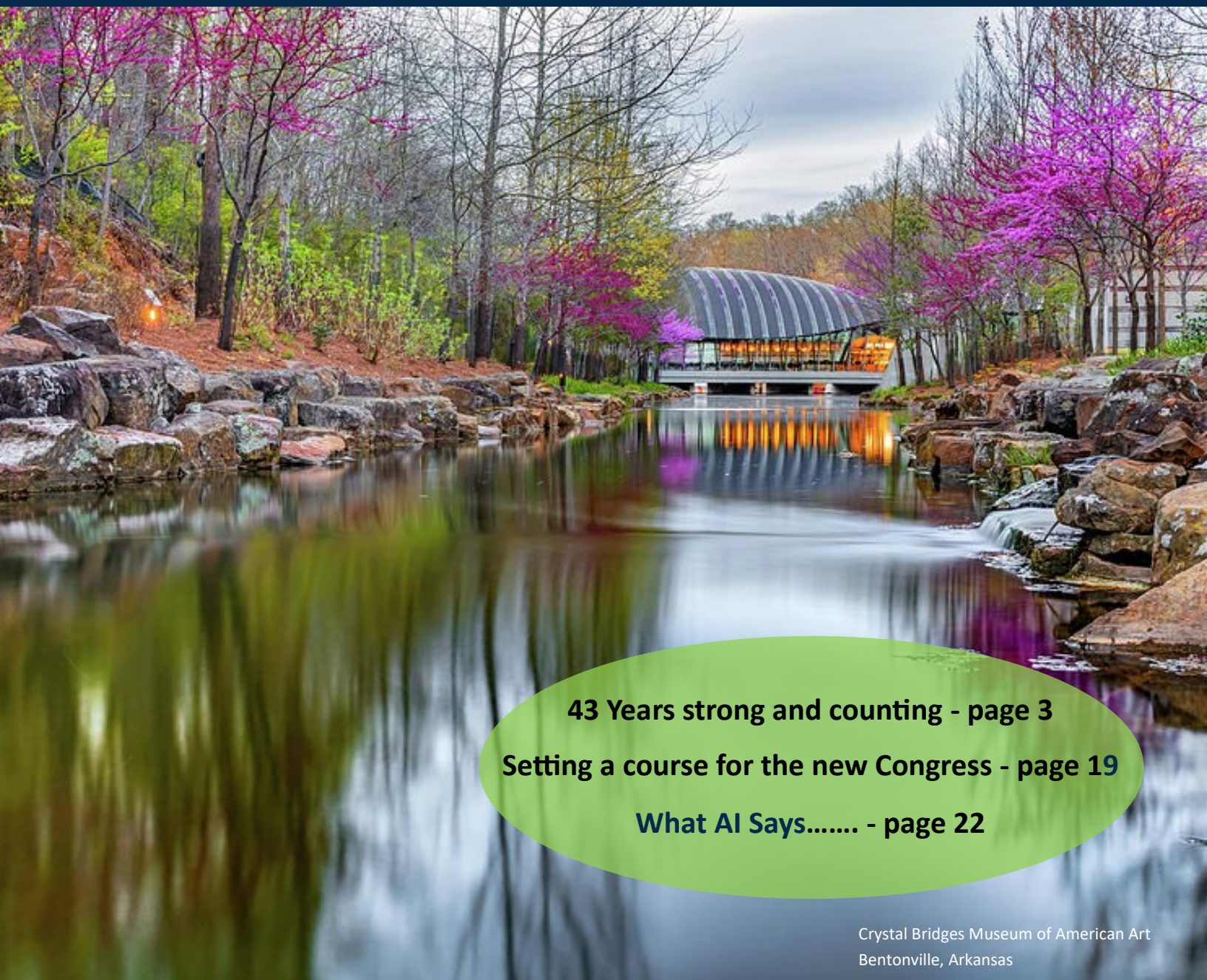


ARKANSAS A COMMUNITY BANKER

Spring 2023

THE VOICE FOR ARKANSAS' COMMUNITY BANKS



43 Years strong and counting - page 3

Setting a course for the new Congress - page 19

What AI Says..... - page 22

Crystal Bridges Museum of American Art
Bentonville, Arkansas

OFFICIAL PUBLICATION of the
ARKANSAS COMMUNITY BANKERS ASSOCIATION





Dear _____ ,
[current debit processor]

I'm looking for a _____
[noun]

focused on providing efficiencies
for their clients. I want to work
with a debit processor who
_____ my business.
[verb]

I'VE DECIDED TO PARTNER WITH SHAZAM.

SHAZAM's the only nationwide independent
member-owned payments network. We serve
community banks by delivering payment
solutions, fraud prevention and more.



855-314-1212 / SHAZAM.NET /



43 Years strong and counting

BY CHRIS PADGETT

As the Arkansas Community Bankers embarks on its 43rd year of exclusively serving Arkansas' community banks, we would like to express our gratitude to all our members for their continued support and involvement in our organization. Your participation helps us to strengthen our voice as community bankers and enables us to better advocate for our industry.

Community banks are an integral part of the American economy, and we recognize the importance of speaking with one voice to protect our interests. In the face of ever-increasing regulatory burdens and pressures from larger banks and fintech companies, it is more critical than ever that community banks band together to promote our unique value proposition and the vital role we play in our communities.

Through the Arkansas Community Bankers Association, our members have access to critical information and resources, educational opportunities, industry insights, and networking events. Our association exists solely to serve the needs and concerns of community banks, and we are proud to be the only organization in Arkansas solely dedicated to representing community banks.

We understand the challenges and opportunities that our members face, and our goal is to help you navigate the complex regulatory landscape, keep you up-to-date on important industry trends, and connect you with other community bankers to share best practices and learn from one another. And we do all that while purposefully keeping our dues at a fraction of what other associations charge. Could we charge

more? Absolutely. Do we need to? No. So, we don't.

While you are reading this article, you may have just received your 2023-24 ACB Membership dues renewal letter. We respectfully ask for your continued support.

In 2022, 94% of Arkansas banks were ACB members.

Something we are most proud of.

We would like to express our gratitude to all our members for their ongoing support and involvement in the Arkansas Community Bankers Association. Our success as an association is due to your commitment and dedication to our industry, and we look forward to continuing to serve as your advocate and resource in the years to come. Together, we can continue to strengthen our voice and promote the vital role that community banks play in our communities.

One last thing. Please remember, this is YOUR association. If you ever have questions, concerns, or insights, please do not hesitate to let us know.



