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2019 - 2020 Officers and Directors

IBC Chairman
Megan Harmon, Branch President/COO, Eastern Colorado Bank

IBC President
BJ Wharton, President, Yampa Valley Bank

IBC President-Elect
Quentin Leighrey, CFO, First National Bank Las Animas/ Monument Branch

IBC ICBA State Director
Tom Chesney, President, AMG National Trust Bank

District Directors
District A
Kyle Heckman, President, Flatirons Bank
John Ezell, Senior Vice President, Redstone Bank
Robert Holt, Senior Vice President, North Valley Bank
Tom Ogaard, President, Native American Bank

District B
Shawn Osthoff, President, Bank of Colorado
Dan Allen, President, First FarmBank
Ed Rarick, President/CFO, High Plains Bank
Randy Younger, President, First National Bank Hugo-Limon

District C
Tony Perry, President, Park State Bank and Trust
Andrew Trainor, Regional President, Legacy Bank
Lora Rose, CFO, The State Bank
Sean Lening, President, GN Bank

District D
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Mike Hurst, President, Del Norte Bank
Wade Gebhardt, Corporate President, Mountain Valley Bank
Joe Martinez, CLO, San Luis Valley Federal Bank

IBC Advisory Board Members
Bill Mitchell, President, Bankers’ Bank of the West
Eric Budreau, Partner, Eide Bailly
Christian Otteson, Shapiro Bieging Barber Otteson LLP
Jim Hall, Managing Director, Bond & Specialty Insurance - Financial Institutions, Travelers

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Save the Date

BSA/AML Mile High Summit
Tuesday October 20
Join us for our 5th annual BSA/AML Mile High Summit virtually. You’ll hear from regulators and nationally recognized industry experts. This is a not-to-be-missed conference. Continuing professional education credits available.

Calling All Superheroes!
Friday, September 25
IBC’s Annual Meeting & Industry Update
Join us via GoToWebinar for our Annual Meeting and hear from industry leaders Esther George, President & CEO, Federal Reserve Bank of Kansas City; and Noah Wilcox, ICBA Chairman and President, CEO, and Chairman, Grand Rapids State Bank
Each year, we look forward to connecting with you, sharing our vision for the future, and celebrating our accomplishments. Based on current state and local guidelines, continuing COVID-19 uncertainty, and your health and safety, for the first time in 47 years, the IBC officers and board of directors have decided to pivot to a live, virtual, abbreviated meeting schedule. This was an extremely difficult decision, but a necessary one.

Please join us Friday, September 25 from 9:00 a.m. – Noon for our Annual Meeting & Industry Update. Our meeting will be conducted via GoToWebinar. [https://attendee.gotowebinar.com/register/5462639157860980235](https://attendee.gotowebinar.com/register/5462639157860980235). There is no cost to attend; however, a donation is appreciated.

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00-10:00 a.m.</td>
<td>Annual Meeting</td>
</tr>
<tr>
<td>10:00-10:15 a.m.</td>
<td>Break</td>
</tr>
<tr>
<td>10:15-11:15 a.m.</td>
<td>Esther George, President and CEO, Federal Reserve Bank of Kansas City</td>
</tr>
<tr>
<td>11:15-11:30 a.m.</td>
<td>Break</td>
</tr>
<tr>
<td>11:30 a.m.-Noon</td>
<td>ICBA Legislative &amp; Industry Update, Noah Wilcox, ICBA Chairman and President, CEO, and Chairman, Grand Rapids State Bank</td>
</tr>
</tbody>
</table>

We remain committed to representing your interests and serving you and Colorado’s community banks and will offer complimentary education sessions throughout the remainder of 2020.

Thank you!

We have received an innumerable outpouring of support for you and the IBC from the following firms and companies that have already committed to go above and beyond this year despite the absence of a full-fledged convention!

- Bankers’ Bank of the West – IBC legacy partner
- ICBA / ICBA Network Services
- Bell Bank
- SHAZAM

**High School Scholarship Fundraiser**

As you know, the IBC administers a scholarship program that award at least two $1,000 scholarships annually to deserving high school students. The funds for the scholarships are derived from our annual auction. This year that auction will not take place. We ask you to consider making a small donation to help keep the scholarship program moving forward.

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There are no two ways about it: We’ve been through a lot in 2020. This year has proven to be one of the most difficult on the books. It’s made me thankful for my ICBA membership as I work to navigate this new terrain.

As ICBA chairman, I am responsible for serving not just my community bank, but all of yours, too. So, in partnership with the ICBA board of directors and staff, I will continue to fight for what we need now and into the future, and we will identify ways for the association to respond to those needs.

Mark my words: As the world gains its footing and becomes more certain again, community banks will strengthen our footing and becomes more certain again, as the world gains its footing and becomes more certain again, community banks will strengthen our footing and becomes more certain again, community banks will strengthen our footing and becomes more certain again, community banks will strengthen our footing and becomes more certain again. and we will identify ways for the association to respond to those needs.

Connect with Noah @nwwilcox

FROM THE TOP
By Noah Wilcox, Chairman, ICBA and President, CEO, and Chairman Grand Rapids State Bank, Grand Rapids, Minn.

“There’s an undeniable sense of connection among us, and I’ve seen how community banks have respond—ed.”

My Top Three
We can all use a little more music in our lives right now. If you know me, you know I’m a huge Bob Dylan fan. So, please enjoy my three favorite songs:
1. “Visions of Johanna”
2. “Tangled Up in Blue”
3. “Don’t Think Twice, It’s All Right”

Connect with Rebecca @romerrainey

FLOURISH
By Rebeca Romero Rainey, President & CEO, ICBA

What a different August this will be than in previous years. Yet, as much as things have changed, I find comfort in the fact that the core of what we do at ICBA and as community bankers is steadfast.

Ninety years ago, a founding group of community bankers rallied around the goals of maintaining their independence and protecting their communities. They formed ICBA to leverage the power of their collective voices. Our goal today is to continue in this vein, increasing the impact of community banks by amplifying their influence.

As we implement this mission virtually, I am continuously amazed at the strength of the community bank spirit. Despite being unable to come together in person, community bankers show up for each other and for their communities. Our community bank briefings provide evidence of this drive, with upwards of 1,500 bankers participating. ICBA staff provide overviews of the latest happenings to parse the must-know information, but it’s through you, your interactions and your insights that the spirit of community banking truly emerges. In a time when it’s never been more important to listen, learn and support one another, these calls exemplify the very nature of ICBA. We band together to ensure we all succeed.

But these calls aren’t just for talking. We connect to access new opportunities, new ways of thinking and new solutions to support each other in this dynamic, evolving environment. Reflecting on the challenges we’ve faced this year, I can think of no point in history when we have been met with banking decisions that elicited such quick-turn, strategic action. Paycheck Protection Program planning, social distancing, remote working and more shook our business plans and day-to-day operational procedures and redefined how we work.

