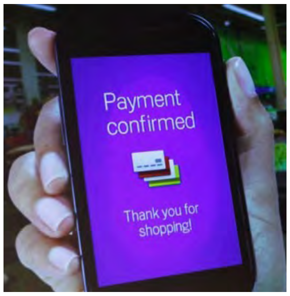
Nebraska Independent Banker

NICB

First Quarter 2021



WE'RE IN THIS TOGETHER,

NEBRASKA

- "Cuba" Ransomware Gang
- Are Your Emloyee's Engaged
- Simple Rules To Streamline Portfolio Management

OFFICIAL PUBLICATION OF THE NEBRASKA INDEPENDENT COMMUNITY BANKERS

Nebraska *Independent Banker*

Volume XII   First Quarter 2021

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Advertisers

Calendar

March 9 - 10
ICBA Connect
for more information
go to: www.icba.org/connect

March 23
Community Development Financial Institutions: an Opportunity for Partnerships in Iowa and Nebraska
1:00 pm - 3:30 pm (CST)
presenters: Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Reserve Banks of Chicago and Kansas City

April 7 - 8
Understanding Bank Profitability
presented by:
Barret School of Banking
more info and to register:
https://barretbanking.org

April 14
Economic Inclusion and Mobility for all Nebraska Families
1:30 pm - 3:00 pm (CST)
co-presented by: FDIC, NICB, NBA and Nebraska Council on Economic Education

April 27 - 29
ICBA Capital Summit
April 27 10:00 am - 12:00 Noon
meetings with Nebraska Congressional Representatives will be scheduled

May 12
A Picture of Nebraska Small Business Recovery
1:30 pm - 3:00 pm (CST)

May 27
Midwest Ag Conference
co-sponsored by NICB
10:00 am - 4:00 pm
speakers include: Dr. David Kohl, Mike Naig Iowa Secretary of Ag,

June 7
NICB Area Meeting
Friend Country Club, Friend, NE
meeting followed by golf and dinner

July 12 - 16
CBAI Community Bankers School
co-sponsored by NICB
CBAI School provides students with an intensive program designed for today's community bank professional and it hits on subject matters of that touch every part of the bank that the student can use every day in community banking.

August 9
NICB Area Meeting
Norfolk Country Club, Norfolk, NE
meeting followed by golf and dinner

October 4
Yostie RAK Event
Firethorn Golf Club, Lincoln

November 11 - 12
Management Conference and Trade Show
Graduate Hotel, Lincoln
book your hotel room before October 20
phone:844-888-4723
mention Group code: Nebraska Independent Community Bankers Conference.
Cancellation must be made 72 hours before arrival.

= Virtual or Webinar Event

I hope the start to 2021 finds you all healthy, happy, and ready to take on the challenges we face ahead. With all that has happened in the last year, it is easy to get weighed down and lose sight of all the good we have.

Finally, we are seeing some opportunities in the ag markets. After over six years of struggling through poor pricing opportunities in grains, we are seeing realistic cash flows with positive outcomes. Now is the time to take advantage of opportunities and help our customers get their balance sheets in a position to move forward and work their operations towards the future.

With the continued tightening in the RE markets, many if not all our small communities continue to see limited markets and an overall lack of housing. I am sure we all wish there were a "magic bullet" to fix the issues, but as always, no such luck. Some improvements in TIF rules allowing vertical construction costs to be used is a way some may be able to work on the problem. Generally, a partnership between hometown financial institutions, local city government, and private housing groups is the only way to move from center. With the lack of potential profits for developers, there is no one way for us to address this. Nevertheless, we need to stay willing to think outside the box and look at any and all options to help our communities thrive. Remember that the small things do add up. If we continue to stay positive, look towards the future and not dwell on the past, we can make a lasting and substantial difference in our communities.

No one could have foreseen such a significant divide in our country's issues and a growing population with blatantly negative and counterproductive attitudes. The older generations, that have been praised for their ability to adapt and accomplished so much, is all too quick to shift the blame to the younger population. While millennials seem to be an easy group to blame and complain about, let us step back and remember who raised these individuals. All you Packer fans know, "Leaders are made, they are not born." Every leadership role, no matter how big or small, is an opportunity to help guide the next generations and teach them patience, empathy and most importantly, the virtues of hard work and honesty. These students are not only the people that will run out banks, grocery stores, farm operations, and hospitals, but run our communities, states, and countries. If we do not help mold the leaders at our local levels, how can we expect them to grow into leaders on bigger stages?

Challenges are always presented to us, but with them come opportunities. As Independent Community bankers, we have grown accustomed to changing environments and their effects on us and our business. We all have the opportunity to help those around us address issues in both our normal courses of business and also by helping to form innovative solutions and creating new partnerships. If we continue to focus on what we can control and do it in the most responsible and positive way, we and future generations will not only survive but thrive in the challenges ahead.

Corby Schweers, Executive Vice President,
Elkhorn Valley Bank, Wayne

Corby Schweers
NICB Chairman

"a partnership between hometown financial institutions, local city government, and private housing groups is the only way to move from center."

by Katie Zulkoski and Michelle Weber

The Nebraska Legislature began a unique 90-day budget-setting session on January 6, 2021. The Legislature elected its leadership on the first day of session. Senator Mike Hilgers of Lincoln was selected as Speaker. Senator Matt Williams of Gothenburg was elected to once again chair the Banking, Commerce, and Insurance Committee. While some chairmen worry about the lack of experience on their committees, the Banking Committee was stacked with experienced members: Vice Chair Senator Brett Lindstrom of Omaha (previous committee chair), Senator Ray Aguilar of Grand Island (who served on the committee when he was previously in the Legislature), Senator Mike Flood of Norfolk (former Speaker), Senator Rich Pahls of Omaha (who chaired the committee during his previous term in the Legislature), Senator John McCollister of Omaha (returning member), Senator Julie Slama of Peru, and newly elected Senator Elliot Bostar of Lincoln.