Chris Padgett is the ACB Executive Director. You may connect with Chris at 501-246-4975 or chris@arcommunitybankers.com



ARKANSAS COMMUNITY BANKER

Spring 2023

Inside

3 43 Years strong and counting

BY CHRIS PADGETT



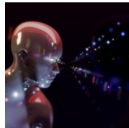
7 5 steps to drive successful conversions

BY MEGAN LEE



10 AutoGPT will change your bank

BY CHRIS NICHOLS



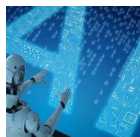
19 Setting a course for the new Congress

BY AARON STETTER



22 What AI Says.... The strength and stability of community banks

BY ChatGPT



31 Bank Term Funding Program Provides Liquidity

BY CHARLES WHITE



Specialty Interests

16

BASIS POINTS

The five percenters

BY JIM REBER

26

FLOURISH

"..... We will differentiate community banks in the hearts and minds of Americans"

BY REBECA ROMERO-RAINEY

29

FROM THE BOARD ROOM

Are fintechs competitors or compatible?

BY PHILIP SMITH & CHARLES PLUNKETT

36

AD INDEX OF PREFERRED SOLUTIONS PROVIDERS & ASSOCIATE MEMBERS



ARKANSAS COMMUNITY BANKERS ASSOCIATION

3801 Woodland Heights Road, Suite 125-G
Little Rock, Arkansas 72212
www.arcommunitybankers.com
info@arcommunitybankers.com
501-246-4975

OFFICERS AND DIRECTORS

Gary Head
President
Signature Bank, Fayetteville

John Beller
Vice President
Bank of Cave City, Cave City

Kyle Baltz
Treasurer
RiverBank, Pocahontas

Ed Wilkinson
Secretary
Farmers Bank, Greenwood

Gary Oltmann
Immediate Past President
Southern Bancorp Bank, Stuttgart

Jim Gowen, Jr.
Past President
& ICBA Federal Delegate
Merchants & Planters Bank, Newport

Chris Padgett
Executive Director
Arkansas Community Bankers, Little Rock

Casey Cullipher
RiverWind Bank, Searcy

Byron Earnheart
Barret School of Banking, Memphis, TN

Craig Manatt
Peoples Bank, Sheridan

Kim Markland
Bank of Little Rock, Little Rock

Marty Sellars
FNBC Bank, Ash Flat

ACB STAFF AND PROFESSIONAL SUPPORT

Chris Padgett
Executive Director

Tim Grooms
General Counsel

Quattlebaum, Grooms & Tull
Bank Regulation

FORV/S
Regulatory Compliance

Ellis, Tucker & Aldridge, LLP
Tax & Accounting

An insurance program designed with your bank in mind

Travelers' portfolio of customizable insurance solutions was specifically designed to help community banks meet challenges with confidence. Our in-depth knowledge of community banks is paired with a century of experience serving financial institutions to create products that respond to the most recent trends in community banking.

In the ICBA Insurance Program, your bank benefits from all the advantages of Travelers' products, plus key benefits and features developed specifically for ICBA members, such as:

- The opportunity to earn "safety group" dividends, an incentive that has paid out nearly \$70 million to eligible member banks since the program began over 36 years ago.
- Educational resources, such as insightful loss-control articles and publications.

Why Travelers

- We've provided effective insurance solutions for more than 160 years and address the needs of a wide range of industries.
- A.M. Best gives Travelers an A++, its highest rating, for financial strength and claims paying ability.* When the unexpected happens, we'll be here to help.
- With offices nationwide, we possess national strength and local presence.
- Our dedicated underwriters and claim professionals offer extensive industry and product knowledge.

The ICBA endorsed Travelers in 1983 and one in three ICBA members currently participate in this program.

*A.M. Best rating applies to certain insurance subsidiaries of The Travelers Companies, Inc. that are members of the Travelers Insurance Companies pool. Other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit www.travelers.com. Ratings listed herein are as of November 5, 2020, are used with permission, and are subject to changes by the rating services. For the latest rating, visit www.ambest.com.

To learn more about the Travelers ICBA Insurance Program, talk with your independent agent or broker, or visit travelers.com/ICBA.

TRAVELERS

travelers.com/ICBA

Travelers Casualty and Surety Company of America and its property casualty affiliates. One Tower Square, Hartford, CT 06183

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

© 2021 The Travelers Indemnity Company. All rights reserved. Travelers and the Travelers Umbrella logo are registered trademarks of The Travelers Indemnity Company in the U.S. and other countries. 55127 Rev. 1-21



Supporting your bank

Your bank plays a vital role in the community. The people you serve know they can count on you for support as they build homes, launch businesses and go to college. You can get that same commitment, reliability and service from Travelers, the preferred service provider for insurance for the Independent Community Bankers of America.

So you can build your business



TRAVELERS

ICBA
Preferred
Service Provider®

Travelers ICBA Insurance Program

COUNT ON US

TRAVELERS ICBA INSURANCE PROGRAM

Coverage options

Regardless of your bank's operational scope or size, we can tailor a portfolio of coverages to meet your needs. At the same time, we'll help you reduce potential gaps and overlaps in coverage. Our products address the primary areas of exposure that impact your bank, including:

Corporate management

- Directors and officers liability
- Employment practices liability
- Financial institution professional liability
- Fiduciary liability (ERISA)

Crime

- Financial institution bond
- Kidnap and ransom

Property/casualty

- General liability
- Auto liability
- Workers compensation
- Umbrella/excess liability
- Property

CyberRisk

Surety bonds

Key benefits and features

Directors and officers liability

- Provides not only the defense costs, settlements and judgments associated with directors and officers claims, but also helps protect the personal assets of a director's or officer's spouse or domestic partner, including the deceased director's or officer's estate.

Employment practices liability

- Includes protection for an extensive array of employment practices acts.
- Coverage can expand to include directors, officers, employees, leased employees and the bank.
- Access to *Risk Management Plus-Online*®, a one-stop resource available at no additional cost that provides comprehensive tools that can help protect against costly litigation. From ethics training guidelines to coverage-specific white papers and articles, all of the materials are delivered via a dynamic web-based platform to ensure the most up-to-date information.

Financial institution professional liability

- For lender liability coverage, professional services liability and trust services liability protection, coverage extends to the bank, its directors, officers and employees.
- An expanded definition of lending acts applies, including loan servicing when the bank has an ownership interest in a loan.
- For professional services liability protection, the professional services to be included in the policy do not need to be scheduled and the coverage applies to a wide range of professional services.

Travelers knows community banks.

Fiduciary liability

- Extends to the bank, the plans, directors and officers of the bank, and any natural person trustee, director or officer of any bank-sponsored plan.
- Features an enhanced definition of covered plans, including employee benefit plans not subject to Title I of ERISA, except for multi-employer plans or employee stock ownership plans (ESOPs).

Financial institution bond

- Provides a wide range of protection for financial losses due to specified exposures, and the optional extended insuring agreements eliminate the need to carry multiple insurance policies.

Kidnap and ransom

- Coverage not only for ransom monies and the numerous costs associated with an incident, but perhaps the most important benefit, at no additional cost, is the immediate priority access to Constellis when an event occurs. Constellis is a leading provider of risk management and operational support services to government and commercial clients worldwide.
- Constellis' consultants have many years' experience in dealing with crisis situations, and this combined with their local knowledge allows for informed decisions to be made.