But despite this shift, our collective mission remains constant. We continue to come together to chart a path forward. That’s why it’s so powerful to have ICBA as a place for like-minded community bankers to convene, so we can define where we’re heading as an industry.

There’s an undeniable sense of connection among us, and I’ve seen how community banks have responded. Each of you has stepped up to an even greater extent and is moving forward with intensified purpose, and I hope you’ll enjoy reading more of these stories of resilience, of the passion behind our work, in this month’s issue.

I am proud of what we, as a community of community bankers at ICBA, have been able to do. Together, we will continue to flourish for years to come.

Connect with Noah @nwwilcox

Connect with Rebeca @romerrainey
# IBC EDUCATION AND TRAINING PROGRAM

## IBC’s 2020 Webinar Schedule

IBC has been a leader in webinar training for more than a decade and is committed to superior customer service.Webinars are designed for most positions in your bank from the frontline to the board room. Speakers are industry experts with long-term, hands-on experience. Benefits of participating in an IBC webinar include:

- Easy to use, time effective, cost effective, convenient, and interactive
- Current and hot topics delivered by experienced speakers
- Take-away-toolkit (consists of an employee training log and a quiz to measure staff learning)

## AUDIT & ACCOUNTING

- 1/16/2020 Accounting Nightmares: TDRs, Foreclosed Assets, Investments & More
- 1/29/2020 Call Report Update 2020

## COLLECTIONS

- 7/23/2020 Call Report Basic Lending: Coding, Classifications & Loan Loss Allowance

## DIRECTORS

- 9/15/2020 Call Report Regulatory Capital: Standards, Ratios, Risk Weighting
- 11/4/2020 Call Reports for New Preparers & Reviewers
- 11/5/2020 Dismissing Loan Loss Reserves, Including CECL Expectations

## COLLECTIONS

- 3/25/2020 Collecting SBA Loans: Critical Steps in Protecting the SBA Guaranty
- 4/29/2020 Collecting SBA Loans: Critical Steps in Protecting the SBA Guaranty
- 5/19/2020 Credit Reporting & Delinquent Accounts: Disputes, Revisions & Guidance
- 6/25/2020 20 Common Mistakes in Taking Over Charged-Off Loans
- 8/4/2020 Maximizing Recoveries on Charged-Off Loans

## COMPLIANCE

- 8/19/2020 Collections & Right of Set Off in Commercial Lending
- 8/25/2020 Commercial Lending Series: Predict and Prevent Pitfalls in Commercial Lending
- 9/2/2020 SAFER Act Compliance for Mortgage Loan Originators (MLOs)
- 9/9/2020 HELOC Compliance:

## FRONTLINE & NEW ACCOUNTS

- 11/17/2020 Risk Officer Series: Risk Management Officer: Expectations & Responsibilities
- 12/1/2020 Avoiding IRS Compliance Violations

## HUMAN RESOURCES

- 1/15/2020 Incorporating Diversity & Inclusion into Your HR Policies
- 2/7/2020 Effective Time Mastery: Working Smarter, Not Harder - Recorded Only
- 2/19/2020 Harassment Claims in a #MeToo World

## INFORMATION TECHNOLOGY

- 12/5/2020 Defining BOAs & New SSN Form 8889
- 12/10/2020 SAFE Act Compliance for Mortgage Loan Originators (MLOs)
- 12/12/2020 E-SIGN for Lenders: Documentation, Advertising, Amending & More

## LENDING

- 1/7/2020 Leading to Hemp Businesses, Including Recent USDA Interim Hemp Production Guidance
- 2/11/2020 Commercial Lending Series: Commercial Loan Documentation
- 3/20/2020 Commercial Lending Series: Managing a Construction Loan: Start to Finish
- 3/20/2020 Commercial Lending Series: Managing a Construction Loan: Start to Finish
- 5/21/2020 Documenting & Perfecting Farm & Livestock Loans

## REGULATORY & COMPLIANCE

- 4/23/2020 Countdown to Reg CC Rule Changes Effective July 1, 2020
- 7/8/2020 Annual Training for the Branch: BSA, Identity Theft & Regs CC, D, E & DD
- 12/20/2020 Using Notary & Corporate Seals Accurately

## TECHNOLOGY

- 4/12/2020 Cyber Series: Building & Sustaining a Cyber Intelligence Unit (CIU)
- 4/27/2020 Data-Driven Loan Pricing
- 9/9/2020 Cyber Series: Credit Analyst

## FRONTLINE & NEW ACCOUNTS

- 12/1/2020 UCC Article 9: Perfection & Regs CC, D, E & DD
- 12/25/2020 Using Notary & Corporate Seals Accurately

## INFORMATION TECHNOLOGY

- 1/22/2020 2020 IRA & HSA Update, Including IRA Provisions Under the Secure Act
- 3/20/2020 Commercial Flood Insurance
- 5/21/2020 Documenting & Perfecting Farm & Livestock Loans
- 12/1/2020 UCC Article 9: Perfection & Regs CC, D, E & DD
- 12/25/2020 Using Notary & Corporate Seals Accurately

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- 12/25/2020 Using Notary & Corporate Seals Accurately
IBC PREFERRED PROVIDERS

IBC Preferred Providers are selected by bankers just like you, so give them special consideration when considering their proposals for your bank! To learn more about IBC’s Preferred Providers contact the IBC at 303.832.2000. Please note: IBC endorses the listed companies but not all products offered by the company.

Contact: Scott Wintenburg | swintenburg@bbwest.com | 303.291.3700 or 800.601.8630
Merchant services from Bankers’ Bank of the West help you grow customer relationships with mobile payments technology, competitive unbundled pricing, efficient approvals and startups, responsive support, and training.

Contact: Chuck Allor | charles.allor@deluxe.com | 719.599.4466
Massive buying power and inventory expertise to help you consolidate, simplify, and save. By consolidating buying power you receive the best prices on the items you need. Use a single source to manage inventory; a customized automated online ordering system and more!

Contact: Steve Thomas | stthomas@ibtapps.com | 512.616.1100 ext. 110
IBT’s Core Processing platform enables you to meet the specific challenges of the marketplace efficiently and effectively. IBT’s Core Processing with Suite is the right way to do business for you and your customers, reducing costs, improving efficiencies and enhancing compliance.

Contact: Nick Podhradsky | nick.podhradsky@ubscyber.com | 605.770.3926
SBS is your cybersecurity partner. Our offerings include: TRAC™ - Cybersecurity risk management software; Cyber-RISK™ - Automated FFIEC cybersecurity risk assessment software; IT and Network Security Audits; Consulting Services; Full Service Vendor Management; Role-Based Certifications; Vulnerability Assessments; Penetration Testing and More!

Contact: Stacy Sheehy | stacy.sheehy@spglobal.com
S&P Global combines exclusive analysis and in-depth data in real time for the banking, financial services and insurance industries. From bank branch data and government assistance programs to executive compensation and league tables, S&P is the final word in business intelligence on financial institutions.