Covid has changed much about how the Unicameral is conducting its business, but NICB has not missed a beat in its engagement with lawmakers and influence over policy proposals. To limit Covid exposure among Senators, regular floor debate has been postponed until mid-March. Committees have been busy considering the 684 bills and 12 constitutional amendments introduced, all of which receive a public hearing. All-day hearings have caused “hearing fatigue” for Senators and staff, but in-person testimony has been slightly reduced due to expanded options for providing written testimony.

The NICB Legislative Committee has taken an active role in policy discussions this session. A great deal of time has been spent considering Senator Mike Flood’s Financial Innovation Act (LB649), which seeks to authorize and attract digital asset depository institutions to Nebraska. Based on legislation passed in Wyoming in 2019, the bill has been touted as a potential economic development tool. NICB leaders have continued their due diligence in examining the bill’s implications for Nebraska and considering how to best protect consumers and ensure fairness in regulation of Nebraska’s financial institutions.

NICB has taken a position on a number of bills working their way through the process, including:

Support:

LB66 (Williams) **Change deposit, bond, custodial official, and pooled collateral provisions under the Public Funds Deposit Security Act**

The bill updates terms regarding deposit of public funds in a single bank pooled method. Changes references to custodial official. Clarifies that automatic perfection applies equally. Allows for out-ofstate banks with trust powers to serve as qualified trustees.

LB94 (Government, Military and Veterans Affairs Committee) **Prohibit invalidation of certain online notarial acts performed under the Governor’s Executive Order**

Online notarial act performed on or after Apr. 2, 2020, and before July 1, 2020, pursuant to the Governor’s Executive Order, shall not be invalidated because such act was performed prior to the operative date of the law allowing for online notaries. No deed, mortgage, trust deed, or other instrument in writing for the conveyance or encumbrance of real estate, or any interest therein, shall be invalidated because it involved the performance of an online notarial act on or after Apr. 2, 2020, and before July 1, 2020, pursuant to the Governor’s Executive Order.

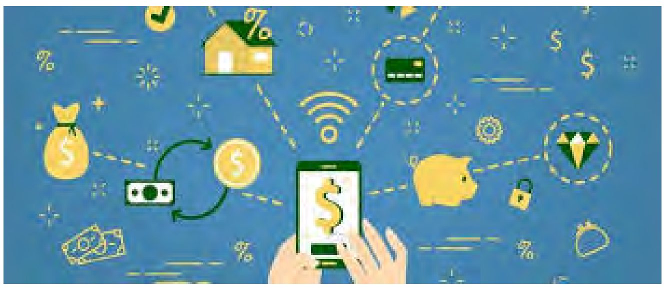
LB139 (Briese) **Adopt the COVID-19 Liability Protection Act**

The bill provides immunity from civil liability, generally, and specifically for health care providers and facilities, landlords and tenants, and those following public health guidance. Immunity will not be allowed for gross negligence or willful misconduct causing hospitalization or death. Liability protections begin once the bill is passed and end on the earlier of Dec. 31, 2022, or one year after the end of the COVID-19 state of emergency.

LB327 (Slama) **Require a personal finance or financial literacy credit for high school graduation**

Requires high school students to complete at least one half-credit hour of a personal finance or financial literacy course to graduate.

LB363 (Williams) **Change provisions relating to banking, finance, securities, consumer protection, dividends, and installment sales and loans**



The bill was introduced at the request of the Department of Banking and Finance to update federal references, including the "wild card" provisions. For dividends, changes the loss threshold from "undivided profits on hand" to "retained net income" as defined. Changes provisions in the Nebraska Trust Company Act for initial approval, to require a submission of the names of proposed board members, and for filling vacancies. Changes provisions of the Securities Act of Nebraska regarding the time of certain SEC filings. Excludes licensed collection agencies, credit services organizations, and debt management businesses from licensure under the Nebraska Money Transmitters Act. Clarifies that a money transmitters license is required even if the resident is not physically located in this state at the time of the transaction, and also that to receive such license the company must be organized as a US company and maintain an office in the US. Updates submissions required for a money transmitters license. Allows the department to investigate violations of the Money Transmitters Act. Clarifies the definition of sales finance company in the Nebraska Installment Sales Act, and increases the bond amount for additional branch locations. Changes the Nebraska Installment Loan Act to require a license for any person holding rights of ownership, servicing, or participation in a loan, that engages with a borrower.

LB452 (McKinney) **Adopt the Financial Literacy Act**

Requires schools to develop financial literacy programs for grades K-12.

LB503 (Flood) **Authorize attorney's fees to paid from trustee's sale proceeds for certain actions and judgments under the Nebraska Trust Deeds Act**

Provides that reasonable attorney's fees be paid by the objecting party or parties to the holder of a trust deed, mortgage, or any other lien holder in situations where a court has entered a judgment in their favor in an action that is the result of an objection to or uncertainty of the proposed payment of proceeds of the trustee's sale, and the objecting party or parties did not make such objection in good faith. Where such a judgment exists, it is a rebuttable presumption that the objecting parties did not have a good faith reason to object. Provides that payment of attorney's fees are to be deducted from the sale proceeds prior to the payment of junior trust deeds, mortgages, or lienholders or any other person legally entitled to the proceeds.

