



Paragon
BANK

the Shield

of excellence

Are you protected?

It seems that every other day some major retailer has its credit card systems compromised or another nationwide scam is uncovered. At Paragon we want to provide you with the tools and advice to prevent and detect fraud on every front. This special edition of our newsletter focuses on concrete steps you can take to protect your financial well-being.

EMV Chip Cards - FAQ



In early 2016, Paragon will begin reissuing debit cards with EMV chip technology. This will provide you with the maximum security technology available. We have put together this FAQ to help you navigate the differences in the new cards. Questions? Call us at 901.273.2900.

What is an EMV chip card?

- An EMV chip card is a credit or debit card that has an embedded microprocessor chip that stores and protects cardholder data. This technology is becoming the global standard for card payments.
- The chip is the small, metallic square you will see on new cards. It is a computer chip and is what makes the EMV card so different from traditional magnetic stripe cards.

Why are they more secure?

- Traditional magnetic stripe cards have one unchanging transaction code used for every purchase, which someone can replicate over and over again for fraudulent transactions. Conversely, every time an EMV card is used for payment, the card chip creates a unique transaction code that cannot be used again. Typical card duplication will not work because the stolen transaction number created would

not be usable again.

- However, EMV chip cards do not solve online fraud or increase online payment security. Use caution when making payments online and ensure you have a secure connection (url starts with https:// instead of http://) before entering card info.

How does this change the way I pay?

- Instead of swiping your card, you will now “dip” it into the chip reader. Cards have to be left inside the terminal while the transaction is completed. It could take up to 10 seconds for the terminal to read the data on the chip.
- You can still use your chip card at a retailer that does not support EMV technology. The first round of EMV cards will be equipped with both a chip and a magnetic stripe. However, if EMV technology is available, you should always use the chip instead of the magnetic stripe.

Why should my business upgrade its payment processing?

- Savings – Using EMV equipment can help keep your processing rates and fees as low as possible.
- Security – The one-time code generated by the chip helps protect against card fraud.
- Liability shift – As of October 2015, if a merchant’s business does not use EMV equipment and a data breach or counterfeit transaction occurs, the merchant may be held financially responsible.
- Mobile Wallets – EMV equipment lets merchants accept upgraded payment technologies, including ApplePay™ and Google Wallet™.

Guardian Text Alerts

Your cell phone is just waiting to be put to work to protect you against fraud. With Guardian Text Alerts you can get up-to-the-minute details on where your debit card is being swiped and stop any fraudulent use in its tracks. These alerts are tied to your debit card and send you a text message anytime your card is used.

You have the ability to turn on a "Do Not Disturb" feature for certain times of day or night, and you can add and delete devices at any time to account for new phone numbers.

Each text includes:

- Last four digits of your card number
- Name of merchant where the card was used
- Amount of the transaction
- Eight-character fraud confirmation code



Get a text with an unknown swipe? You can shut down your card on the spot by replying with the fraud confirmation code. This way of immediately jumping on fraudulent transactions saves you immense frustration, time, and money.

To sign up, visit bankparagon.com/guardian or call 901.273.2900 to have a Team Paragon member walk you through the sign up process.

customer

SPOTLIGHT:



Sylvester Tate, President of Tate Computer Systems

As a company whose first contract was servicing typewriters at the University of Memphis, Tate Computer Systems is an example of an organization that has ridden the tide of technology to their advantage – from typewriters to tablets. When confronted with the constantly evolving nature of his industry, President Sylvester Tate comments, “It’s been quite an experience, and if you’re not ready for it, you’re not going to be here for very long. We’re so diversified, and we’ve been able to reinvent ourselves as time goes on.” Tate Computer Systems offers services for both individuals and businesses in the Memphis area to help them with their computer and network needs.

With changing technology comes the ever-evolving arena of cyber security. Fraudsters look to overcome every obstacle in new technology, and Tate Computer Systems is right in the heart of the fight against it. When asked what the number one issue of lax security is, Tate unequivocally says – “Opening emails. Getting people not to click on them is hard, so that’s how most things get infiltrated. Also, leaving browsers open is like leaving an open port on your computer. Make sure you close all your browsers even though you don’t shut your computer down.”

Small businesses face special challenges when dealing with cyber security beyond the lax security practices by individuals. To help combat this, Tate Computer Systems provides a monitoring service for businesses to stay vigilant against attackers. Tate says, “We look at every aspect of how you do things. We make recommendations on how to do them better or more securely, even down to discarding paper, printing, and filing – all of that becomes part of the whole security arena.” In addition, having a strong firewall is key as well as changing the default passwords to routers and limiting the remote access people have out of the office.