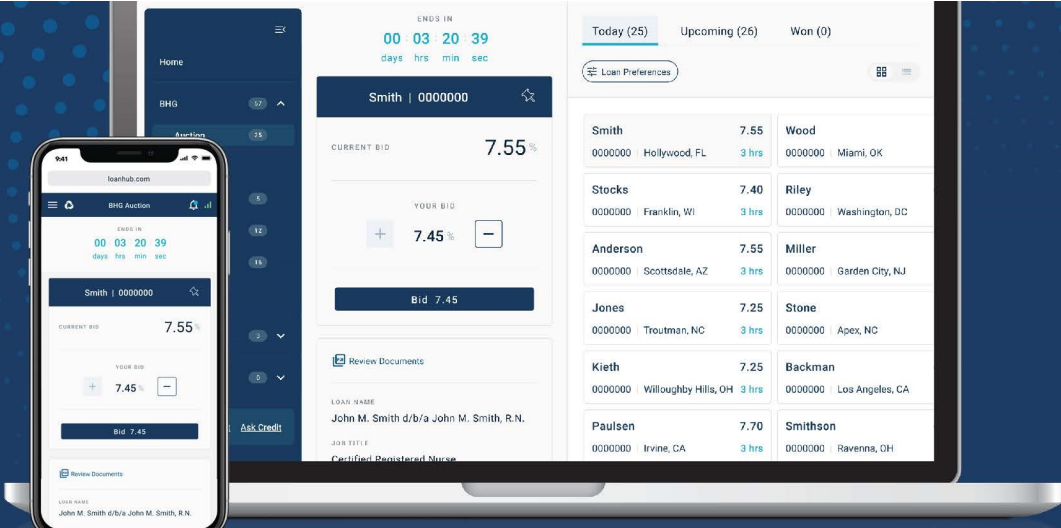
Property/casualty

Includes the more traditional types of property/casualty coverages, along with many designed especially for banks, such as coverage for:

- Foreclosed properties
- Trust properties
- Mail
- Repossessed autos and equipment
- Mortgage holders errors and omissions or impairment
- ATMs
- Financial leasing operations

The right policy is 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.





THE BHG LOAN HUB

The BHG Loan Hub is a secure, state-of-the-art platform that allows you to diversify your bank's portfolio with top-performing loans.

Bank benefits:

Our 1,525+ Bank Network members have earned more than \$1B in combined interest income from exclusive access since 2001.

- Access top-tier assets
- Turn excess liquidity into revenue
- Receive direct ACH payments from borrowers
- Credit enhancements available

**Become a member and
see how easy it is to
expand beyond your
local borrower base.**



Courtney Calderwood

SVP, Institutional Relationships

315.430.3919

courtney@bhg-inc.com

BHGLoanHub.com/ACBA



**BHG BANK
NETWORK**

5 STEPS to Drive Successful Conversions



BY MEGAN LEE



Megan Lee is Chief Product Officer at Smiley Technologies, Inc., an ACB Associate Member.

As the central engine for your bank's operations, your core platform is crucial to long-term viability. So, it's understandable that when that core system isn't working optimally, no longer serves your customer journey, or does not provide enough support, a conversion to a new platform and vendor becomes an intimidating prospect for many financial institutions. Extended timelines, complex features, and the drain on internal resources can each be significant hurdles. An obsolete or inflexible system will eventually necessitate this transition, however, and that makes finding the right vendor critical.

Fortunately, these core conversions do not have to be a headache. Finding the right provider marks the difference between a year-long headache and a much more straightforward conversion. For banks looking to demystify core conversions, here are five attributes to look for from a prospective vendor.

Collaborate on Discovery Mapping

Core conversions can be overwhelming, but it is the responsibility of the core provider to ease the transition. The provider should elaborate each step of the conversion process with their client's conversion team and explain the options available. While it is important for the conversion team to already be knowledgeable about the technology they will be onboarding, the provider should be able to explain the process, the core's features and the important details of the upcoming conversion plainly.

This communication and style of collaboration should reveal itself through early meetings. Instead of the provider asking the bank to fill out its own worksheet on its legacy data and how it handles its codes, the provider and client should work together. Both should work through the legacy vendor data and make any changes that either side feel will ease future operations. This collaborative discovery mapping allows all parties involved to understand the future functions of the new core and the needs of financial institution.

Engage Cross-Functional Subject Matter Experts

While some core providers divide the responsibilities of each part of a conversion to individuals, having cross-functional subject matter experts on the staff can make the transition easier. Instead of having teams on either side of the conversion unable to make decisions or understand more than one aspect, the core provider can improve efficiency by ensuring employees are trained across aspects of the core. The conversion process can become more challenging when teams working on behalf of the provider aren't able to answer questions on other functions or aspects of their product.

This, too, should be a piece of the client training. Instead of having team members focus exclusively on singular functions, clients should work with the provider to train people across the core's features. This

should limit the questions that clients have about the new core and make the transition run smoother.

Schedule Regular Check-Ins

Regardless of efficiency, converting cores will take time and it is important that providers allow for regular communication throughout the process. Weekly meetings between the conversion team and the core provider will help divide the seemingly overwhelming workload that goes into this kind of change. These regular check-in meetings should involve members of the conversion team and the business's decision-makers. Meetings should revolve around each aspect of the change and, most importantly, the core provider should give insights into the progress of the transition. This should include assessments on employee training as well.

Embrace Post-Conversion Support

What separates good core providers from great core providers is continuous support and communication beyond the conversion. A core is best tested when the bank or other financial institution begin their normal procedures and production again. Providers should work alongside their clients beyond the finish line to ensure that the conversion has met its goals. If the provider doesn't offer fast track for help or extra support after the conversion is complete, clients can be left dissatisfied.

The first weeks of normal operations should see the newly trained employees assisted and monitored by those that trained them. Only by allowing the client to work with their customers can the provider ensure that everything is working correctly, that the employees have been trained well and that the features the client asked for are fully functional. This support goes a long way to keeping employees comfortable and the conversion successful.

Utilize Ongoing Training Tools

While core providers will eventually move to their next conversion, what potential clients should look for is an organization willing to assist long after conversion has been completed. Instead of the on-site support needed just after conversion, refresher training tools and courses should be accessible to clients for months afterward.

Training employees throughout the conversion will do the heavy lifting but banks will still have questions on the newly adopted features as the financial technology landscape changes. Aside from this, employee turnover and the changing needs of clientele will necessitate new training, access to information and general help from the core provider. This additional support can be a dramatic difference for those looking for a long-term relationship and access to a library of online training videos should be a consideration for those institutions looking for their future core provider.



THE SERVICE OF VETERANS

continues to make our state better.