LB532 (Lowe) **Change provisions relating to property under the Uniform Disposition of Unclaimed Property Act and the School Employees Retirement Act and to change a security deposit provision under the Uniform Residential Landlord and Tenant Act**

Increases the value of reporting intangible property presumed abandoned from $25 to $50. Allows the State Treasurer to destroy property with insubstantial commercial value and provides immunity for the Treasurer and participating bank for such actions. Decreases the time safe deposit box contents are considered unclaimed from 5 to 3 years. Allows the State Treasurer to nominate a nonprofit organization to receive the claimants property.

LB535 (Kolterman) **Provide for notice to life insurance assignees of default and lapse and termination**

Provides no policy of life insurance issued in NE and subject to an assignment made in NE will terminate or lapse because of default in payment of any premium due on such policy unless a notice pending lapse and termination of such policy has been provided by the insurer to any known assignee having an interest in the policy within 30 days before the effective date of such lapse and termination. Provides an assignee of a policy of life insurance under an assignment made in NE may request the insurer give such assignee notice of default in payment on any premium due on such policy at least 30 days before the effective date of any lapse and termination of such policy.

Oppose:

LB348 (Morfeld) **Change provisions relating to succession to real property by affidavit**

Allows any successor (rather than all successors) of real property (when the total amount of property in the state totals less than $50,000) to claim an interest in the decedent's real property by affidavit. Requires the affidavit to include the name and address of any other person who may have an interest in the property.

LB394 (Morfeld) **Adopt the Public Health Emergency Housing Protection Act and change deadlines for trials in actions for possession and forcible entry and detainer**

Provides that a municipality, mayor, city manager, county board, or local public health department may enact a moratorium on any evictions and foreclosures in order to protect the public welfare from the spread of infectious disease. The moratorium period cannot end less than 14 days after issuance of the resolution or proclamation. Provides that during the moratorium period, a landlord cannot serve a tenant with a notice of intent to terminate a rental agreement or an eviction notice, nor file a judicial eviction notice against a tenant. Additionally, landlords cannot assess fees, penalties, or other charges to a tenant for nonpayment of rent. During the 6 months following the end of the moratorium, a landlord cannot terminate or decline to renew a rental agreement because of unpaid rent that arose during the moratorium period. Provides that during a moratorium, a mortgagee cannot file a judicial foreclosure action against a mortgagor of a dwelling that contains one or more units rented to tenants. Provides a trustee of any trust deed cannot exercise the power of sale, foreclose upon the deed, file for recording a notice of default, or publish a notice of sale during the moratorium. Creates the Public Health Emergency Housing Assistance Fund, which consists of money received as gifts, grants, or collected as fees or charges, and federal funds related to the COVID-19 emergency to be used for housing assistance, including rent, mortgage payments, late fees, security deposits, and overdue rent.

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NICB Nebraska Independent Community Bankers

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Are your employee's engaged?

Insights from Kyle Hershberger, President, Cross Financial

"To win in the marketplace you must first win in the workplace."

Douglas Conant Former President and CEO of Campbell Soup Company

Now more than ever, community bank leaders need to know what their employees are thinking, feeling, and even hoping for, when they come to work every day. How satisfied are they with their work environment? Is their satisfaction and loyalty impacting the service they deliver to customers? Those two metrics typically mirror themselves closely.

We help community banks answer those questions with an industry-specific Employee Engagement Survey. Many of our clients have been using this survey for many years, but the most recent two-year history has provided some interesting trends.

Response Rates Are A Partial Indicator

Survey response rates are an initial indicator of employee engagement. Typically, a highly engaged team will generate response rates close to 100%. The 95% average response rate our clients experienced in 2019, dropped to 92% in 2020. A decline that is not completely unexpected when you consider the various work from home and remote environments employees experienced in 2020.

Management Category Insights

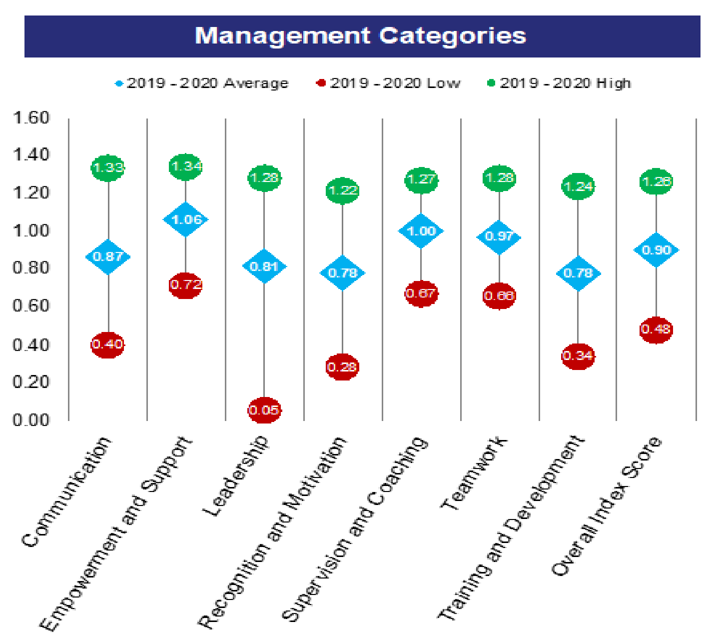
Our Employee Engagement Survey reduces a series of questions into seven unique management categories. All seven categories, as well as the overall average rating, experienced a decline in 2020. The largest decline occurred in the **Leadership** category.

