



Exclusively for Tri Counties Bank Corporate and Business Clients

You are free2go™ with Tri Counties Bank Mobile Banking

Tri Counties Bank is proud to unveil the new Tri Counties Bank mobile banking service for customers who want to bank from their cell phones. To use mobile banking, all you need is a mobile phone with text messaging capabilities or a PDA with web-enabled service and you are free2go!

“The time is right for mobile banking. With more than 238 million mobile subscribers in the U.S., mobile phones are more pervasive than the Internet and readily available at any time,” says Rick Smith, president and CEO of Tri Counties Bank. “There is a growing customer demand (see article below) and numerous factors that will facilitate the success of mobile banking. It is an important service for our customers who want to access their bank from anywhere, and we are proud to be on the cutting edge of technology by offering mobile banking.”

Mobile banking provides you with the same conveniences of online banking; the difference is that your ability to view your accounts is right in your pocket. Access your accounts from anywhere – at the airport, waiting in line, on break at a conference. Want to check your account balance before swiping your debit card? There’s no need to pull out your laptop or look for a Wi-Fi hotspot. Just use your mobile device to log on with a secure user name and password.

Mobile banking is a safe and secure way to do your banking. All account information is encrypted and stored on a server, not on your phone. Plus, the transactions you make will take place between your own accounts and there is no possible way for money to be transferred outside of the bank.

Mobile banking features include:

- View account balances.
- Check transaction history.
- Transfer funds between accounts.
- Set up alerts via text message.

Best of all, mobile banking is free for Tri Counties Bank customers! To enroll, go to www.tricountiesbank.com/mobile.

Want to learn more before you sign up? Take a test drive on our demo page, also located at www.tricountiesbank.com/mobile or contact your personal banker for more information.

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Customer Demand

Bank customers want the ability to access accounts, receive two-way alerts and conduct transactions using their mobile phones.

- 73 percent of consumers want to see account balance information on mobile phones. (Celent, 2007)
- 53 percent of consumers want to see account transaction history on mobile phones. (Celent, 2007)
- 43 percent of mobile phone users are likely to use alerts about their account information. (Celent, 2007)

Help Employees Shine after Downsizing

If your operating budget told you that trimming payroll was in your company's best interests, you may now face a challenge common to many businesses with leaner staffs. You need to ensure your workforce remains motivated and productive, and in turn, keeps your company thriving. Communication is more important than ever after a layoff.

■ **MEET WITH STAFF MEMBERS ONE-ON-ONE.** Now is a perfect time to tell employees why they are an important part of your organization and how they can help it move forward. Discuss goals for the future, including responsibilities that could be career-expanding.

■ **PROMOTE TEAMWORK AND EFFICIENCY.** Let your staff know you're all in this together. Ask for employees' input to develop ways to streamline workloads. Provide training if employees are taking on new tasks. Keep communicating your mission, vision and values to help employees focus on strategy, progress and customer satisfaction.

■ **REMEMBER SMALL DETAILS CAN MAKE A BIG DIFFERENCE.** It may also be necessary to cut overhead costs during a downsizing, but taking away quality coffee, for example, could cause negative moods and low morale.

■ **SHOW YOUR APPRECIATION.** As your staff continues to work hard, reward them for a job well done. Don't eliminate routine events such as a company holiday party – even if it needs to be more modest than years past. If your company is advancing after downsizing, thank your staff with year-end bonuses.

Bright Business Banking

Tri Counties Bank is here to help your business manage money wisely and efficiently. Contact us today to learn about business checking and saving, online account management, business loans and more.



Manage Business Finances with a Budget

Your budget is a powerful business tool that can help you make better decisions, grounded in data. It helps you maintain control of your finances and be aware of trends. And a budget that neatly details your income and expenses is a crucial part of an effective business plan that justifies the need for a loan and increases the likelihood a loan will be approved.

Your overall annual business budget is actually a combination of three smaller budgets:

Your **operating budget** tracks common expenses and overhead costs for the year, such as payroll, supplies, advertising and insurance. It breaks out into expenses, revenue and projections of incoming orders for the coming year.

Your **capital budget** lists expected expenditures for fixed equipment, such as a building addition or renovation, and major movable equipment, such as computers. If you have several capital needs, prioritize them based on net present value (NPV). Subtract the cost of the capital from the expected cash inflow from the new capital to calculate NPV. Focus on projects that have positive NPV.

Your **cash budget** is a projection of your business's cash inflows and outflows. It typically requires more strategic thinking than your operating and capital budgets. For example, overestimating monthly incoming payments may look good on paper but does no good if you don't have cash in the bank to pay your bills each month.

Time Is Money

You can save time with customized financial services that help organize your business's budget data easily and efficiently. Tri Counties Bank offers high-tech deposit account services, convenient cash management products and a wide array of business loans. Call one of our relationship bankers today at (800) 922-8742 to learn more or visit www.tricountiesbank.com.

Exchange Life Insurance Policies without Taxes

The insurance industry has seen a number of social and demographic changes that have forced corresponding changes in the design and cost of life insurance products. Many long-time policyholders have recognized these developments and have considered acquiring new or different policies. Periodic assessment of your life insurance policies is critical to effective risk management and estate liquidity within your financial plan. Fortunately, there is a tool available to exchange an old policy for a new one and not be saddled with a heavy tax burden.

This popular tool is known as a "Section 1035 exchange" (after IRC Section 1035) and permits you to exchange an old policy for a new one without having to pay tax at the time of the exchange on any gain that built up in the old policy. Many people refer to this exchange as tax-free, but the gain is really deferred, not forgiven.