For both individuals and businesses, Tate Computer Systems recommends moving to the cloud. Tate says, “The cloud is the most secure place to be right now because in most cases the companies that provide those services are not just in one place but have locations on the east and west coasts. It’s such a money saver for small business owners; you don’t have to worry about anti-virus software or backing up your information.” Once you have the best practices in place, the important task is to stay vigilant. Whether it is individuals watching accounts regularly for suspicious activity or businesses monitoring IP address logs, being aware is the first step to catching fraud early.

In addition to providing cyber security assistance and troubleshooting issues with networks, Tate Computer Systems has multiple other divisions that occupy much of their time. They are the only Apple authorized service center operating in Memphis outside of the Apple Store, which means that they can make certified repairs on MacBooks, iMac, and other Apple products. Tate Computer Systems also installs and maintains 6,000 computerized machines across Tennessee. Finally, they provide full-time desktop support and desktop support personnel for a large entity in Memphis.

Tate Computer Systems was started in January of 1988 and grew out of Sylvester Tate’s responsibilities over two computer labs at the University of Memphis’s Fogelman Executive Center. From there he started taking classes and teaching himself how to work with computers and, at that time, calculators, cash registers, and typewriters as well. The company was founded with the basis of 10 Core Values many of which center around customer service. Tate says, “Everything else is irrelevant if you don’t keep that customer happy and you don’t have integrity and come in here with the right attitude every day. These things are common sense to me, but not to everyone.”

Paragon honored with multiple awards in 2015!

We are blushing and grinning ear to ear after recently being honored with multiple awards:

- Small Business of the Year Finalist, *Memphis Business Journal*
- Best Places to Work Finalist, *Memphis Business Journal*
- Top Workplaces Finalist, *The Commercial Appeal*
- Large Business of the Year, *Germantown Area Chamber of Commerce*



Germantown Area
Chamber of Commerce





10 A.C.T.S. of Kindness

Paragon raises \$8,000 for Mid-South Food Bank



Robert Shaw, CEO, presents Paragon's donation on Action News 5.



Sanjay Dave and Marita Brooks pose in front of the Fountain Place food drive display.

Throughout the month of November Paragon hosted a food drive for the Mid-South Food Bank. Each of the banking center lobbies was decorated for the food drive based on the theme of Paragon's 10th birthday. Through the donations of customers and Team Paragon, Paragon CEO Robert Shaw was able to present the Mid-South Food Bank with a check for \$8,000 during Action News 5's holiday drive. Thank you to all of our customers who joined with us to fight hunger in the Mid-South!

We are wrapping up our 10th anniversary year and our 10 A.C.T.S. of Kindness. To see more of what we've been up to, visit pb10for10.com.



Book It 5K



As a 10 A.C.T.S. of Kindness event, Paragon participated in the Book It 5K. This event is held at Holy Communion Church and benefits Shelby County Books from Birth and the Emmanuel Center. Pictured here ready to start the 5K are Linda Cook, Jeanine Gipson, and Kathleen Lewis.

Memphis Child Advocacy Center



Recently Team Paragon had an afternoon of service at the Memphis Child Advocacy Center, another organization that Paragon has supported for 10 years. Team members got an overview of the Center and their work with the children in our community and then assisted with preparations for the upcoming "Works of Heart" Gala.

Community Involvement

United Way Kickoff: Memphis Oral School for the Deaf



Team Paragon kicked off the 2016 United Way campaign with a breakfast featuring Teresa Schwartz, Executive Director of the Memphis Oral School for the Deaf. Pictured above are Mike Edwards (Paragon President & COO), Robert Shaw (Paragon CEO), Dr. Kenneth Robinson (United Way President/CEO), Teresa Schwartz, Dorothy Cleaves (Paragon Private Banking), and Craig Weiss (Chairman of Paragon's Board of Directors and United Way Board Member).

Habitat for Humanity



Paragon's Small Business Capital Group recently participated in a service day through Habitat for Humanity of DeKalb County. They spent the day helping clean and fix up the exterior of Ms. V.'s home. Pictured here are Tye Massey and Daniel Vo getting to work on Ms. V.'s yard.



Make-A-Wish: Ana's "Frozen" Wish!



Paragon partnered with Make-A-Wish Mid-South to help send three-year-old Ana to Disney World with her family. Team Paragon pulled together to transform the Fountain Place Banking Center into an ice castle. Gifts were presented by Team Paragon members dressed in "Frozen" attire then it was announced that Ana's wish had been granted! This is the 10th consecutive year that Paragon has worked with Make-A-Wish to grant the wish of a child in the Mid-South.