We might want to discount the reduction in **Leadership** as a result of COVID adjustments and PPP workloads. However, those two challenging conditions provide the perfect stage for leadership to excel in an uncertain time. The high performing banks conducting engagement surveys are actively reviewing ratings and asking themselves, 'Did our leadership team and managers do everything possible to engage employees and address organizational challenges throughout the year?' With the right metrics, you can investigate the answer to that question.

Here's a quick look at the current overall average ratings generated by our Employee Engagement Survey. In addition to the overall average industry score, you will see the average high and low scores generated by community banks that completed surveys. The ranges provide a working context for potential goal setting and enhancement strategies. To provide a balanced foundation for this data set, we combined the results for 2019 and 2020. Look for differences in the average scores and then examine the spread between high and low scores. The results identify where organizations operate with similar performance and where the greatest challenges exist.

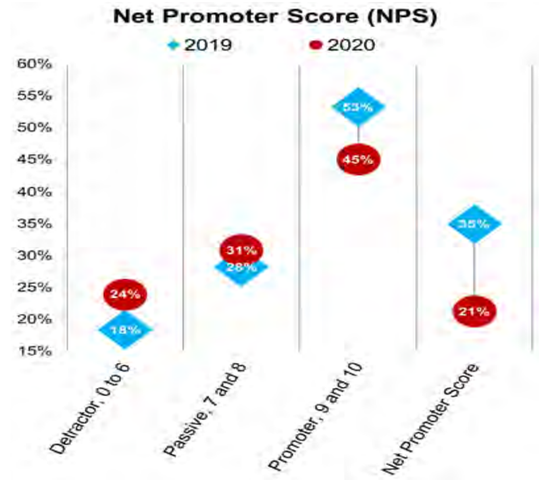
As an example, the average rating for **Leadership** is 0.81, with high and low ratings ranging from -0.05 to +1.28. The results show dramatic differences in community bank performance. In contrast, the average rating for **Teamwork** is 0.97, with a high and low range between 0.66 and 1.28

2019-2020 Two-Year High-Low Average



Net Promoter Score

Employee Net Promoter Score (NPS) is a core metric generated by the Cross Financial Employee Engagement Survey. A year-over-year comparison, from 2019 to 2020, shows a decline in the average Net Promoter Score to 21% in 2020. This represents a 14-percentage point decline from the 35% experienced in 2019. The average NPS for 2017 and 2018 was 41%. This decline indicates employees are less likely to recommend their employer as a place of employment.

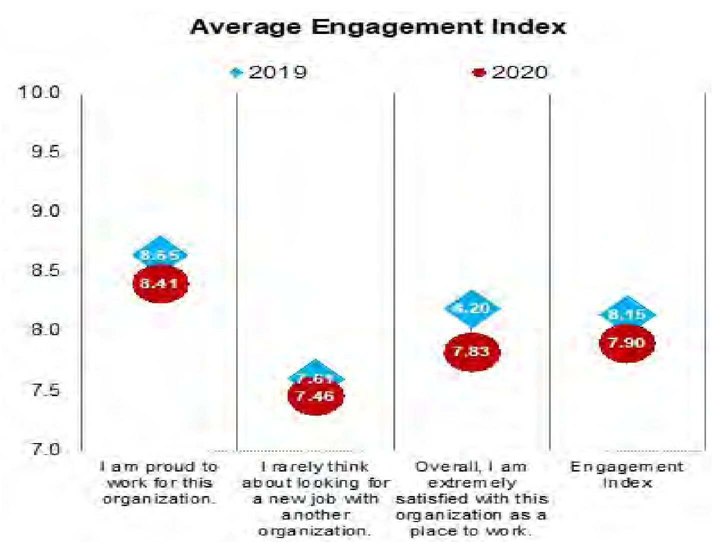


Engaged employees are a powerful asset for talent acquisition and customer relationship growth. Community banks with high Net Promoter Scores frequently share success stories about effective talent acquisition, employee longevity, and customer relationship growth. All three are outcomes of engaged employees. Declines in employee NPS will frequently be mirrored by declines in Net Promoter Scores generated by customers.

Employee Engagement Index

Our Employee Engagement Survey also includes an index score to help community banks measure overall employee engagement consistently across time periods. The Engagement Index is created using three simple questions. The ratings for the Engagement Index in 2019 and 2020, along with average scores for the contributing questions, are presented in the following chart.

Using our 10-point scale, most community banks set a score of 8.0 to meet their minimum expectations. For those banks, scores less than 8.0 are a caution flag and challenge the organization to investigate influences, such as working conditions, policies, procedures, communication, and teamwork to determine where changes are necessary.



We are anxious to see what our 2021 surveys will reveal. Will community banks continue to show declines in NPS and Engagement Index scores? Or will community banks reverse the trends by investing time and attention in their human capital?

Perhaps it is an oversimplification, but community banks that produce the highest employee survey ratings typically possess some form of the following management practices.

– Clear corporate direction.
– Culture embedded with open communication.
– Managers that coach and mentor.
– Accountabilities for performance.
– Celebrations of success.

Kyle Hershberger is President at Cross Financial, a consulting firm specializing in planning, sales, and marketing support services for community banks. Kyle's experience in banking, banking software, research, and marketing services help clients focus on desired results. Kyle has been at the forefront of research and planning to support financial institution sales and marketing activities.
Cross Financial is based in Lincoln, Nebraska and provides strategic planning and marketing support services to community banks.