Contact: Brandon Tate | btate2@travelers.com | 720.200.8465
Offering a wide range of custom-made insurance protection, Travelers SelectOne® for financial institutions is designed to respond to the most recent trends in banking.

Contact: Lauren Gonnella Copeland | lauren.gonnella@fisglobal.com | 513.905.4661
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### IBC ASSOCIATE MEMBERS

<table>
<thead>
<tr>
<th>Category</th>
<th>Provider</th>
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<tr>
<td>Accounting / Compliance</td>
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<td>Bank Accounting and Consulting, LLC, 303-916-2566</td>
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<td>BFAC Group, 303-861-4545</td>
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<td>Capita, 720-325-4697</td>
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<td>Crowell LLP, 303-831-5023</td>
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<td>Edgistics LLP, 303-770-5700</td>
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<td>FJS, 720-325-4697</td>
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<td></td>
<td>First Bank of Colorado, 303-296-6033</td>
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<tr>
<td></td>
<td>Most Advisors, LLP, 503-471-1277</td>
</tr>
</tbody>
</table>

| Insurance / Benefit Services | Bank Compensation Consulting, 303-482-1844 |
| | First Insurance Services, Inc., 719-456-2303 |
| | Golden Eagle Securities, 800-461-0224 |
| | Hays & Hatten Insurance, 313-676-5659 |
| | ICBA Retirement, 888-70-6853 |
| | NFP Executive Benefits Company, 469-252-1037 |
| | Transfers, 720-208-2818 |

| Investments / Funding and Lending Partners | 1st Mortgage Solutions, 303-854-3085 |
| | The Baker Group, 401-415-7200 |
| | The Citizens Bank, 305-599-0145 |
| | Colorado Housing and Finance Authority, 303-297-7229 |
| | Community Bank Mortgage (CBM), 319-723-2265 |
| | GreatWest Mortgage, 970-278-8288 |
| | T.A. Davidson, 303-764-6000 |
| | TDI Bank (Topisa - Drawer Office), 303-493-3452 |
| | G1 Capital Partners, 303-296-6260 |
| | GreenTree Ventures LLC, 303-586-8000 |
| | ICBA Mortgage, 800-213-5356 |

| Law Firms | Amold & Porte Kay Scholes LLP, 303-863-1000 |
| | Golffrey Loizou Group LLC, 303-802-6336 |
| | Jones & Keller, 303-573-1600 |
| | Louc Rege-Esghieh Charité, LLP, 303-625-8000 |
| | Markus Vayla Young Guymon, 303-810-0800 |
| | More White, LLP, 303-292-2990 |
| | Pulichino PC, 303-572-9900 |
| | Seder & Vander Wall P.C, 303-770-2700 |
| | Stages Benjiga Burke Ottoson, LLP, 720-488-0220 |
| | IBC Counsel, 303-839-3838 |
| | Steners Fouse, LLP, 303-792-3456 |
| | Timms Leonard Lewis LLP, 303-376-8400 |

| Support | 261-352-6442 |
| Services | Newland, 888-613-0000 |

| Career Advancement | Graduate School of Banking at Colorado, 800-272-5138 |

| Computer Products / Consulting | AccessSystems, 719-583-8004 |
| | Computer Services, Inc., 970-212-7104 |
| | Correspondent Technology, 303-952-0757 |
| | Credit Security Group, 303-260-8562 |
| | Federal Protection, Inc., 800-299-5400 |
| |bitsafe, 720-325-4697 |
| | *SBE CyberSecurity, 720-234-7182 |
| | Shield Compliance, 425-276-8223 |
| | Vital Secure, 972-429-8200 |

| Consulting / Marketing / Strategic Planning | Bell Bank, 701-371-3355 |
| | Expert Business Development, 610-711-2212 |
| | FCB, 303-479-7640 |
| | The James Paul Group, 877-584-6468 |
| | Kenos, 877-342-2557 |
| | V&G Global, 416-951-6488 |

| Correspondent Banking Services | *Ramsky* | Bank of the West, 385-293-3760 |
| | Bell Bank, 701-371-3355 |
| | CommerceBank, 303-773-0441 |
| | INTERBANK, 800-752-5152 |
| | SWIF, 888-399-1930 |
| | TBX, The Independent Bankers Bank, 972-650-6000 |

| Data Processing / EFT / ATM / Card Processing / Merchant Services | *Ramsky*’s Bank of the West, 385-293-3760 |
| | BankPoint ATM Solutions LLC, 540-335-2848 |
| | TBX, 515-904-8641 |
| | *SBE* | 512-406-1100 |
| | *Fair Trade Bancard / TCM Bank, 800-242-7770 |
| | Jack Henry & Associates, 417-235-4652 |
| | SHAZAM, 515-288-2828 |

### YOU NEED A NEW MANAGER

By Chris Tuzene, CBH CISA, CivTix, a Bankers’ Bank of the West Bancorp, Inc. Company, IBC Member

Today, I am going to ask you to do the impossible. Then, I will equip you to do the impossible. How many online accounts do you have, total? That you have ever set up at any point now or in the past? Now, how many separate passwords do you have stored in your brain right now, that you know?

If there is any discrepancy between those two numbers, that represents risk. Why is this?

Every day countless cybercriminals are trying to break into password databases of any website imaginable: email, social media, shopping, banking, news, gaming...the list goes on. Now we expect the highest level of encryption and security from our online banking service providers, but do we have that same level of trust for the website of our local newspaper? It is almost certain that at least a few of your various online accounts store your passwords using weak security, or worse, just plain text.

Once a hacker compromises a password database, they will take those credentials and try them on other places, just trying to get a match. Therein lies the danger of password reuse. If even one of your passwords is shared across more than one web service, that is like having the same key that opens your home, your car, and your safety deposit box. If even one of those keys falls into the wrong hands, it’s game over for your personal safety and security.

So, you must do the impossible: as many online accounts as you have, whether it is a dozen or several hundred, you must use a different password for each. Simply appending the letters “FB” for Facebook and “WF” for Wells Fargo is not sufficient to confuse a motivated attacker. They must be completely unique, which becomes more and more difficult as the number of password databases you access increases.

You need a big key ring for all those unique keys, and fortunately a password manager can do that for you, without the jingling. Services like LastPass, Keeper, and Bitwarden exist to create, remember and auto-fill complex, unique passwords for every web service you use. A password manager will take the stress and frustration out of regular password changes, while giving you extra brain space and eventually hours of your life back.

### Password strength: Weak

A common objection to using a password manager is the risk of that company getting breached, then the crooks have the “keys to the kingdom” for all their users. But it’s much less likely for a company whose sole purpose is security to be breached, since their business model depends on them having the proper controls and protections in place. As long as you secure your account with a good passphrase, such as “Warfactor7,engage”, this reduces the chances of your password being cracked. Also make sure to turn on multifactor authentication for the password manager (and any other service you have that supports it) so if the database is breached the bad guys still can’t get into your account without your one-time code. Taking that step alone will help you sleep better at night.