24,879*

Veteran-Owned Small
Businesses in Arkansas

That is nearly 15% higher than the national state average.

*SBA OFFICE OF ADVOCACY, 2009

Veterans are at least

45%

more likely to
be self-employed

than those with no active-duty military experience.



"THANKS TO VETLOAN AND ARKANSAS CAPITAL, WE WERE ABLE TO
STOP LEASING A BUILDING AND GET INTO A PLACE OF OUR OWN."

—Brett Rogers, Capital Business Machines



ARKANSAS
CAPITAL
EMPOWERING ENTREPRENEURS

If you are a Veteran who owns a business or plans to start one, we may be able to help save you money, strengthen your financial standing and better position your business for future growth and success. Learn more about VetLoan by calling 800.216.7237 or visit arcapital.com/acc/vets/.

PROUDLY SUPPORTING
THE BANKING INDUSTRY
FOR OVER 20 YEARS

QGT

QUATTLEBAUM, GROOMS & TULL PLLC



BANKING | BANKRUPTCY | BUSINESS TRANSACTIONS
REAL ESTATE | SECURED TRANSACTIONS | TAXATION

LITTLE ROCK | 111 Center Street, Suite 1900 | Little Rock, AR 72201
NW ARKANSAS | 4100 Corporate Center Drive, Suite 310 | Springdale, AR 72762

(501) 379-1700 | www.QGTLAW.com

AutoGPT Will Change Your Bank

BY CHRIS NICHOLS

Just when you were getting your bank's head around how you will operationalize ChatGPT, AutoGPT, an application built on top of ChatGPT, gets released and takes the technology to a new level. We have played with this "AI agent" for the past two weeks and can report that it will be a must-have tool to be included in any generative AI initiative. This article gives bankers a background on what it is, its risks, and how it will change everything from your infrastructure to your hiring practices.

What Is AutoGPT

Released on March 30, 2023, AutoGPT is an open-source application that connects via an API to a paid version of ChatGPT, making ChatGPT semi-autonomous. Instead of a prompt as you use for ChatGPT, you give AutoGPT a goal and then watch it go to work. AutoGPT provides its own prompts in what is called "stacking" and recursively talks to itself, feeding a refined prompt back into the system. In doing so, it creates a task list and then executes it on that list until the goal is completed.

If ChatGPT is an auto-correct feature on anabolic steroids, AutoGPT connects a monkey-sized brain to a bot-driven by those steroids. Instead of automation, banks can now have intelligent automation. Where popular bot applications like UI Path or Automate Anywhere must be programmed, AutoGPT can program itself.

We started the application with simple tasks that take time, such as making a car, hotel, and restaurant reservations. For example, we set a goal of finding the highest-rated steakhouse in Orlando and then make reservations. In less than 30 seconds, AutoGPT retrieved a list of the highest-rated restaurants, checked availability, and made the requested reservations at the auto-chosen Capital Grille.

You can name the task and save the agent. Then, you can refine the agent so it asks you questions before execution, such as the time, date, type of food, and geographical area you want. In addition, you can limit the tasks so that it only books using Open Table or Delta Airlines (using your login) or by giving it a list of brands to choose from. Because this is a discreet task, you can now evoke the complete routine whenever possible.

If all this looks cool but not revolutionary, here are some things to consider:

- **Multiple Goals:** AutoGPT can look to complete up to five goals in a single ask, and it will keep working (theoretically) until it achieves the results.
- **Connected:** Unlike ChatGPT, AutoGPT can connect to a variety of internet-based applications. Tell it to text your customers as one of its goals, and it will sign up for a messaging app and send out a text.
- **Linear Processing:** Tasks can be strung together in a linear form to create a series of tasks such as booking flights, hotel, car, and

restaurant reservations. In tests, it did this in less time than it took to tell someone else to conduct the task set for us and about 10x faster than doing it ourselves.

- **Parallel Multi-Agent Processing:** Task sets can be strung together in a parallel format so that multiple agents can interact with each other. This allows the primary agent to offload tasks that other AI agents can run, thereby having a near-unlimited amount of agents speeding the completion of a task.
- **Database Enabled:** AutoGPT can be connected to various databases to store information to either use when carrying out a task or to write to for information it derives from.
- **Self-Learning:** The application learns, by itself, how to complete a task and can store and reference past history. Thus, it becomes more powerful with every use.

In short, AutoGPT accepts whatever human interaction you require, then leverages various on-premise or internet-based applications, uses both short-term and long-term memory, can read/write to a database, and can evoke various integrations such as text-to-speech, generative AI graphic programs or other AI bots. It can do all this without you.

This AutoGPT Goal Will Blow Your Mind

While booking travel is fun, it is not going to revolutionize your bank. However, the next example might.

Every bank needs to raise deposits. We gave AutoGPT a list of product descriptions, rates, and performance metrics and then asked it to raise \$2mm in deposits using an email campaign. On its own, it figured out how to generate an email, test it and then raise rates if it had to.

So, like any new bank marketer, it composed a fairly interesting email using the subject line "Secure Your Healthcare Future: Boost Your Health Savings Account Contribution."

It then created a challenge email to test that.

AutoGPT then connected to an email client, tested both with an embedded, pre-built link that allows customers to transfer money from other institutions, and then it waited for a response. In a simulation, after one week, the first email raised \$102k, while the second raised \$76k.

It AUTONOMOUSLY decided that it was not going to reach the \$2mm goal and then came up with another action set that it executed.



Chris Nichols is Director of Capital Markets at SouthState Bank, an ACB Associate Member. He can be reached at cnichols@correspondent.southstatebank.com



Alone, it figured out that it needed a clearer call to action, personalization of the email to improve performance, highlight case studies/testimonials and create a limited-time offer to drive a sense of urgency. It then figured out how to segment the CRM list of customers by various factors and further personalize the emails.

The application then tested a variety of subject lines before settling on “Don’t Leave Money on the Table: Increase Your Health Savings Account Contribution.”

The application then started to look at, and record, open rates, clicks, and forwards in addition to new deposits.

It then did another round of testing on Day 4 using the successful email, and various derivatives, to further test. This round was much more successful and raised \$245k, for a cumulative total of \$423k.

It then figured out to include the current deposit amount, acknowledge their past contribution for 2022, reference rising healthcare costs, and thank them for their past contributions. This proved to be a winning combination of personalization.

On Day 8, new deposits cumulatively went over \$1.1 million. Since it still was not done with its task, it made a further refinement by looking at every customer’s domicile, pulling the state’s incremental tax brackets, and then customizing the email. The application changed the subject line again to “Take Advantage of Tax-Free Savings: Increase Your Health Savings Account Contribution.”

As an interesting side note, the application varied the use of “HSA” and “Health Savings Account” but found the latter resulted in consistently better open rates.