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NICB/CBAK Cooperative Liquidity Program

NICB Nebraska Independent Community Bankers

CBA Community Bankers Association of Kansas

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‘Cuba’ Ransomware Gang Hits Payment Processor, Steals Data

by Denise Mainquist

A ransomware gang has hit a Seattle-based billing and payment processing provider. This highlights how criminals are both attacking businesses and also stealing and selling valuable personal information, regardless of whether or not the ransom is paid. Gangs are increasingly targeting service businesses with access to customers’ financial information.

The ‘Cuba’ ransomware gang has taken credit for the hit against Automatic Funds Transfer Services, saying on its dedicated leaks site—reachable only via the anonymizing Tor browser—that it left AFTS crypto-locked as of Feb. 4.

The leaks site listing says “financial documents, correspondence with bank employees, account movements, balance sheets and tax documents” were among the information the gang stole. The AFTS listing on Cuba’s leaks site also states that the ransom demand was “paid.”

Exactly what types of data were compromised by attackers apparently has not yet been determined.

One of the victims, the Lakewood Water District, notified its customers: “For residents or businesses who pay their utility bills by mailing a paper check, scanned copies of their paper checks are also stored on the AFTS servers, which include bank account and routing information. It is unknown at this time whether these scanned copies of checks have been illicitly extricated from the network.”

But at least some personal information—including names, addresses, email addresses, bank account details, and payment or invoice amounts—does appear to have been exposed.

There is no indication that the gang has any connection with the country of the same name.

ITPAC Consulting, LLC is an Associate Member of NICB.
Denise Mainquist is President of ITPAC. ITPAC Consulting is a Nebraska based business providing independent IT audis and consulting on risk assessments, vendor management and policies/procedures development.

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FDIC | NBA Nebraska Bankers Association | NCEE Nebraska Council on Economic Education | NICB Nebraska Independent Community Bankers

Economic Inclusion and Mobility for all Nebraska Families

April 14, 2021

1:30 PM-3:00 PM CT

The Federal Deposit Insurance Corporation, Nebraska Bankers Association, Nebraska Independent Community Bankers and Nebraska Council on Economic Education will conduct a statewide webinar to highlight the importance of low cost transaction and savings accounts. Experts will outline successful outreach from banks and community based organizations working in partnership to increase the financial capability of Nebraska families by opening transaction and savings accounts to promote a saving habit and establish emergency savings.

Register online at

https://web.cvent.com/event/ff617a4d-c9d9-431d-aeba-5c5d5b34448b/regProcessStep1

1:30 Welcome and Introductions
Richard Baier, President and CEO
Nebraska Bankers Association

1:45 Overview of the Unbanked Population in Nebraska
Greg Housel, Community Affairs Specialist
Federal Deposit Insurance Corporation

2:00 Economic Inclusion, Let's Start With Banking Students
Jennifer Davidson, President
Nebraska Council on Economic Education

2:20 Banking the Unbanked – A Banker's Perspective
Moderator:
Eric Hallman, President and CEO
Nebraska Independent Community Bankers

Rosenda Ovalle, Director of Multicultural Banking
First National Bank of Omaha

Raul Sarmiento, Branch Manager
Union Bank and Trust

2:55 Announcements
Greg Housel, Community Affairs Specialist
Federal Deposit Insurance Corporation

3:00 Webinar Concludes

Do's, Don'ts, and Maybes

A set of simple rules to streamline portfolio management in 2021.

by Jim Reber

If my recent aggregate conversations with investment managers are an indication, there is still a lot of seat-of-the-pants decision making going on out there when it comes to portfolio strategies. And I hasten to add this is not a criticism; it's merely an observation. Why should we expect anything else?

Banks are still sitting on a lot of cash. The bond market is giving mixed signals with short rates being anchored at near-zero levels while the Treasury yield curve is its steepest in three years. Bond portfolios still have substantial unharvested gains, and net interest margins are at record lows. PPP 2.0 has been launched, as a new wave of fiscal stimulus is about to be unleashed on consumers and governments.

Given this bewildering set of variables, perhaps we can create a (relatively) simple set of ground rules that portfolio managers can refer to while trying to make sense of it all. I would like to emphasize that "maybe" is the unspoken theme to these guidelines, as every community bank has its own risk/size/earnings/ownership profiles. But here goes:

Do: Stay invested. Cash yields zero, and will remain there for the remainder of the year, at least. A simple bond that yields even 60 basis points (.60%) will probably produce a spread to your cost of funds, and will provide collateral for pledging purposes. An example of a bond that yields 0.60% is a callable agency with a five-year maturity, and one year of call protection ("5/1 callable").

Don't: Keep buying the same old bonds just because. In just the last three years, community bank portfolios have changed tenor significantly. You know that banks own fewer tax-free securities since tax rates were cut in 2017, but did you know that both general market munis, and taxable munis, have picked up the slack? The other big "new" bond sector is multifamily mortgage-backed securities (MBS), which follows…

Do: Take action to normalize your bond portfolio's cash flow. As low as returns (and spreads) are, the cost of eliminating optionality is an all-time low. Case in point: a five-year non-callable agency (aka "bullet") yields about 0.57%, which means an investor surrenders three measly basis points to remove all cash flow uncertainty. In a different sector, MBS, a similar set of dynamics is at play. You've read in this column recently that "prepayment friction" pools which consist of low balance loans can slow down refinance activity. The

same outcomes can be achieved with "yield maintenance" provisions on multifamily MBS.

