

Personal Finance

'User-friendly' product line helps bank build community bonds

In 1910 a small group of Dunmore businessmen envisioned a bank for their community and founded the First National Bank of Dunmore. Over the past 90 years, the faces have changed but the vision of community banking has remained constant.

The reason people say, "First National community Bank's middle name is ... Community is because they know FNCB is dedicated to investing in their future."

"Northeastern Pennsylvania is FNCB's home. It's where our customers and employees live and work, where we build homes, start new businesses and raise our children," stated Dave Lombardi, First National Community Bank's CEO.

In 1988, the management of the bank displayed the same foresight as the founders and changed the bank's name to First National Community Bank in anticipation of expansion beyond the boundaries of Dunmore. Now as FNCB branches out to Daleville, Clarks Green, Back Mountain and Hanover Twp, its bank's leaders, like their predecessors in 1910, are local businessmen with established roots in Lackawanna and Luzerne counties and have great pride in the success of our region. The bank's strength comes from these local ties and FNCB plans to nurture these local relationships as we continue to grow where we are planted.

Recently the bank introduced FNCB BusinessOnline, an extension of its successful Internet banking service specifically upgraded for business applications. With this service commercial accounts will have access to accounting information, pay bills and transfer funds through their own office computers 24 hours a day, seven days a week.

With FNCB Online customers have the convenience of online banking anytime, anywhere. This is a perfect way for people who don't have time to get to the bank to have 24 hour, seven days a week access to the bank. With FNCB Online customers have the convenience of online banking anytime, anywhere. This is a perfect way for people who don't have time to get to the bank to have 24 hour, seven days a week access to the bank. With FNCB Online customers can access account information as often as they like, pay bills, transfer funds, open new accounts, generate custom reports, and download transaction history into Money or Quicken programs. Best of all there is no software to install and equipped with state-of-the-art security features.

In addition, the bank has developed one of the most comprehensive employee direct deposit programs in the region. FNCB direct deposit helps people stretch their paycheck with lots of added benefits like: free checking, no-fee check card, free personalized checks, overdraft protection, preferred interest rates on club accounts, free travelers checks, free safe deposit boxes and interest rate discounts on loans.

First National Community Bank also provides a full line of investment services such as financial planning, brokerage services, life insurance, estate planning, annuities and free portfolio reviews. "As 'baby boomers' age the need for financial security and investment strategies become more important than ever," added Mr. Lombardi.

To help make banking more accessible automated teller machines were installed at each of



Dave Lombardi
Chief Executive Officer

our new offices in Clarks Green, Daleville, Plains, Back Mountain, and Hanover Twp, with remote facilities installed at the Petro Truck Stop in Dupont, the Pit-Stop Emporium in Dalton and the Convenient Food Mart at 3021 North main Avenue, Scranton.

Through FNCB's ATM network, customers have the convenience of 24-hour banking, seven days a week.

First National Community Bank remains committed to the concept of community banking and the quality of service that is expected from hometown institutions. The bank looks forward to future growth from relationships new and old, and eagerly awaits challenges the future has in store.

First National Community Bank is headquartered in Dunmore, Pa. The bank currently operates 13 community offices in Dunmore, Scranton, Dickson City, Fashion Mall, Daleville, Clarks Green, Wilkes-Barre, Pittston, Kingston, Exeter, Plains, Back Mountain, Hanover Twp, and coming soon to Nanticoke.

The new tax advantages

The Tax Relief Act of 2001 provides more than the rebate checks many of you received this past summer or fall. It includes provisions that could impact your financial security, from college savings to retirement planning.

The act provides many tax benefits to individuals, including:

- education savings incentives
- tax rate reductions
- increased IRA contribution limits
- increased contribution limits on 401(k)s and other employer-sponsored retirement plans
- increased child tax credit
- marriage penalty relief
- reduced estate tax rates

RETIREMENT PLANNING

For the first time since 1981, the contribution limit to an individual retirement account (IRA) has changed. You now can make a \$3,000 contribution (up from \$2,000) to your Roth or traditional IRA. That figure will increase incrementally until 2008, when the annual IRA contribution will be \$5,000. After 2008, IRA contribu-

tions will be adjusted in \$500 increments annually for inflation.

And if you are at least 50 years old, you may be able to make catch-up contributions to your IRA. Increasing your contributions means more security during retirement. An eligible married couple could contribute \$7,000 in 2002.

The new legislation also will increase the contribution limits on your 401(k) and other employer-sponsored retirement plans.

COLLEGE SAVINGS

Education IRAs have a new name — Coverdell education savings accounts — and a new annual contribution limit of \$2,000, up from \$500. By maximizing your annual contribution, you'll make that college savings fund grow faster.

Qualified state tuition plans or 529 plans have become very popular, and that popularity just may grow. Earnings are not taxed as they accumulate and significant amounts can be contributed. And as a result of this new legislation,

earnings that were previously taxed can be withdrawn tax-free to pay for higher education expenses beginning in 2002.

SMALL BUSINESS

Another provision in this sweeping legislation is the incentives given to small business owners looking to start company-sponsored retirement plans for their employees. Business owners with 100 or fewer employees can receive a tax credit of up to \$500 — during each of the plan's first three years — when establishing a new qualified retirement plan in 2002.

Additionally, the \$1.35 trillion tax-cut bill offers an increase in the child credit, provides marriage penalty relief, eliminates the death tax by 2010, and provides for both short- and long-term economic growth.

To briefly recap, this new legislation helps Americans plan better for today and tomorrow. So remember to take advantage of all the available tax incentives this new plan offers.

KNOW HOW

To operate and grow your business you need a bank that has both the technology *and* people who will work harder for you. At FNCB our commercial banking division consistently offers the most competitive rates and best service in Northeast PA. Call us today and let us put our know how to work for you.



FNCB

COMMUNITY IS OUR MIDDLE NAME

1-877-TRY-FNCB / www.fncb.com

Member FDIC

From left: James M. Bone, Jr., Senior Vice President, Brian C. Mahlstedt, Senior Vice President, Jerry A. Champi, Executive Vice President, J. David Lombardi, President and CEO, Salvatore A. Marchese, Senior Vice President, Thomas P. Tulaney, Executive Vice President, Joseph E. Bonsick, Senior Vice President

Tonight, Dinner's on the House (literally)



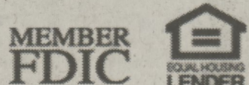
With Luzerne National Bank's Home Equity Line of Credit a lot more of your purchases can be on the house as well. You're line of credit can be up to 75% of your home's value*, while enjoying a low interest rate, no fees, and immediate availability with your debit card.

On the house has never had so many possibilities!

*75% of appraised value minus current mortgage amount(s).

This is a variable rate loan. The current annual percentage rate is 5.75%.

The maximum annual rate percentage will be the lesser of 18% or the maximum allowed by law.



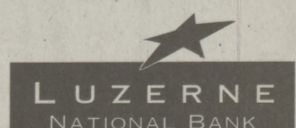
Luzerne
288-4511

Plains
829-3900

Swoyersville
287-1141

Dallas
674-5442

Public Square
822-4211



A Proud Past,
A Promising Tomorrow