People on the Move



Sylvia Bordeaux



Cheryl Shackelford



Tracey Thesmar



Daniel Vo

Congratulations to Sylvia Bordeaux, Cheryl Shackelford, Tracey Thesmar, and Daniel Vo on their recent promotions. Sylvia and Daniel were both promoted to Vice President in Paragon's Small Business Capital Group. They are responsible for managing the daily functions of the SBCG Loan Department. Cheryl and Tracey were promoted to First Vice President. Cheryl manages the Deposit Operations Department, and Tracey manages the Accounting Department.



WealthNotes

Articles and information from Paragon Wealth Solutions

The Importance of Emergency Savings

Did you know that most financial experts recommend setting aside enough money to cover three to six months' worth of expenses in the event of a major financial surprise?

That's because a well-funded emergency account has the potential to get you through tough times without the need to spend other savings, such as assets earmarked for retirement and college.



The following tips will help you start saving more right away:

Stick to a Budget: Creating a budget is easier and more important than you may think. Just write down the amount of your household's total monthly after-tax income, and then identify how much money you need to spend every month on bills, groceries, etc. Next, subtract the latter amount from the former. The difference represents the amount of money available to be set aside for important goals, such as accumulating emergency savings. Try to maintain financial discipline by avoiding unnecessary "impulse items" that aren't in your budget or on your shopping list.

Buy in Bulk: When it comes to smart shopping, bigger is often better. That's because buying one item at a time is usually more expensive than buying larger quantities. For example, instead of purchasing one can of food at a time, you may be able to find the same items at a much lower "unit cost" when they're packaged and sold in bulk at a discount retailer or shoppers' club. While you'll spend more up front, the "economies of scale" may help improve your bottom line within a month or two.

Reduce the Cost of Debt: Every month, millions of Americans spend their hard-earned money on interest and finance charges that arise from

carrying personal debt, such as credit card balances. Take advantage of today's exceptionally low interest rates by transferring high-interest debt to a single, low-rate account. Then, if you own a home, consider paying off the entire balance with a tax-deductible home equity loan. And needless to say, don't use credit to buy things you can't really afford.

Finally, whenever you're expecting a tax refund, bonus or other windfall, be sure to put it to good use. Paying off debt and saving for the future are almost always better strategies than spending without a plan.

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Happy birthday to Debby Allen and Pam Caviness who recently celebrated big birthdays with their co-workers!

Future Paragon Customers:



Connor Louis O'Hearn
Son of Patrick O'Hearn,
Private Banking



James Cody Shearron
Grandson of Linda Honnoll,
Small Business Capital Group

Locations:

Grove Park

Poplar at Grove Park
4515 Poplar Avenue, Suite 108
Memphis, TN 38117

Fountain Place

Poplar at Valleybrook
5400 Poplar Avenue, Suite 150
Memphis, TN 38119

Paragon Place

Poplar at Massey
6300 Poplar Avenue, Suite 117
Memphis, TN 38119

Saddle Creek

Poplar at Germantown
7600 Poplar Avenue
Germantown, TN 38138

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Branch Hours: 8:30 am–5:00 pm, Mon–Thu
8:30 am–6:00 pm, Fri

ATM: 24 Hours/7 days a week

Paragon Direct: 901.333.0260
24-Hour Voice Response Unit

Online Banking: bankparagon.com

Mailing Address: P.O. Box 2022
Memphis, TN 38101-2022

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MEMBER FDIC



Congratulations to Brian Kuntz on his marriage to Megan on June 5, 2015!

Brian is Vice President with Paragon's Small Business Capital Group.

Anniversaries

Congratulations and thanks to the following employees who have celebrated 10-year anniversaries with Paragon!

Deborah Howell July 11, 2005
George Daley October 24, 2005
Jonelle Middlebrook December 5, 2005

New Smiles at Paragon:



Teresa Beach
Mortgage
Consultant



Sanjay Dave
Financial Services
Associate
Fountain Place



Martin Halberg
Wealth Advisor



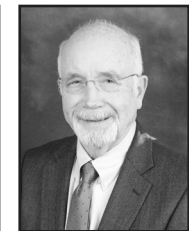
Kristin Murley
Financial Services
Associate
Saddle Creek



Carl Sakony
SBA Underwriter
Small Business
Capital Group



Julia Sledge
Portfolio Manager
Private Banking



Ron Murphy
Vice President
Aircraft Lending