Don't: Worry (too much) about rates rising to the point that your collection of bonds is underwater from a market price standpoint. If your community bank is typical, it will benefit from a general rise in rates. For one thing, since banks own a whole lot of bonds at prices above par, interest rate increases will cause the current bonds' yields to improve. For another, the rest of your bank's earning assets will pretty quickly show some improvement, whether the loan portfolio consists of floaters or shorter-duration fixed rate credits. Community banks' asset/liability positions are built for rising rates.

Do: Stay on top of your portfolio's effective duration, to put your mind at ease about all of the above. We have seen this important barometer of price risk really whipsaw over the last year. At last look, most portfolios had returned to their pre-pandemic durations of around 3.0 years, but that's taken a lot of buying of a lot of longer-maturity bonds to get there. In mid-2020, they had shrunk, on average, to about 2.5 years. That's a 20% increase in two quarters.

Maybe: Invest in some bond education for your staff and you. As the economy (and travel) begins to open back up, there will be a whole range of investment school options available, some virtual, some live, some hybrid. There is also plenty of archival information that's been accumulated over the last year as trade associations, brokers-dealers and consultants have figured out digital delivery channels. So ask around your providers for offerings that may suit your needs.

And by all means, do continue your due diligence and documentation of your actions. Investment portfolios have grown remarkably in the last year. They are likely to be a substantial driver of bank profits for the foreseeable future.

Jim Reber (jreber@icbasecurities.com) is president and CEO of ICBA Securities, ICBA's institutional, fixed-income broker-dealer for community banks.

2021 ICBA BOND ACADEMY ANNOUNCED

ICBA Securities and its exclusively endorsed broker Vining Sparks will present the ICBA Bond Academy this spring. This virtual program, scheduled for April 19-22, is designed for the entry-level portfolio manager. Attendees will learn the fundamentals of fixed-income products and strategies. Up to eight hours of CPE credit are offered.

For more information visit www.icbasecurities.com.

The Power of Collaboration

by Charles Potts

In the past 12 months, we've seen what can be achieved when diverse groups work together toward a common goal: unprecedented innovation.

This collaborative process is critically important to what we do at ICBA and has come to fruition in the past year.
In 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Paycheck Protection Program (PPP) loan process proved the value of effective collaboration between banks and fintechs. In a short period of time, community banks met the heroic challenge of getting emergency loans into the hands of thousands of small businesses. This was possible because community banks either already had great collaborative relationships with technology providers, or they were able to call upon fintechs that understood how to work with them and address their needs in a crisis.

That was due in large part to the collaboration that ICBA and others have been involved in for the past two years. During that time, 17 companies have graduated out of our ThinkTECH Accelerator, which brings early stage fintechs and community bankers together to create purpose-built and mission-driven solutions to solve the real problems community banks face. Of those companies, 11 had solutions that could address the needs of the bankers during the COVID-19 crisis, most notably with the CARES Act.

Another collaborative high note was our very first ThinkTECH Policy Summit at the end of 2020, in which we brought together industry stakeholders—regulators, bankers and fintechs—to discuss opportunities for more effective collaboration. Over two and a half days, more than 100 attendees shared dialogue and insights about building upon the practices that we at the ICBA are taking on, as well as the sandbox programs, or innovation initiatives, that the regulators themselves are working on.
One example of this is the Consumer Financial Protection Bureau (CFPB) Trial Disclosure Sandbox program, which is soliciting designs for innovative disclosures. This comes out of the CFPB's innovation arm and is something that we at the ICBA and our member bankers have been very hands-on with. We are very encouraged to see that regulatory bodies are now moving away from their perceived legacy positions as the department of "no" and have become more the department of "how." That is a direct result of working collaboratively.
These recent successes are still resonating as we move into 2021. We are currently one month into our third accelerator. This is the cornerstone of what ICBA does to foster collaboration between fintech and bankers. If you'd like to participate in the accelerator, with hands-on involvement that really helps mold, shape and form solutions to the issues that face community bankers, join us. For more details, go to icba.org/thinktech

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Recently added webinars are in BOLD.

Jan 6 Providing Provisional Credit Under Reg E

Jan 7 Uniform Residential Loan Application (URLA): Deadline March 1, 2021

Jan 12 **Remote Workforce Series:** Creating or Revising Work from Home Policies

Jan 13 2020 HMDA Submission Due March 1, 2021: Challenges & Best Practices

Jan 14 IRA & HSA Update: Key Considerations for 2021

Jan 20 **Flood Series:** Flood Insurance Rules, Best Practices & Liability

Jan 21 Call Report Update 2021

Jan 26 **Remote Workforce Series:** Work from Home Record Retention Rules

Jan 27 Calculating Cash Flow from Corporate Tax Returns

Jan 28 Beginning BSA Officer: What You Need to Know on Day 1

Jan 29 **Series:** Alphabet Soup for Lenders

Reg B & ECOA; Reg C & HMDA, Reg V & FCRA,

Reg X & RESPA, Reg Z & TILA - Non-Real Estate; Reg Z & TILA - Real Estate

Feb 2 Red Flags in Residential Appraisal Compliance

Feb 3 **Flood Series:** Flood Compliance Beyond the Basics

Feb 4 Calculating Cash Flow from S-Corporation & Partnership Tax Returns

Feb 9 **Remote Workforce Series:** Work from Home Risks: How Compliance Can Limit Liability

Feb 10 *Morning* Overdraft Hotspots Including Regulations, Lawsuits & Guidance

Feb 11 *60 Minutes* **E-SIGN Series:** No-Contact" Account Opening: Compliance

Feb 12 New ATR & QM Rule Changes Effective July 1, 2021

Feb 17 New Security Officer Training: Your Bank Protection Act Responsibilities

Feb 18 Determining Cash Flow from Personal Tax Returns Part 1 Form 1040, Schedules B & C