Generally, IRS rules allow you to exchange a life insurance policy for a new life insurance policy or an annuity policy. You are also allowed to exchange one annuity policy for another annuity policy. You cannot use the tax-deferred provision, however, if you exchange an annuity for a life insurance policy. The insured or annuitant must be the same under both the old and new policies, yet there is no requirement that the owners be the same after the exchange. Finally, you are permitted to exchange multiple policies without recognizing gain. This is often used if you have a number of old policies you would like to consolidate into one new policy.

You should be particularly careful when making a section 1035 exchange if you have outstanding loans on your policy. The IRS recognizes underpaid loans in figuring policy gain. Therefore, you might have

to pay off policy loans before processing a 1035 exchange to avoid being taxed. This is just one possible wrinkle to consider and suggests that such an exchange may not always be appropriate just to take advantage of lower costs.

You most likely will be required to provide new evidence of your insurability. If your health has deteriorated since you bought the old policy or you are no longer insurable, the insurance company may decline to allow such an exchange or make it too expensive. You should evaluate your current insurance situation carefully with the aid of professional advice to assure yourself the best coverage possible and avoid incurring additional tax liability.

For a free assessment of your existing life insurance policies please contact your nearest Financial Advisor at Tri Counties Bank Investment Services by calling our toll-free number, (866) 822-4753.

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Free QuickBooks® Training

Learn to Use QuickBooks to Increase Profits and Cash Flow in Your Business!

Tri Counties Bank is proud to offer QuickBooks training to business owners to help them increase profits and cash flow. These powerful one-day seminars are designed to teach practical, easy-to-implement financial management skills with this user-friendly and flexible accounting program.

To sign up for one of these FREE one-day QuickBooks seminars, please visit www.tricountiesbank.com, call (888) 847-9946 or e-mail BusinessSeminars@tcbk.com.

Reserve your seat today!

Oct. 8 – Chico

Tri Counties Bank Headquarters

Nov. 5 – Sacramento

Courtyard Marriott @ Cal Expo

Nov. 19 – Redding

Shasta Builders' Exchange

Dec. 3 – Roseville

Homewood Suites

Dec. 10 – Weed/Yreka

Putters @ Lake Shastina Country Club



TRI COUNTIES BANK

BAKERSFIELD REGION

Bakersfield (661) 325-9321

Visalia (559) 741-2940

CHICO REGION

Chico Park Plaza (530) 898-0400

Chico Pillsbury (530) 898-0470

Chico Downtown (530) 893-8861

Chico Mall (530) 898-0370

Chico Esplanade (530) 879-5831
Inside Raley's

Chico East Ave. (530) 898-0380
Inside Save Mart

Covelo (707) 983-6135

Durham (530) 898-0430

Orland (530) 865-5524

Oroville (530) 538-0140

Paradise (530) 872-2992

Willows (530) 934-2191

REDDING REGION

Redding Hilltop (530) 223-3307

Redding Downtown
(530) 245-5930

Redding Lake Boulevard
(530) 245-4651
Inside Raley's

Redding Hartnell (530) 224-3430
Inside Raley's

Anderson (530) 378-8085
Inside Wal-Mart Supercenter

Burney (530) 335-2215

Cottonwood (530) 347-3751

Crescent City (707) 464-4145

Fall River Mills (530) 336-6291

Mt. Shasta (530) 926-2653

Palo Cedro (530) 547-4494

Red Bluff (530) 529-7080
Inside Raley's

Susanville (530) 257-4151

Weed (530) 938-4401

Yreka (530) 842-2761

SACRAMENTO REGION

Arden Fair (916) 648-9370

Arena Blvd. (916) 419-2651
Inside Bel Air

Blue Ravine (916) 984-2270
Inside Save Mart

East Bidwell (916) 984-4244
Inside Raley's

Empire Ranch (916) 984-2029
Inside Raley's

Elk Grove (916) 478-9102
Inside Raley's

Antelope (916) 721-1706
Inside Wal-Mart Supercenter

Lincoln (916) 408-5330
Inside Raley's

Pleasant Grove (916) 780-2266
Inside Wal-Mart

North Natomas (916) 419-4301
Inside Raley's

Douglas Boulevard
Inside Raley's (916) 784-6661

Woodland (530) 661-4701
Inside Bel Air

American Canyon (707) 647-1049
Inside Wal-Mart SuperCenter

Brentwood (925) 634-5500
Inside Raley's

West Sacramento (916) 371-9758
Inside Wal-Mart Supercenter

SAN JOAQUIN REGION

American Canyon (707) 647-1049
Inside Wal-Mart SuperCenter

Brentwood (925) 634-5500
Inside Raley's

Fresno (559) 435-8089

Chowchilla (559) 665-4868

Gustine (209) 854-3761

Modesto (209) 548-4030

Modesto Village One
Inside Raley's (209) 551-1061

Patterson (209) 892-4098

Turlock (209) 668-1882
Inside Raley's

YUBA CITY REGION

Yuba City Main (530) 671-5563

Yuba City Onstott (530) 751-8416
Inside Raley's

Yuba City Market Place
(530) 673-1746
Inside Wal-Mart Supercenter

American Canyon
(707) 647-1049
Inside Wal-Mart Supercenter

Grass Valley (530) 477-9741
Inside Save Mart

Marysville (530) 749-1639

Middletown (707) 987-3196

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