On Day 14, it hit \$1.6 million of new deposits before it figured out that it should cut fees BEFORE it raised the interest rate. It came up with and executed waiving fees for the quarter. Then, in a very odd turn of events, it found it effective to let the customer know that they were part of an A/B test and that their response would make a difference.

On Day 25, \$2.3 million was raised in new deposits at a rate of 1.75% from a little over 5,500 accounts from a universe of 36,000 active accounts.

The application iterated at a speed that few bank marketing and deposit teams could ever compete with. The application executed autonomously, with little human interaction and very little labor cost. It was relentless in the pursuit of its goal.

Information about your sales contacts get consumed, analyzed, marketed, and information is returned to the database. Should the application uncover new information about a contact, it can create a field in the CRM itself to store the information, all while adhering to a preset data model.

10 Other Impressive Applications of AutoGPT in Banking

Of course, there are infinite use cases where this application can add value. Here are some others that were tested:

Hiring – The application reached out via message to potential job applicants on several career applications, including LinkedIn, to encourage them to apply for an open position, communicated with them, and found different ways to urge them to apply.

Product Page – It created an updated treasury management product page, optimized by common current search terms in less than three minutes, complete with images, calls to action, and forms. This would have taken two or three people \$15k of internal time and two weeks to pull off.

Data Management – AutoGPT wrote its own code in Python,

debugged it, and moved it to production to clean and transform data to an updated data model. Banks have a myriad of applications that all call the same data with different names. Bringing data together usually takes banks \$1 million or more in consulting time or internal effort. A bank can now do this in a small fraction of the time for less than \$1,500 of ChatGPT charges.

Research – The application searched the internet for noted equity analysts, looked for emails, sent them an email about what they thought of the market, compiled responses, and put them in a report to wealth management clients. In addition, we also have the application reading through bank earnings reports to pull all deposit data out of each and compile it on a spreadsheet.

Social Media Marketing – In addition to a deposit email campaign, we asked AutoGPT to create a social media campaign utilizing Twitter, Facebook, Instagram, LinkedIn, and others to post positive comments to any customer post that already has positive sentiment. For non-customers that have a negative sentiment about their bank’s deposit services, the application lightly suggests transferring their relationship and provides the links. The application was also tested to send out tweets regarding the economy using reflexion techniques to optimize new followers. Here, AutoGPT asks itself, “How can you improve?” and then generates a better tweet each time. This makes the application 30% more effective than just using a traditional bot and ChatGPT.

Content Production – Where ChatGPT can create copy, AutoGPT can add graphics, format the copy, and brand it. It can then revise the work product to improve itself. Optimized, it can produce a production-ready piece of electronic content to send or provide on the web.

Branch Locations – AutoGPT was asked to research high-traffic locations using cell phone data, look for open locations and rank them according to cost. The application took it upon itself to contact leasing agents and ask for more information on the property. The application then mapped competitors and competitor traffic to produce a location report.

Lease Negotiations – Once a branch location was found, the application sent a series of texts asking for certain terms, improvements, and lease structure. The application presented the best economical deal to the bank based on a list of weighted factors, including the cost per square foot over the life of the contract.

Podcast / Presentations – The application can build an outline for a show, webinar, or presentation. AutoGPT can then research each point, find expert points of view, and bring back data, quotes, and other supporting evidence to help build a case around an objective.

Credit Monitoring – You can set a goal of monitoring a credit portfolio, and the application will go out and research relative metrics, bring them back, and then continue to monitor the portfolio until metrics are optimized.

While A Great Opportunity, AutoGPT Has Great Risks

While all the above is revolutionary, revolution comes with risks. We don’t yet fully understand the risks, but in our testing, we know enough to be very scared. Any time you have a machine learning from humans, having the ability to write code and be connected to the internet, it is a recipe for disaster.



Bankers need to tread carefully here and NOT run the application on a work computer or network. For starters, it can change files on the computer, and while we have not seen it, we have no doubt it can also change your password and lock you out of your applications. While you can ring-fence your goals to prohibit the transference of proprietary information outside of the bank, we also suspect it can be jailbroken and overridden.

The true risks remain to be seen. Further, while our above tests were all impressive, this technology is still in beta form, and many of the above tests took days to get right. Oftentimes, the application got stuck in a recursive loop. We just highlighted some of the tests that were successful, but there were a dozen more that were adjunct failures.

The Transformational Nature of This Technology in Banking

Like fire, the true nature of this technology has yet to be comprehended. However, the speed at which generative AI is moving is astounding. AutoGPT, [ChatGPT](#), [BabyAGI](#) (another popular AI Agent), and other applications have the ability to cut costs for banks by 30% or more and speed execution by a factor of 10x or more.

This technology will completely transform how banks approach marketing, sales, customer service, finance, operation, and strategy.

Over the next several months, look for further iterations of this technology that make the technology easier to use, more powerful, and less risky. Don't be surprised if, within the next few years, banks are restructuring position responsibilities, refocusing hiring, training bankers on using applications like AutoGPT, and putting more bankers on the front lines to work with customers.

Creating prompts and goals will be a new skill every banker must learn. Instead of having procedures and policies, banks will have clear limits on goals that bankers can use. Prompts and goals will be in template form, and each bank will have a library of prompts and goals that will solve problems. AutoGPT-like applications will empower the banker to be much more productive and solve problems on the fly.

The Customized Solution Experience

Instead of graphical user interfaces on banking applications for customers and employees, banking applications will specialize in chat user experiences that drive the graphical experience.

Imagine an experience where customers and employees can get a 1:1 concierge service via a generative AI-driven chatbot. Every customer with its own webpage, complete with educational content, and its own digital banking workflow. Solutions for customer problems are generated in real-time, specific to the customer's exact situation. As the chatbot is talking to the customer, it builds the digital solution in real-time to create a near-frictionless path to solve the customer's problem.

The same is true for the employee experience. Instead of telling the employee how to solve the problem, the chatbot application will solve the problem.

The cost of marketing content and web applications move to nearly zero.

Cost Cutting To Innovative Products

The bulk of the advances in the next few years will be around cost savings and increased productivity. Autonomous agents will be deflationary, reducing product cost, fraud, and risk. However, the bigger upside lies in the huge array of new banking products that will be created.

Banks can offer AI agents that do more than banking. Banks are in the perfect trust position to provide customer solutions that leverage other

companies. Banks can move back to the forefront of many different customer engagement solutions by controlling trust, money, credit identity, and payments.

Strategic Planning and Investment

Up until last year, every banker knew AI was important. Now, with generative AI and large language models, every bank, no matter the size, needs to increase the number of resources towards leveraging generalized AI. By 2025, banks should be considering radically different business plans and execution platforms than they have now. AutoGPT is just the start of a revolution akin to the internal combustion engine, the assembly line, the light bulb, the printing press, and the internet. For all its wealth, power, and market share, Google is not just integrating AI into search but reimagining search from the ground up using these tools.

