or pumping gas. Do you panic? Not if you have Mobile Banking. Simply go to your UBI Mobile app, click on the *My Debit Card* feature and block your debit card. Once you have your card safely back in your possession, you can go back to the app and unblock it.

You can also use this feature to set alerts to notify you by text message or email if your balance gets low, when an online or international transaction is posted to your account, and more. It takes only a few minutes to set up these alerts to give you even more protection against fraud.

For more information, contact any UBI location.

Your smile can change the world, but don't let the world change your smile.

Estate Gifts

Should I Give a Gift or Not?

How will it affect my taxes?

Gift-giving can be an important part of Estate Planning and the rules are fairly generous in what you are allowed to gift, both annually and in your lifetime.

If you are in a position to make a gift, it is important that you know the basics of the rules surrounding the Federal Gift Tax and ramifications so you or your heirs don't end up with surprising tax bills or other issues.

Put simply, the Federal Gift Tax is a tax on the transfer of property by one individual to another while receiving nothing or less than full value in return. Keep in mind, the tax, if applicable, may apply whether the donor intends the transfer to be a gift or not.

The good news for those intending to make gifts is that the IRS excludes annually up to a certain amount before any Federal Tax Reporting must be done. For 2020, this amount is \$15,000. This annual exclusion is per person, which means if you are married, you and your spouse could give away \$30,000 without the need to file a gift return. The bad news for the donor is that amounts given are not deductible, unless such is given to a nonprofit as a charitable donation. There are certain other gifts that may be excluded from the limits. These include tuition or medical expenses you pay for someone, gifts to your spouse, and gifts to political organizations. These special situations should be discussed with your tax professional.

If you gift more than the \$15,000, which is per recipient, will you have to pay gift tax? The answer, for most, is probably not. In addition to the annual exclusion amount of \$15,000, the IRS sets limits for lifetime gift exclusions. For 2020, this amount is \$11,580,000. In a nutshell, if you individually give more than \$15,000, you will need to file an IRS Form reporting the amount; however, until the lifetime limit is met, it is unlikely any federal tax would be owed. Keep in mind this could affect taxes at your estate level if the amounts to be distributed are above this limit. If preservation of the entire limit for your estate is your goal, you must keep annual gifts below the reporting threshold. The gift tax return purpose is to keep track of the lifetime exemption amounts.

As with any matters involving tax consequences, if you have detailed questions you should consult a tax professional or an attorney for specific advice that can be tailored to your situation.

THINGS TO PONDER FOR PEACE OF MIND

If you become disabled today, who would pay your bills, maintain your house, and take care of daily tasks?

If you are gone for a year or incapacitated for a lengthy period, who will manage your financial affairs?

Is it best to name a family member to be executor of your Will? Will they be impartial to all?

When you choose the United Bank of Iowa Trust Department, you know we will always be there, ready to carry out our fiduciary duties. We will handle your Trust or Estate professionally and in the manner you request, while maintaining that ever important impartiality.