Feb 23 **Remote Workforce Series**: Security Compliance for Work from Home Staff

Feb 24 The Top 10 ACH Exception Handling Questions

Feb 25 The Board's Role in Cyber Security Risk

Feb 26 FDCPA Changes Round 2: 12/18/2020 Final Rule on Fair Debt Collection Practices

Mar 2 Advanced BSA Officer Training: In-Depth Risk Issues & Difficult Situations

Mar 3 Determining Cash Flow from Personal Tax Returns Part 2: Schedules D, E & F

Mar 4 **Flood Series:** Flood Forms Line-by-Line

Mar 8 *Monday* SBA Lending Update 2021: Rule Changes & PPP FAQs

Mar 9 ACH Rules Update 2021

Mar 10 Safe Deposit Issues: Delinquency, Death & Abandonment

Mar 11 **Remote Workforce Series:** Making Work from Home Effective

Mar 15 *Monday* The Top 10 Reasons Consumers Leave Their Bank .

Mar 16 **E-SIGN Series:** Virtual Loan Document Delivery & E-SIGN Compliance

Mar 17 Federal Requirements for Tech-Based Marketing: Websites, Social Media, Robo Calls & More

Mar 18 **Flood Series:** Commercial Flood Insurance Regulations & Compliance

Mar 23 Business Accounts: Who is Authorized to Open, Close, Transact?

Mar 24 *Morning* Deposit Operations Update 2021

Mar 25 Legal Issues for Right of Setoff on Deposit Accounts & Loans

Mar 29 New Anti-Money Laundering Act: Key Provisions & BSA Implications

Apr 6 *60 Minutes* **E-SIGN Series**: The E-SIGN, BSA & CIP Compliance Trifecta

Apr 7 Board Reporting: Requirements, Timing, Delivery Options, Risks & Concerns

Apr 8 **Remote Workforce Series**: Moving to the Cloud: Remote Management of Risks to Customer Data

Apr 13 Reg CC Compliance & Review: Check Holds, Remote Deposit Capture & Reg D Changes

Apr 14 Advanced C&I Underwriting: A/R & Inventory Financing

Apr 15 **Collection Series**: Regulatory Alphabet for Collections Compliance

Apr 19 *Mon. 60 Min.* New Time Limits for ACH Warranty Claims Effect June 30, 2021

Apr 20 Commercial Loan: Workouts, Restructuring & Loss Mitigation

Apr 21 Debit Cards 101

Apr 22 Global Cash Flow Analysis for Underwriters & Credit Analysts

Apr 26 2021 Cannabis Update: Legalization, Banking Issues & More

Apr 27 *60 Minutes* **E-SIGN Series:** E-SIGN Security & Fraud Detection

Apr 28 Call Report Basic Lending Schedules: Coding, Classifications & Loan Loss Allowance

Apr 29 Hot IRA Issues: Divorce, IRS Levies, Creditor Claims & Misunderstood Rules

May 4 Advanced Commercial Loan Documentation

May 5 Current Trends in Cyber Crime & Payments Fraud

May 6 **Credit Analyst Series:** Loan Stress Testing for the Credit Analyst

May 11 5 Steps to Simplify Reg E Claims
60 Minutes

May 12 **Collection Series:** Your Borrower Is Threatening Bankruptcy, Now What?

May 13 HR Dos & Don'ts in a Virtual World

May 18 Surviving a TRID Compliance Exam

May 19 Developments in Bank Mergers & Acquisitions

May 20 Residential Appraisal Reviews from Start to Finish
Morning

May 20 Residential Construction-Only & Construction-to-Permanent Lending: Compliance & FAQs

May 25 Marketing in 2021: Virtual Relationships & the New Customer

May 26 **Collection Series:** The Virtual World of Collections

May 27 Handling W-9s, W-8BENs & IRS Mismatches
Morning

May 27 Protecting the SBA Guaranty Start to Finish

Jun 2 Handling Subpoenas, Summonses, Garnishments & Levies

Jun 3 Treasury Management: How to "Power Up" Deposits & Fee Income

Jun 8 **Collection Series:** Troubled Debt Restructuring in the COVID

Jun 10 Supporting Documentation for the ALLL

Jun 15 **Credit Analyst Series:** Advanced Financial Statement Analysis

Jun 15 FinCEN SAR Advisory Update & Handling Increasing Fraud
Morning

Jun 17 Wire Transfer Compliance: Domestic & International

Jun 22 Call Report Preparation: Schedule RC-R, Regulatory Capital

Jun 24 **Collection Series**: Managing Mortgage Delinquency

Jun 29 e-Everything: Compliance in an Online Environment

Jul 7 Business Writing Boot Camp, Including Critique of Your Own Writing Sample

Jul 8 Avoiding the Top 10 HELOC Compliance Mistakes

Jul 13 Navigating Compliance Issues for Promotions, Bonuses, Contests & Sweepstakes

Jul 14 Legal Issues of Checks

Jul 15 Capital Adequacy & Risk: Regulator Expectations for the Board

Jul 16 Fair Credit Reporting Compliance

Jul 20 Regulation E Compliance with ACH Payments

Jul 21 Job-Specific BSA Series: Job-Specific BSA Training for Operations Staff

Jul 22 **Collection Series**: Chapter 7 & 13 Consumer Bankruptcies: Special Rules, Cramdowns & Risks

Jul 27 IRA Beneficiary Designations, Death Distributions & Required Minimum Distributions

Jul 28 **Credit Analyst Series**: Credit Fundamentals for the New Credit Analyst

Aug 4 **New Accounts Series**: Regulatory Alphabet for Deposit Accounts

Aug 4 The TRID Dirty Dozen: Navigating the Landmines

Aug 5 Comparing Regulation E with Visa & Mastercard Rules

Aug 9 New ACH Meaningful Modernization Rules Effective September 17, 2021

Aug 10 **Credit Analyst Series**: Debt Service Coverage Calculations in Underwriting

Aug 11 Handling POAs & Living Trust Documents on Deposit Accounts & Loans

Aug 12 Record Retention: What to Keep and Why!