The front-end work to transition yourself into a password manager is the biggest expense, but the ROI for your security posture is tremendous. Secure yourself or your whole company with strong passwords and multifactor authentication wherever possible, and attackers will be moving on to easier targets.

Chris is an IT Auditor and Ethical Hacker for CivTix Bank Solutions, which exists to help community banks with IT and Information Security needs. You can email chris@acivitas.com for more information.
EASING THE COST OF CORE CONVERSION DURING THE PANDEMIC
IBT APPS LAUNCHES BANKER PROTECTION PROGRAM FOR COMMUNITY BANKS SEEKING NEW CORE TECHNOLOGY AMIDST PANDEMIC

By Megan Luna, Director, IBT Apps, IBC Associate Member and Preferred Provider

The impact of COVID-19 has caused an abrupt shift in the financial industry. Rethinking how to do business in an ever-changing climate is the new norm. For many community banks, adapting their products to fit the current demand is understood, but unfortunately there’s something standing in the way of progress. And many times, it’s a bank’s core system. If you’ve noticed in the last few months that your core is struggling to keep up, it’s time to consider another option.

To survive the uneven road ahead, you must ensure your bank’s core technology can adapt to the unpredictable climate. If price wasn’t an issue, would you be more willing to change systems today? Technology costs shouldn’t be the reason why your bank fails to meet the challenges of today’s environment. That’s why we want to help. As a way to offset hefty costs, IBT Apps has created the Banker Protection Program (BPP). This new program provides you with an opportunity to upgrade your core technology and partner with a core provider you can confide in.

THE IBT APPS CORE PARTNERSHIP

The industry has changed, and there are many core vendors competing for your business that are filled with empty promises and unfair trade practices. With banking technology constantly evolving and the demand for service on the rise, you need to work with a core partner that delivers and puts your business first.

At IBT Apps, we focus on the three pillars of a core partnership. Service. Support. Delivery.

Find out more about IBT Apps at ibtapps.com and be sure to check out our BPP program at go.ibtapps.com/bpp or call us at 512-616-1115 to start the discussion and see how we can help.

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If you are inclined to read bond analysts’ research reports, eventually you’ll chance upon some commentary that addresses the performance of mortgage securities. To many of the uninitiated, which I pointedly state do not include community bankers, mortgage-backed securities (MBS) are an abstract collection of investments that have long maturities and a volatile series of principal paydowns. They seem to require a lot of effort and are only marginally tethered to the housing finance market in general.

But not so fast: Further analysis reveals that community banks have a higher weighting of their investments in the mortgage sector than at any time in the past. So, MBS must have some kind of appeal, and tellingly, it’s with financial professionals. The qualitative features that are attractive to community banks include:

• cash flows that complement the loan portfolio
• ability to modify price risk profile efficiently
• high degree of liquidity
• outstanding credit quality

What’s not to like? Well, in the 2020 interest rate environment, the total lack of control over prepayments. In fact, this year may set new standards for refinance activity. Let’s see what the near future for MBS may look like and try to develop a game plan to insulate against unwanted cash flow. Where we’ve been

A good place to start is to look back a decade or so ago, to see if we’ve been to these current secondary market levels yield levels before. The answer is close, but no. The required rate for a new conforming mortgage to be worth par to Fannie Mae or Freddie Mac, also known as the Commitment Rate, is closely tracked by mortgage lenders. For example, if the Commitment Rate is 2.5%, a lender can make a 3.25% loan to a borrower, keep 25 basis points (0.25%) for servicing income, pay the agency about 50 basis points (0.5%) for its guarantee fee and deliver the net coupon at par.

Back in late 2012, the lowest the 15-year Commitment Rate hit was 2.07%. Not coincidentally, prepayments on all coupons of MBS spiked and peaked about 60 days later. The elevated refinancing activity continued throughout the first half of 2013. The second half of the decade saw some general stability in the mortgage market and reasonably steady cash flows from mortgage securities. Not so today.

Where we may be going

As of this writing, we are at truly historic required rates. The Fannie Mae 30-year Commitment Rate has been well south of 2.25% since June, and its 15-year cohort has hovered in the 1.40% range. This means that 30- and 15-year loan rates around 2.75% and 2.00% respectively could be sold into the secondary market at or near par.

And here’s the kicker: Mortgage lenders have not yet rushed to be the cheapest on the block. Lender surveys indicate that conforming loan rates have stayed at least 50 basis points (.5%) more than the Commitment Rates after accounting for servicing and guarantee fees. A combination of factors, including resource limitations and the—understandable—quest for fee income, have kept the loan rates relatively high compared to Fannie’s secondary rates.

First in its class

In mid-June, there was a unicorn sighting in the MBS market: A 15-year Fannie Mae MBS with a 1.5% coupon. It was the first in history with a coupon that low. If Commitment Rates remain anchored where they are now, there will be more to follow. Given the rush by many community banks to remain more or less invested, since overnight rates appear to be destined to remain near zero for some time, the prices on these low coupon MBS are in the 102 range. While that may be a challenge for some investors, at least these pools should have relatively muted refinance profiles.

If the mortgage lending community eventually throws in the towel regarding pricing discipline, there will be a bunch of recently originated loans that will be in the “drop zone.” At the end of the day, there are really only three strategies that provide much hope in the way of prepayment protection:

1. MBS with very low borrowers’ rates
2. pools comprised of loans with low outstanding balances
3. securities such as DUS (Delegated Underwriting and Servicing) bonds or Freddie K’s that have defined prepayment penalties.

Some combination of these can help stabilize the cash flows in your community bank’s bond portfolio. Prepayments that walk, not run, will likely be a desirable trait for investors in 2020.
COVID-19 WREAKS HAVOC IN AG MARKETS!
IBC 4-PART AGRICULTURE & NATURAL RESOURCES SERIES

In late March, IBC’s board of directors and Ag Committee made the difficult decision to cancel its annual 32nd Annual Agriculture & Natural Resources Conference and pivot to a 4-part webinar series. We understand nothing can take the place of an in-person meeting and we appreciate your understanding and participation in our live virtual event. Our fingers and toes are crossed that we can host our 33rd annual conference in person.

After a busy ag loan renewal season, 35 bankers representing 16 banks attended the series. Thank you to all who attended. A couple underlying themes were present throughout the presentations:

- Commodity prices will continue to be low
- Cattle markets are slowly rebonding, and
- A deep concern for farmer and rancher well-being.

Forage, corn, soybeans, wheat, hay, and more! Dr. Stephen Koontz, Professor and Extension Economist, Department of Agricultural & Resource Economics, Colorado State University, kicked off the 4-part webinar series. Dr. Koontz shared information about commodity markets. Dr. Koontz indicated the La Niña weather pattern will again play a critical role in commodity prices. The speed of the economic recovery and trade negotiations will impact ag markets. Highlights from Dr. Koontz’ presentation include:

- Economic recovery and trade negotiations will impact ag markets. Randy Blach, CEO, CattleFax, provided some good news during his livestock and poultry update and outlook. Randy indicated beef production was down 411 million pounds year-to-date and slaughter was down 4% but offset by weight gains 4%. In addition, both supply and price were nearing more normal levels. Pork exports were aggressive through the first quarter, up 40% from last year. Production weights up 4%. In addition, both supply and price were nearing more normal levels. Pork exports were aggressive through the first quarter, up 40% from last year.