If generative AI is transformative enough to shift Google's strategy, it is likely powerful enough to impact banking.



Solutions to Help Community Banks Compete

- Fixed-income Securities Sales
- Bond Accounting & Safekeeping
- Loan Hedging (ARC Program)
- International Services
- Clearing/Cash Management
- Asset/Liability Management Reporting

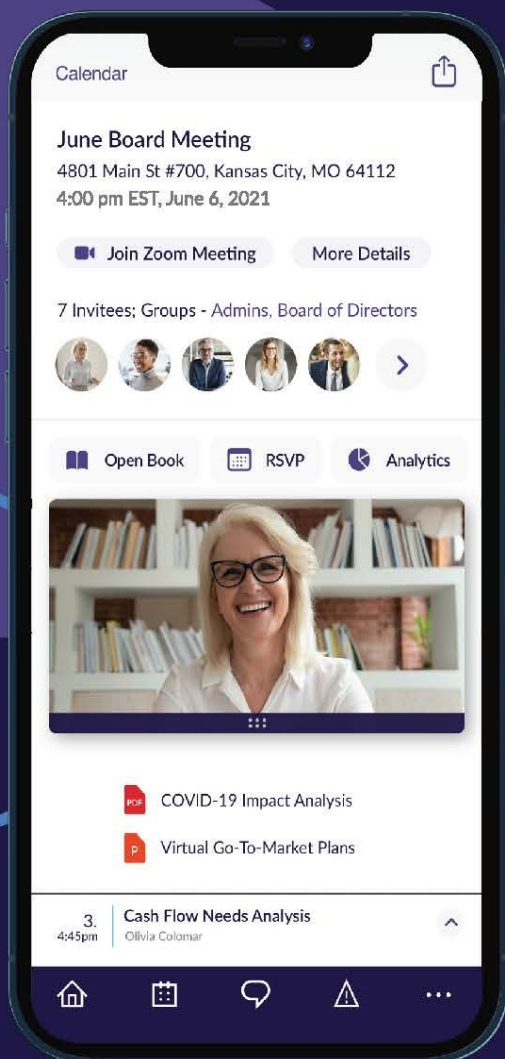
SouthState
CORRESPONDENT DIVISION

Shawn Gillis | Business Development Officer
205.335.1955 | SouthStateCorrespondent.com

Member FDIC



If your Board has to ask,
“When was the meeting rescheduled?”



**OnBoard is
the answer.**

Unquestionably Essential.



Special Pricing for Arkansas Community Bankers Members,
call or email for more information:



765-535-1882



more@onboardmeetings.com



onboardmeetings.com

An unbiased partner. An unparalleled commitment.

Partnership Benefits:

- Guaranteed profits from your trust assets
- No fiduciary liability
- No regulatory burden
- Reduced paperwork and accounting needs
- Argent will not compete with your banking services

Community Bank Executive Benefit Solutions

- Supplemental Employee Retirement Plans (SERPs) for Key Executives
- Defined Benefit Plan Solutions
- Defined Contribution Plan Solutions
- Enhanced Key Man Protection
- Young Executive 'In-Service' Benefit Solutions
- 162 Bonus Plan for Key Executives with Long Term Care Benefit
- Executive Management Death Benefit Options
- Bank Owned Life Insurance (BOLI) benefit plan funding solutions
- Complete and web based administration system (CPADS)



Chuck Dudley
Vice President
cdudley@argentfinancial.com
501.318.0010

Gaining access to the trust market without having to make a large capital outlay or meet daunting regulatory requirements is possible. Through a partnership with Argent Financial Group, community banks like yours maintain their independence while offering clients a complete range of trust services.

ArgentFinancial.com

Arkansas Insurance Producer
License Number 1005698

CHANGING CURRENTS AHEAD



HOW WE CAN HELP:

- Credit Reviews
- Interest Rate Risk
- Liquidity Management
- Strategic Risk & Planning



AMY PIERCE
Enterprise Risk
Professional



800.281.9980
bankstrategic.com

FHLBank Dallas is proud to support community bankers in Arkansas.

*Financial institutions like yours
are the heartbeat of Arkansas communities.
Thank you for making a difference.*



Member driven.
Community focused.

ARKANSAS Education Loans

Are your customers looking for student loan options?

Are your customers looking to refinance an education loan?

ASLA IS HERE FOR YOU!



**The Student Loan
The Family Loan
The Refinancing Loan**

**WWW.ASLA.INFO
800-443-6030
EducationLoans@asla.info**



If risk management
is a constant headache,
let us help before it
becomes a migraine.

- BSA
- Internal Audit
- Fair Lending
- Loan Review
- Vendor Analysis
- IT Audit
- IT Strategic Planning



ddfconsulting.com



Cybersecurity Blankets

**Helping Bank Executives Sleep
For More Than 25 Years**

1.833.YOUR PCA
Little Rock, Bentonville
and Nashville
pcatechsolutions.com



Retriever

America's Payment Systems Authority
Powered by Worldpay from FIS



**Your Payment Processing Partner
With You Every Step of the Way**

**Karla Wilson, Area Vice President
870-623-1749 | karla@localCCprocessing.com**

The five percenters

Current bond yields have long-term appeal



Jim Reber is president and CEO of ICBA Securities, an ICBA subsidiary and ACB Preferred Services Provider. You may connect with Jim at (800) 422-6442 or jreber@icbasecurities.com.

I will be candid with you. Your correspondent is most assuredly not a professional journalist. And, being an accountant by trade, creativity isn't something that comes naturally. Therefore, when composing these investment columns I often rely on some techniques I've learned from listening to the professionals. Among these are joke-writers, specifically those for nighttime talk shows and *Saturday Night Live*.

A few of these jokesters have said that several of our recent Commanders-in-Chief are "the gift that keeps on giving." It occurs to me that, on a decidedly different stage, my version of this font of material is the Federal Open Market Committee (FOMC). The FOMC's execution of monetary policy according to its dual mandate often results in wild swings in interest rates—and the resultant volatility in bond prices. The historic 2022 (and ongoing) hike in interest rates, while painful for bondholders, has at least produced a yield environment that is worthy of an investment column.

Very recent past

In 2020 and 2021, investment brokers were doing their best to help community banks make good decisions about how to invest the mountains of cash that were sitting on their balance sheets, earning next to nothing. In fact, a number of investments that were several years in duration earned well less than fifty basis points (0.5%). This is what happened when short-term rates were anchored at near zero, and the Fed wasn't "thinking about thinking about" changing anything.

In fact, "The quest for one percent" could have been the title of this very column barely a year ago. For an example, the five-year Treasury note issued in December 2021 has a coupon of 0.375%. Fifteen-year mortgage-backed securities (MBS) with 1% coupons were trading for a while at prices above 100.00; today they're worth around 86 cents on the dollar.