Aug 17 Maximizing Cyber Security Soundness & Minimizing Incidents

Aug 18 Critical CIP & CDD Issues: Compliance, Beneficial Ownership & FAQs

Aug 19 Improving Call Report Efficiency: Documentation, Accuracy & Common Errors

Aug 23 Credit Risk Management First Aid Kit

Aug 24 **Job-Specific BSA Series**: Job-Specific BSA Training for the Frontline

Aug 25 Dealing with Difficult Customers: 5 Foolproof Techniques

Aug 26 Survey Says! The Top 10 Reasons Businesses Move Their Accounts

Aug 31 Loan Underwriting 101: Interviewing, Credit Reports, Debt Ratios & Regulation B

Sep 8 **New Accounts Series:** 20 Legal Types of Accounts: Ownership, Documentation & CIP

Sep 8 ACH Payment Reclamations & Garnishments

Sep 9 Dormant Accounts, Unclaimed Property & Escheatment

Sep 14 Completing the CTR Line-by-Line

Sep 15 Fiduciary Responsibilities of New & Experienced Directors

Sep 16 **Job-Specific BSA Series:** Job-Specific BSA Training for Lenders

Sep 17 Effective Management of Credit Report Disputes: ACDVs, AUDs & Joint Credit

Sep 20 Foreclosure & Repossession Compliance & Limitations

Sep 21 Hot Topics in Social Media Engagement for Community Banks

Sep 22 Bankruptcy for Lenders: Chapter 11 & Subchapter V, The Small Business Reorganization Act

Sep 23 **New Accounts Series**: Business Account Documentation

Sep 27 HMDA Reporting Part 1: Application Basics

Sep 28 Conducting In-House Evaluations: Guidance, Rules & Technological Tools

Sep 29 Strategic Planning for Community Banks

Sep 30 Understanding TRID Tolerance Cures

Oct 5 **New Accounts Series:** Opening Accounts for Nonprofit Organizations

Oct 6 SAR Decision-Making

Oct 13 Notary Compliance, Including Virtual Notarization

Oct 14 Denied Loan Requirements A to Z

Oct 15 Required Compliance for Commercial Loans Secured by Real Estate

Oct 19 **Job-Specific BSA Series:** Job-Specific BSA Training for Senior Management & Directors

Oct 20 Top 10 IRA Rollover Mistakes

Oct 21 Reg E Investigation & Requirements for Debit Card Error Resolution

Oct 26 **New Accounts Series:** Adverse Action at Account Opening: Reporting & Documentation

Oct 27 HMDA Reporting Part 2: Collecting Demographic Information

Nov 2 Mastercard Debit Card Chargebacks

Nov 3 Board Secretary Training: Documenting Minutes, Corrections & Disagreements

Nov 4 Robbery Prevention, Response & Resilience

Nov 8 The FFIEC's 13 Exam Objectives for Business Continuity & Resilience

Nov 9 HMDA Reporting Part 3: Commercial Lending Issues

Nov 10 **New Accounts Series**: Opening Accounts for Nonresident Aliens

Nov 16 Regulator Issues & Update for the Credit Analyst

Nov 17 1099 Reporting: Foreclosures, Repossessions & Debt Settlements

Nov 18 Completing the SAR Line-by-Line

Dec 1 Your Depositor Has Died: Actions to Take, Mistakes to Avoid

Dec 2 The Legal Side of Remote Deposit Capture: Risks & Liability

Dec 7 Security Officer Reports to the Board: Timing, Contents & Requirements

Dec 9 Visa Debit Card Chargebacks

Dec 14 Commercial Loan Annual Credit Review

A complete description including speaker bios are available on the NICB dedicated web page. Search by category, series or by date.

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UNDERSTANDING BANK PROFITABILITY April 7-8, 2021

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One Mission. Community Banks.

This **virtual** event is designed to provide an overview of the key factors that drive bank profitability and to promote a better understanding of financial statements and key financial ratios.

Our **Bank Profitability** class has been rebuilt to add fresh perspectives to learning what drives profitability in your bank. This virtual program will teach bankers new ways of thinking of your bank's financial performance and the culture that ties it all together.

Audience

- Branch and department managers
- Recently hired outside directors
- Emerging leaders within the bank

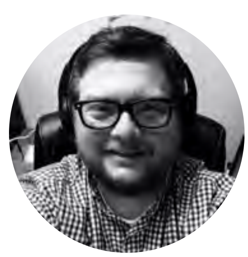
Schedule

9:00AM-1:00PM CST
BOTH DAYS

Topics

- "The Language of Banking"– overview of the terms and metrics bankers use in managing the financial performance of the bank
- Remaining flexible and adaptive in order to remain competitive
- The role of culture in driving excellent financial performance

Trish Springeld has been working with banks, retailers, educators and corporate trainers for over 27 years on how to Energize, Optimize and most importantly, Capitalize on growth opportunities in their industry.



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Cost is $475

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