- Pro-active address and mitigate potential loss, considering an outside loan audit, lender liability, and types of bankruptcies. In addition, Scott shared insights from Dr. Gary Brester, Professor Emeritus, MSU Department of Agricultural Economics and Economics: farming is the third riskiest profession behind logging and mining; primary causes of ag bankruptcies – divorce, illness, addiction, and financial factors.

Forage, corn, soybeans, wheat, hay, and more! Dr. Stephen Koontz, Professor and Extension Economist, Department of Agricultural & Resource Economics, Colorado State University, kicked off the 4-part webinar series. Dr. Koontz shared information about commodity markets. Dr. Koontz indicated the La Niña weather pattern will again play a critical role in commodity prices. The speed of the economic recovery and trade negotiations will impact ag markets. Highlights from Dr. Koontz’ presentation include:

A helpful tip for when completing a UCC-1 is to use “All present and future assets of the Debtor” versus “all assets … including, but not limited to” language.

A sign of the times, distressed loans. Scott K. Brown, Partner, Lewis Roca Rothgerber Christie, provided valuable information about how to detect distressed loans, how to pro-actively address and mitigate potential loss, considering an outside loan audit, lender liability, and types of bankruptcies. In addition, Scott shared insights from Dr. Gary Brester, Professor Emeritus, MSU Department of Agricultural Economics and Economics: farming is the third riskiest profession behind logging and mining; primary causes of ag bankruptcies – divorce, illness, addiction, and financial factors.

Lastly Scott recommended when completing a UCC-1 it is best to use “all present and future assets of the debtor” versus “all assets … including, but not limited to” language.

Dr. David Kohl’s, Professor Emeritus, Virginia Tech, presentation on Agriculture & Ag Lending in a Black Swan Environment had everyone on the edge of their seats! Dr. Kohl proposes the following for the business model of the future:

- Resilient – know cost of production, marketing and risk management program, and capital/equity borrowing capacity
- Agile – working capital; market for product; optimization/efficiency vs. diversification/resiliency
- Entrepreneurial / Innovative – “people first” business (invest in people); align with rapidly changing marketplace; and quarterly sprint/journey of sustainability
- Strong Business IQ – high scores in all 15 areas; plan, strategize, execute and monitor; written plan for improvement; dashboards. In additional Dr. Kohl indicated the fundamentals of credit and risk have not changed by priorities have changed: cash flow/cash backup; collateral/capital; supply marketing chains; counterbalance; competitiveness; cranium-capabilities and commitment; and character.

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FHLBank Topeka is one of 11 Federal Home Loan Banks that accesses the capital markets to provide liquidity and funding for its members. With $62.2 billion in assets and more than $2.7 billion in capital, FHLBank Topeka is a strong, reliable source of liquidity for its 657 member financial institutions in Colorado, Kansas, Nebraska and Oklahoma.

EASTERN COLORADO BANK RECEIVES
FHLBANK TOPEKA COMMUNITY LEADER AWARD

Eastern Colorado Bank, a member institution of FHLBank Topeka since 1998, was selected as the 2020 Community Leader Award winner in recognition of their outstanding community leadership and strong financial performance. The Community Leader Award includes a $5,000 donation to an organization of the winning institution’s choice.

“We are humbled and honored to be recognized for the 2020 FHLB Community Leader Award. We would like to thank FHLB for donating $5,000 to a charity of our choice. We chose Care & Share Food Bank in Colorado Springs, CO because they serve people in need where our branches are located.

Working together to make our local communities thrive is what Community Banking is all about!” Angie Weed, Senior Marketing Manager, Eastern Colorado Bank

The award also includes a video tribute to the Eastern Colorado Bank showcasing how they help individuals, businesses and nonprofit organizations in their community. The video is available here or via www.fhlbtopeka.com.
5 WAYS TO SECURE YOUR REMOTE WORKFORCE DURING THE COVID-19 PANDEMIC

Over the past few weeks, many businesses have made changes to their operations due to the COVID-19 global pandemic, including implementing work-from-home policies. With changing work environments, businesses are facing new security challenges, including securing remote workforces. The following best practices will help your institution stay secure and prevent cybersecurity breaches as employees work outside of their normal office environment.

1. Understand Your Technology

When moving your employees to remote work environments, it’s important to consider the technology required for a secure workforce as detailed in your business continuity plan, including secure internet and virtual private networks (VPN). Your institution should test your system requirements and bandwidth before full implementation to prevent the risk of overloading the system. Changing work environments as a result of the COVID-19 pandemic also highlight the risks associated with network security. In the past, your network was within your company and protected by your firewall and data connections, but that may no longer be the case. Before moving to remote work, your institution should understand network security vulnerabilities and which types of controls are needed to secure those connections.

2. Avoid Quick Plans for Remote Data Access

One of the largest security risk areas during the pandemic is remote data access. As employees leave the office to work remotely, your organization should review data access to provide the ability for uninterrupted work. However, remember that enabling access is accompanied with certain risks. Some organizations have made the mistake of enabling data access in a non-secure way, thus exposing vulnerabilities that would not have existed otherwise. As your organization adapts to remote work, avoid hasty plans to make all data accessible, including migrating all data to the cloud. Before enabling remote access, think strategically about how to leverage your current capabilities and enable additional access in a secure way.

3. Use Secure Data Systems

To mitigate security risks, consider using a secure cloud-based data system. Many organizations have recently moved to the cloud and changed their controls to allow remote access to data systems, and cybercriminals are taking advantage of this. It is imperative that you understand your institution’s controls and enable protections like multifactor authentication, especially for cloud-based applications. For applications that do not work well in a cloud-hosted scenario, you can employ a hybrid approach with a combination of cloud-based hosted connections and VPN access.

Additionally, avoid browser-based, remote-controlled software unless your institution fully understands the controls and audit capabilities and has done vendor due diligence. With this type of software, users in the office can download an application on their system that allows them to access the application and control their desktop remotely. There are many regulatory compliance questions surrounding this type of software due to the high level of access the software provider may have to the system. Your employees are likely better off using a VPN solution or secure cloud-based data as an alternative.

4. Issue Corporate-Owned Devices

Issuing your employees corporate-owned devices enrolled in information security management systems is another way to help eliminate security risks in remote work environments. Generally, employees should not access a corporate network with a personal device. Using hosted email or other online hosted systems on personal devices poses less risk; however, risk is always present. If an employee unknowingly has malware on their personal device and opens their browser to download a document, that malware can be transferred to the network when the document is sent back via email attachment. If you’re using hosted email or similar systems, your institution can use systems that will scan email attachments or open and monitor attachments in a controlled, automated environment to determine the risk.