Opportunity is present

So now, as 2023 is well underway, it's quite easy to buy a bond with a yield of 5% or higher. Thanks to overnight investments being in the high 4%'s as of this writing and quite possibly headed to the mid-5%'s, even short investments (particularly those with call options attached) can be found with 5.5% returns.

The inverted yield curve needs mentioning. The "2-to-10" part on the curve is reaching historic levels in both the degree and duration of inversion. It has produced a dilemma for portfolio managers. Intuitively, shorter bonds that yield more than longer ones sound sweet. This is a reminder that the bond market is predicting a recession, and it's sometime soon. Another consequence of the curve's shape and the

rate cycle is that the municipal bond market currently does not offer relative value. Tax-equivalent yields out to 10 years are actually lower than the Treasury curve.

Home-made liquidity

Of course, all this 5% yield-opportunity stuff doesn't help a community bank that has no remaining liquidity to take advantage of it. From the looks of things, that includes a lot of institutions. The FDIC reports that Federal Home Loan Bank advances increased 32% in the fourth quarter of 2022 alone.

One strategy that comes to mind is the advance purchase of investments, financed by borrowed money that will be paid off by future bond portfolio cash flows. The general framework is this:

- Calculate your next two to three years' cash flows from investments
- Use wholesale funds to finance a matching term and amount
- Use the proceeds to buy bonds with prepayment protection at today's rates

This makes sense for any financial institution *unless* it has no borrowing capacity, is leveraged as far as is feasible or has exposure to rising rates. By all indications, most community banks have room on all these fronts.

Each time the bank pays down borrowings with existing cash flow, the bank is removing low-yielding bonds, relatively high-cost borrowings and is de-levering. All the while, it has greatly boosted its overall bond portfolio yield, and hasn't booked any losses on sales. And at the end of this two- to three-year period, voilà! The bank owns a high-yielding set of bonds, hopefully with unrealized gains, free and clear.

Of course, this isn't to say that bonds purchased early in 2023 won't have some dip in their values at least initially, if the FOMC continues to push rates higher. Generally, though, 5% yields have proven to be quite attractive over longer periods. A little creativity can help get those five percenters on board. That's something even a professional joke writer can't poke fun at.

Take comfort in the sound investments of ICBA Securities.



Cover your community bank in the comfort of knowing you have quality investment products.



ICBA Securities powered by Stifel is interwoven with ICBA—so when you put your trust in us, you support the community banking industry.

Find your snug investment options at
icba.org/securities

MEMBER FINRA/SIPC



Smarter commercial lending starts with a powerful prospecting tool

Make contact faster and have more productive conversations with loan origination and property data for 90%+ of the United States CRE Market. We combine our CRE data with 40M+ business listings and UCC filings for 46 states so you can make contact with confidence.



Checks & Balances

Setting a course for the new Congress

BY AARON STETTER

Right out of the gate, ICBA began promoting its legislative agenda to members of the 118th Congress by getting the community banking message out, from sending a letter detailing ICBA's policy priorities to every member of the new Congress to reinforcing that messaging with advertisements in *Politico*, Capitol Hill's must-read publication.

Just as important, ICBA is working with individual community bankers and ACB to reach out to members of Congress and their staff to provide real-world insights into why these issues are essential for a vibrant economy.

Whether it's unfinished business from the 117th Congress that has been thoroughly vetted and received bipartisan support, to fresh initiatives put forward by community bankers based on their first-hand knowledge of what works in their communities, here are the agenda items ICBA is prioritizing on Capitol Hill.

Community banking legislative priorities for 2023

Institute robust agency oversight. ICBA is asking Congress for greater oversight of federal financial agencies to ensure rulemaking follows notice and comment requirements and does not informally convey new requirements in press releases or social media. More oversight of fintechs and cryptocurrency firms is also needed to protect the financial system.

Oppose climate risk regulation for community banks. Community banks' ability to support their customers and communities must not be stymied by climate risk proposals and regulations—including concentration limits, stress testing, mandatory disclosures and capital requirements.

Scrap credit card routing mandates. ICBA continues to strongly oppose controversial legislation that would create complex new credit card routing mandates that would force an overhaul of the payments landscape at significant systemic cost to consumers and the community banks that serve them.

Preserve SBA bank lending. ICBA strongly opposes direct lending under the Small Business Administration's 7(a) program and its proposal to allow nonbank fintech lenders to participate in the 7(a) loan program. ICBA urges legislation to block this misguided SBA proposal, which would undermine the program and harm borrowers due to its higher costs and limited ability to reach borrowers.

Regulate crypto assets, decentralized finance and central bank digital currency (CBDC). Effective and comprehensive regulation is needed to balance the risks and benefits of cryptocurrencies, including stablecoins. ICBA strongly opposes efforts to grant nonbank stablecoin issuers access to the Federal Reserve master account and the creation of any retail U.S. CBDC, which would directly compete with community bank deposits needed to fund local lending.

Close the ILC loophole. New industrial loan company (ILC) charters controlled by dominant social media and e-commerce conglomerates would give these companies yet more economic power and reach into the lives of Americans without needed regulation. ICBA supports statutory closure of the ILC loophole.

Curb or eliminate tax subsidies for credit unions. ICBA urges Congress to restore balance to the American financial services marketplace and help close the growing budget deficit by re-examining the justification for the outmoded, 100-year-old credit union tax subsidy.

Level the Farm Credit System playing field. Farm Credit System (FCS) lenders enjoy unfair advantages over rural community banks and leverage their tax and funding advantages as government-sponsored enterprises (GSEs) to siphon the best agricultural loans away from community banks. In recent years, FCS has sought nonfarm lending powers in an effort to compete directly with commercial banks for nonfarm customers.

Incentivize credit for low- and middle-income customers and ag borrowers. ICBA supports the creation of targeted tax credits or deductions for community bank lending to low- and moderate-income individuals, businesses, and farmers and ranchers.

Support the Farm Bill. ICBA advocates for a robust Farm Bill in 2023 that provides enhanced USDA guaranteed loans and strong crop insurance and ensures commodity programs provide a stable safety net for American agriculture.

Promote de novo community banks. ICBA supports a flexible and tailored supervisory policy for de novo banking applicants to help ensure a robust community bank landscape serving small businesses and households.

Support minority depository institutions. It is crucial that minority-owned depository institutions (MDIs) have the legislative, regulatory and financial support they need to remain operational and profitable.

Encourage community development financial institutions (CDFIs). The CDFI Fund's proposed revisions to the Certification Application and the Annual Certification would harm the low-income communities that CDFIs serve. ICBA urges legislation to block or amend this proposal.

Extend expiring tax relief. ICBA is pushing for a permanent extension of the individual provisions of the Tax Cuts and Jobs Act, including the deduction for pass-through income (Section 199A), a top individual rate of no more than 37%, preferential tax rates for capital gains and an adequate estate tax exemption, before their scheduled expiration in 2026.