5. Maintain Communication

As institutions cope with operational changes, it is critical to communicate with your employees about your work-from-home policies and best practices. Risks are present any time a large percentage of your workforce moves from a familiar environment with specific controls or physical access to equipment and systems, but open communication can help mitigate some of these risks.

If allowing employees to use personal devices connected to a corporate network, ensure they understand ways to avoid malware and deploy technology solutions to prevent security breaches. If you issue a corporate-owned device, indicate that it should only be used by the employee for corporate activities. Many employees are not familiar with security risks, and creating an environment that encourages open communication will help keep your business secure.

Looking to the Future

The COVID-19 pandemic is bringing transformative changes to the way we live and work, including the increase in remote working environments. As many employees shift to working from home for the foreseeable future, cloud adoption will likely skyrocket, as will marked increases in additional security technologies related to borderless networks and zero trust models, and your institution should be prepared.

Find out more about CSI’s Managed Services solutions to ensure your institution stays secure and competitive.

Sean Martin serves as a product manager for CSI Managed Services, and has extensive knowledge on implementing effective systems security and network management practices. He speaks and writes frequently on security-related topics affecting the financial services industry, and holds Cisco CCNA and CCIE written certifications.
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NO LIGHT AT THE END OF THE TUNNEL
HOW BANKS CAN COPE WITH THIS UNCERTAINTY
By Tom Dolphin, Associate, Spencer Fane, IBC Associate Member

At the beginning of the COVID-19 pandemic in March, the overwhelming majority of people in the United States likely felt that this pandemic might last a few months, tops. While some people are certainly acting like there is nothing wrong (eh hem...just wear a mask), I think many now understand that we’re in this for the longer term. On the bright side, when this pandemic started in March, banks were generally in a strong position with good capital, asset quality and liquidity — a huge difference from how banks were positioned during the 2008 recession. As onerous as it was at times for banks to follow, we can actually thank good policy and strong risk management by banks for being able to better manage the effects of this pandemic.

It was apparent that with the quick nose-dive the economy took when things shut down, bank earnings, bank operations, credit quality and capital were going to be affected. With Federal Reserve funding facilities, government stimulus checks, juiced unemployment payments and government loan programs, the economy was temporarily stabilized to some degree. Moratoriums on foreclosures and evictions gave many people temporary peace of mind and stability.

As I write this article, nearly all of the aforementioned temporary boosters are coming to an end with no indications as to what programs will be extended. One thing we can be sure of is that there will be another stimulus program passed and put into action once Congress gets its act together, but of course, we don’t know exactly what that program will look like, much like most of what lies ahead. That said, it’s critical for banks to be proactive and take measures to position themselves as best they can in the midst of uncertainty.

Here are three general measures that banks can take to plan despite the uncertain future.

1. Analyze Your Borrower.
Banks need to analyze borrowers differently depending on the industry in which the borrower operates and how much that industry has been affected by the pandemic. Other considerations include whether the borrower’s loan performance issues are pandemic-related, the borrower’s amount of cash flow and/or access to credit, the borrower’s source of sales/income, whether demand has changed in the borrower’s industry and the strength of the borrower’s receivables.

Has the borrower been able to reduce costs in response to the change in business? How long can the...
borrower operate in the current economic climate?

It's important for banks to understand where its bor-
rowers are at, where they're headed if things persist
and whether they'll be able to perform when things
improve. Regardless of whether a bank's borrower
pulls through this pandemic, bank regulators will
likely show patience to banks with troubled loans
as long as banks have adequately put forth the effort
to analyze and understand the troubled borrowers,
documented the issues and actively managed those
issues. It certainly won't hurt banks to make sure
that they have outside counsel ready to assist with
troubled loans when the time comes.

In most cases, banks need to approve outside counsel
before proceeding with said counsel on a legal mat-
ner and outside counsel needs to run conflict checks
before accepting representation of a client. When a
quick response time is critical to preserving collateral
on a troubled loan, the last thing a bank needs is to
waste time trying to find adequate outside counsel to
act on its behalf and then wait for conflict checks and
approvals to clear.

2. Manage Your Humans and Resources. Banks
truly had to move with the quickness when the pan-
demic hit and remote work became critical to opera-
tion and survival.

When the CARES Act was passed and banks became
the lifeline to borrowers in need of capital to survive,
banks scrambled to ensure that they had sufficient
technical and human support to manage the heavy
loan demand and comply with underwriting re-
quirements — all of this on top of managing regular
business activities and customers. The high volume
of demand for services put on banks elevates risk when
banks are unable to quickly process requests
because of reduced staffing, mismanaged resources
and/or insufficient technological capabilities. This
unusual demand causes breakdowns within bank
controls related to normal account management,
loan servicing (so many PPP loans! Just wait until
the PPP loan forgiveness applications roll in!), loan
collection and loan workout (troubled borrowers,
deferred loans, extended loans), third party due dil-
igence and monitoring (especially for those banks
who contracted with third party vendors to allow/
enhance the ability for remote work and processing),
cyber security threats (those spam emails to employ-
ees are killers!), bank safety and compliance (do bor-
rowers understand how you'll be charging interest if
you're still changing interest on loans where regular
payments have been deferred?) and all of the issues
that were present before the pandemic (don't forget
about the gradual phase-out of the Libor rate...check
those loan documents to make sure that there are
sufficient provisions for a replacement rate).

3. Review Exposure to Declining Interest Rates
A bank's cost of mitigating its exposure to increased
interest rates rises as the adverse interest rate scenar-
io becomes more likely. At the time of this writing,
there are rumors (not the Fleetwood Mac kind) that
the Fed will further reduce rates. A bank's ability to
operate with a properly structured risk management
system and controls that measure the risk are neces-
sary for addressing changes to earnings and interest
rates in times of low and volatile market yields.

Bank profitability, credit and operational risk man-
agement and compliance will continue to be chal-
lenged during these uncertain times. Banks needs to
be continually assessing the changing economic
landscape and how its workforce can be managed to
best insulate against the oncoming threats.

Tom Dolphin is an attorney at Spencer Fane LLP in the
Firm's Denver office. Tom is an associate practicing in
the Banking and Financial Services Group and the Real
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inside legal counsel for a financial institution and clearly
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The Bureau of Consumer Financial Protection (Bureau) has issued a final rule amending its remittance
rule. The final rule is effective July 21, 2020.

The Electronic Fund Transfer Act (Regulation E) es-
tablishes certain protections for consumers sending
international money transfers, or remittance trans-
fers. The Bureau's remittance rule in Regulation E
implements these protections.

Safe Harbor Threshold Increase

The Bureau is increasing a safe harbor threshold re-
lated to whether a person makes remittance trans-
fers in the normal course of its business. Currently,
the normal course of business safe harbor threshold
states that a person is deemed not to be providing
remittance transfers for a consumer in the normal
course of its business if the person provided 100 or
fewer remittance transfers in the previous calendar
year and provides 100 or fewer remittance transfers
in the current calendar year. Effective July 21, 2020,
the safe harbor threshold increases from 100 trans-
fers annually to 500 transfers annually.

Use of Estimates

In response to the July 21, 2020, expiration of a stat-
utory exception that allows certain insured institu-
tions to disclose the exchange rate for transfers to a
particular designated recipient at the time a transfer
is made and extend the safe harbor threshold for
transfers to a particular bank in the prior calendar
year, the Bureau is amending Regulation E to pro-
hibit insured institutions from using estimates for
the exchange rate when they provide remittance
transfer services to a consumer. The final rule
eliminates the use of estimates.

The final rule includes a transition period for in-
sured institutions that exceed, as applicable, the
1,000-transfer or 500-transfer thresholds in a cer-
tain year. During the transition period, an institution
can continue to provide estimates for a reasonable
period of time after crossing such thresholds while
coming into compliance with the requirement to
provide exact amounts.

COVID-19

In the Supplementary Information, the Bureau refer-
ences the policy statement it issued on April 10, 2020,
regarding its approach to supervision and enforce-
ment of remittance transfers during the COVID-19
pandemic. In the policy statement, the Bureau advis-
es that for remittance transfers that occur on or after
July 21, 2020, and before January 1, 2021, the Bureau
doesn't intend to cite in an examination or initiate
an enforcement action in connection with the dis-
closure of actual third-party fees and exchange rates
against any insured institution that will be newly
required to disclose exact third-party fees and ex-
change rates after the temporary exception expires.

To read the Bureau’s final rule on remittance trans-
fers, click here.

For more information or assistance related to regulatory
compliance matters, reach out to your BKD Trusted Ad-
visor™.
At the heart of every community is its bank. And at the heart of every bank are its people. That’s where our coverage starts, but it extends so much further. In one comprehensive package, we provide community banks with everything from traditional property and casualty to management liability insurance. The right policy is still only one part of your insurance carrier’s value. Travelers partners with you to help educate your bank on emerging and potential risks, and provides tools and solutions to better prepare your bank for the future. Contact your independent agent today.
A lender will not receive a processing fee for PPP loans that:

- Have not been fully disbursed
- Were cancelled before disbursement
- Were cancelled or voluntarily terminated and repaid after disbursement but before the borrower certification safe harbor date of May 18, 2020.
- Were cancelled, terminated, or repaid after disbursement because SBA conducted a loan file review and determined that the borrower was ineligible for the PPP loan

Potential for Clawback on PPP Processing Fees

The procedural notice indicates that if the SBA reviews a PPP loan and determines the applicant was ineligible within one year after the loan was disbursed, the SBA will pursue repayment of the processing fee from the originating lender. If a lender has not fulfilled its obligations under PPP regulations or if the SBA determines the fee was paid erroneously or in the incorrect amount, the lender is responsible for repaying the fee to the SBA.

This guidance from the SBA raises the question if contingent liabilities should be considered for PPP loan processing fees. Under generally accepted accounting principles, contingent liabilities should be recognized if the liability is both probable and reasonably estimable. Based on guidance lenders had during the loan funding process and the reliance on the applicant’s certifications, lenders are unlikely to conclude that a fee repayment event is probable and the amount reasonably estimable. In the specific case where a lender has knowledge that a borrower misrepresented eligibility on the certification, a lender should document considerations of the potential for a contingent liability for the subject loan.

Another item to consider before recording a contingent liability is which loans the SBA will be reviewing. FAQ #39 indicates that the SBA will review all loans in excess of $2 million, in addition to other loans as appropriate. On May 13, 2020, the SBA provided relaxed guidance with FAQ #46 that indicated any borrower (with affiliates) that received PPP loans will be deemed to have made the required certification concerning the necessity of the loan request in good faith.

The ability to estimate an initial contingent liability will be difficult since banks will have no previous history with similar types of loan programs. This does not relieve the bank from determining and documenting their consideration of the potential contingent liability. Enhanced information regarding clawback history will emerge over time specific to each individual bank’s experience. Additionally, there likely will be publicly available information related to clawbacks that have occurred. Banks will need to identify reliable and consistent sources of information to support their assessment of whether a contingent liability exists or not as of each external reporting period.

For those banks that also have audited financial statements, the disclosure requirements in ASC 450-20-50-3 through 6 should be considered. Briefly, in those cases in which an estimate of potential liability cannot be reasonably determined, disclosure should be made of describing the nature of the contingency and an estimate of the possible loss or range of loss or a statement that such an estimate cannot be made.

Most loans under $2 million, unless other reasons are prevalent, are more than likely to be safe for recognition. Upon submitting the forgiveness application, the loan officer will have a good idea of reasonableness of the PPP forgiveness.

Loan Forgiveness

Upon notification from the SBA of the amount of the PPP loan to be forgiven, that portion of the loan balance should be reclassified from loans receivable to SBA receivable on the balance sheet and for any regulatory reporting required. If the bank has elected the loan by loan method of accounting for the processing fees, the acceleration of recognition of deferred loans will occur for the percentage of the loan forgiven. Additionally, the accrual of interest on the amount of the loan forgiven should stop on notification date from SBA that the loan has been forgiven.

Stay Up to Date on Lender Guidance for PPP Loans

More guidance and information deadlines continue to be released when it comes to PPP loan funding. As an SBA lender, it’s important to stay current to make the most informed decision when it comes to PPP loan funding and forgiveness.

LEARN MORE

Please contact us if you have any questions or would like to more information.

If just a fraction of the coin sitting dormant in households is redeemed, this problem can be solved.

Every Coin Counts: What the American Public Can Do to Help

While the U.S. Coin Task Force is completing their work, the Task Force urges the American public to:

- Start spending their coin;
- Deposit coin at their financial institutions;
- Redeem coin at coin kiosks;
- Use the hashtag #getcoinmoving in your own social media posts to promote awareness and understanding of this issue.

As important as it is to #getcoinmoving, consumer safety is paramount, and the Task Force encourages everyone to follow CDC recommendations regarding personal safety when visiting retailers, small businesses, banks, grocery stores, and credit unions.

ADDITIONAL RESOURCES:

- Federal Reserve Convenes U.S. Coin Task Force with Industry Partners
- U.S. Coin Task Force Members Confirmed
- United States Mint Statement on Circulating Coins
A STRONG SEO GAME CAN HELP YOU SURVIVE COVID-19
By Kasasa, IBC Associate Member

The U.S. is doing its level best to greet summer with an air-five (if not an actual hug). And many businesses are looking for ways to maintain visibility on the internet while everyone stays close to home. Consumers still need banking services and may even take the opportunity to research and select a brand-new financial institution. So it pays to have your website and social media channels optimized for the right keywords and search terms.

In this article, we’ll talk about some of the ways that community financial institutions can step up their search engine optimization (SEO) strategy and make the most out of a tough situation. Consumers and your account holders are wondering which businesses are stable, trustworthy, and capable of weathering the unnatural winter brought on by coronavirus. This is an opportunity for you to present a message of strength, support, and empathy.

So let’s dive in!

1. Take stock of your online presence.

This doesn’t have to be an exhaustive process (although, if you’d like to dig deep, we can help). Simply make a list of the areas where your institution currently publishes content online.

Some examples:

- Blog or website announcement board
- YouTube
- Facebook
- LinkedIn
- Instagram
- Twitter
- Google My Business
- Community publications
- Digital advertising

Ideally, once you have a sense of where you already communicate digitally with consumers, you can create a priority list of which channels you intend to address first.


The best way to capture the attention of nearby consumers is by creating content that covers relevant topics. Consumers have a lot of time on their hands and are willing to spend time reading and researching issues around coronavirus. This allows you to expand trust by offering expert insight on topics that people find incredibly relevant (ex: “Is my money safe?” or “how do I get access to my stimulus money?”)

Here’s a list of topics that consumers may want to learn more about:

- Paycheck Protection Program (PPP)
- Small business relief fund
- Farm relief info
- Hardship and loan assistance
- What to do with your finances if you’ve lost your job
- Personal finance topics

We recommend starting with a piece that clarifies exactly what services your institution offers and sets expectations for how account holders can transact safely. For instance: What hours is your lobby or drive-thru open? What services are available at the ATM? Which services are available by appointment only? What services can happen over the internet?

A chart may be the best way to keep things simple and easy to read. Your goal is to make sure that account holders can quickly get critical information about the services that are essential to them. This type of communication needs to be released as soon as possible and should be included in every communication you use. You may find it useful to link back to it on future blogs and social media posts. When consumers ask, “how and where can I get help with my finances?” you want to be ready with a clear answer.

Along with this stage, you want to create a list of keywords, metatags, and hashtags that you will use to improve visibility. Keyword research should be part of your content development process — pay attention to the popular search terms; they may change daily. It wouldn’t be helpful if we told you which keywords to use. You need to choose them based on the demographics you serve and the content you publish. Here’s an example:

- An urban community financial institution might want to reach out to people struggling with their mortgage and so they publish a blog on “COVID-19 mortgage assistance.”
- A community financial institution serving a rural area might decide to provide information to farmers about “COVID-19 farm relief programs.”
- Although these two blogs might share some common keywords or phrases, there isn’t a “one-size-fits-all” list for every situation or piece of content. You’ll get the best results by researching current search traffic and responding accordingly.

3. Create a plan for distributing your coronavirus content.

The Financial Brand offers some helpful tips on search engine optimization strategies that other financial institutions have been using successfully during the pandemic.

The Best Way to Capture the Attention of Nearby Consumers is by Creating Content that Covers Relevant Topics

By Kasasa, IBC Associate Member

The Financial Brand offers some helpful tips on search engine optimization strategies that other financial institutions have been using successfully during the pandemic.

3. Create a plan for distributing your coronavirus content.

If you take the time to make it, make sure you take the time to promote it. You want to start by commi-
USDA GUARANTEED PROGRAMS

Rural America is hometown America. It’s more than a great place to live, it’s integral to America’s spirit and character. USDA Rural Development (RD) has been working tirelessly to increase rural prosperity, because we know that when rural America thrives, all of America thrives.

To assist in this endeavor, USDA RD received nearly $1 billion in loan guarantee funding through the CARES Act for Business & Industry Guaranteed working capital loans. The loans are strictly for working capital needs due to the impacts of the coronavirus. Businesses and Ag Producers are eligible as long as they were in operation as of February 15, 2020. For the first time, agricultural producers may access this program if they are ineligible for financing from USDA’s Farm Service Agency. These loans do provide a 90% guarantee for the lenders. More information on the program can be found at: https://www.rd.usda.gov/programs-services/business-and-industry-cares-act-program.

If you are a lender who serves rural communities, you can access these guarantees by working with the Colorado USDA Rural Development office. Loan guarantees can be used to bolster the working capital of an ag producer, help stabilize the local food supply chain, get a small business operating again with new social-distancing precautions in place, and many other scenarios. The B&I CARES Act Program not only provides expanded eligibility for agricultural producers, but also offers a 90 percent guarantee for loans. It sets the guarantee fee at two percent, modifies collateral requirements, and extends the maximum term for working capital loans to 10 years.

In addition to the CARES Act funding, effective October 1, USDA Rural Development will transition to a OneRD Guaranteed Loan Regulation. Under the initiative, USDA will eliminate duplicative processes and launch a single platform for four key loan programs: Water and Waste Disposal Loan Guarantees; Community Facilities Guaranteed Loan Program; Business and Industry Guaranteed Loan Program; and the Rural Energy for America Guaranteed Loan Program.

The OneRD regulation is open for comment from stakeholders until September 14, 2020. The agency will hold several listening sessions. For more information on the regulation and to register for the listening session on August 19th visit https://www.rd.usda.gov/onderguarantee.

Some major changes to the guaranteed programs include: common applications, consistent forms, loan guarantees prior to construction, automatic approval to lenders in good standing to participate in all 4 guaranteed programs, more of a lender driven process with commonly used lending practices, expansion of refinancing ability, faster and consistent processing, and consistent population limits (50,000 for all OneRD Guaranteed loans). There are also resources available:

- **OneRD Outline of Regulatory Changes**
  - This resource outlines the regulatory changes in the final rule to help make it easier for you to navigate the regulation.

- **OneRD Implementation Guide for Lenders**
  - This guide provides a timeline for lenders on how USDA plans to implement the final rule.

For additional information on Rural Development programs visit our webpage at [www.rd.usda.gov/co](http://www.rd.usda.gov/co) or contact Sallye Clark, State Director, [sallye.clark@usda.gov](mailto:sallye.clark@usda.gov).

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*2018 industry benchmarking data
**IBC ATM NETWORK**

**IBC’s 24-ATM SURCHARGE FREE NETWORK!**

The Independent Bankers of Colorado’s alliance of community banks offers your customers access to 24 surcharge-free ATMs throughout Colorado.

As a member of the Independent Bankers of Colorado, you waive surcharges to the customers of banks belonging to our network, while retaining the option to charge non-member customers who use your ATMs.

Our alliance means that community bank customers will remain with their community-based banks, yet be able to access a broad choice of surcharge-free ATM locations.

**LOCATIONS**

<table>
<thead>
<tr>
<th>Location</th>
<th>Bank Name</th>
<th>Address</th>
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<tbody>
<tr>
<td>Canon City</td>
<td>Legacy Bank</td>
<td>1010 Royal Gorge Boulevard</td>
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<td>1580 East Cheyenne Mountain Boulevard</td>
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<td>The State Bank</td>
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</tbody>
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For information about how your bank can join our network, please call Lauren Gonnella Copeland at 513-900-4661 or lauren.gonnella@vantiv.com!