Legalize banking services for legal cannabis-related businesses. ICBA supports legislation that would create a safe harbor from federal sanctions for financial institutions that serve cannabis-related businesses in states where cannabis is legal, giving them access to the traditional banking system.

We need your voice

To learn how you can help promote the community bank agenda, visit ICBA's Grassroots Action Center at icba.org/advocacy

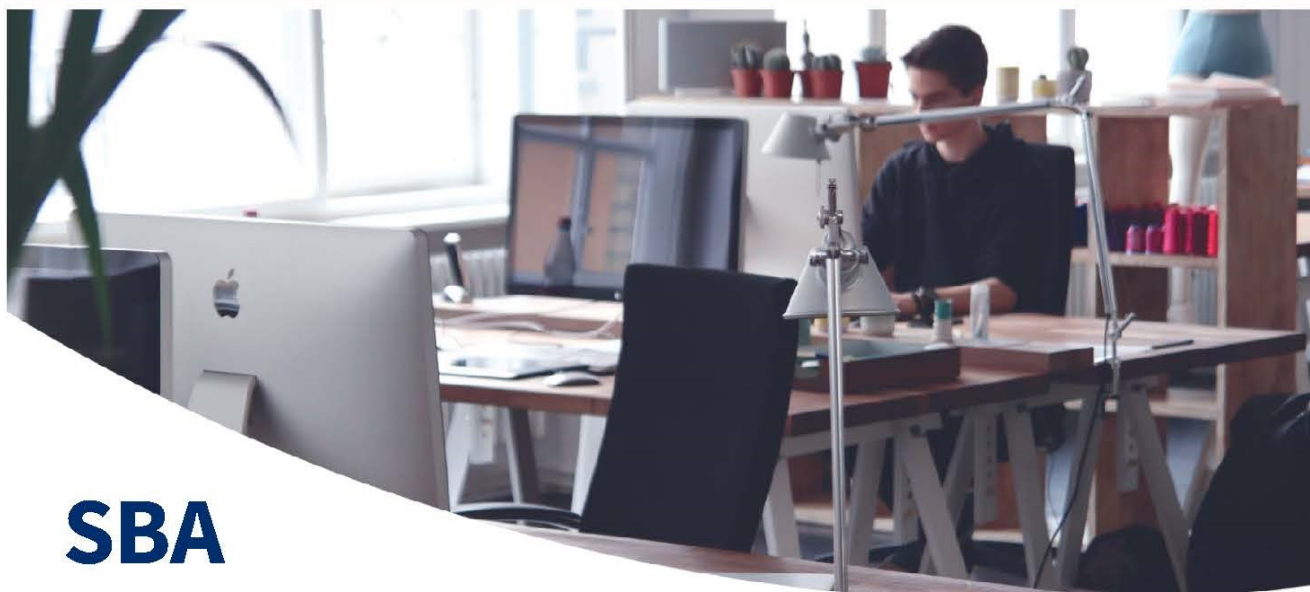


Aaron Stetter is Executive Vice President, Advocacy and Strategic Engagement at ICBA. ACB is the ICBA state affiliate. He can be reached at Aaron.Stetter@icba.org or [@aastetter](https://www.instagram.com/aastetter)





U.S. Small Business
Administration



SBA Lending

Powering America's Small Businesses



SBA 7a Loans

Expand your portfolio and minimize your risk using SBA flagship loan guaranty program. Access up to 85 percent guaranty on loans up to \$350,000 and 75 percent on loans up to \$5 million.

SBA 504 Loans

Invest in community growth through fixed asset financing. Increase your portfolio with 50 percent loan to value on fixed asset financing by partnering with an SBA Community Development Corporation.

Increase your reach to borrowers outside of your local area with:

SBA Lender Match - sba.gov/lendermatch

Contact the **Arkansas District Office** to get started today!

Herb Lawrence, Lender Relations Specialist	501-324-7379 x 297	herbert.lawrence@sba.gov
Rick Duda, Lender Relations Specialist	501-324-7379 x239	richard.duda@sba.gov
Edward Haddock, District Director	501-324-7379 x225	edward.haddock@sba.gov

2120 Riverfront Dr
Little Rock, AR 72202

Phone: 501-324-7379
www.sba.gov/ar

Arkansas District Office



IS YOUR COMMUNITY BANK SECURE?

Meet Dina.

Dina provides clients with the guidance they need to steer clear of card fraud all year long. Working together with ICBA Bancard partners, she ensures client banks are receiving the level of care and support they deserve.

Even when she's waiting to pick up her kid from practice, she's scribbling notes on how we can better protect banks from fraud.

By working with ICBA Bancard, your bank has Dina's ongoing support.

Learn more at icbabancard.org



The strength and stability of community banks in Arkansas

BY ChatGPT

Continuing with our fascination with the new artificial intelligence platforms, we've decided to include articles for a few editions relating to current issues that will be written by ChatGPT.

Our instructions were to "write 1,500 words about the strength and stability of community banks in Arkansas". In less than one minute the following article appeared as "What AI Says".



Community banks are an essential part of the financial industry, providing valuable services to individuals and businesses in their local areas. In Arkansas, community banks play a critical role in the state's economy, serving as a reliable source of credit and financial support for local communities. These banks have demonstrated a remarkable strength and stability over the years, making them a trusted partner for their customers.

Community banks are defined as banks with less than \$10 billion in assets and operate in a limited geographic area, generally serving a particular town or region. In Arkansas, community banks account for a significant share of the banking industry, with over 80% of the state's banks considered community banks. Despite the challenges of operating in a competitive industry, these banks have demonstrated an impressive level of resilience and longevity.

One of the key strengths of community banks in Arkansas is their focus on relationship-based banking. Unlike larger banks that prioritize transactional banking, community banks prioritize building relationships with their customers, which allows them to better understand their needs and provide tailored solutions. This approach allows community banks to offer personalized and flexible services to their customers, which can be particularly beneficial for small businesses and individuals with unique financial needs.

Another advantage of community banks is their local knowledge and expertise. These banks are typically owned and operated by members of the local community, which gives them a deep understanding of the local economy and the financial needs of their customers. This knowledge allows community banks to make informed lending decisions and provide valuable advice to their customers. Additionally, community banks often partner with local organizations and businesses, helping to support economic growth and development in their communities.

Despite their smaller size, community banks in Arkansas have

demonstrated a high level of financial stability. According to a report by the Federal Reserve Bank of St. Louis, community banks in Arkansas have consistently maintained strong capital ratios and have weathered economic downturns better than their larger counterparts. This resilience is due, in part, to the conservative lending practices of community banks, which focus on building relationships with customers and making loans based on the borrower's ability to repay.

The stability of community banks in Arkansas is also reflected in their low default rates on loans. According to data from the FDIC, community banks in Arkansas had a noncurrent loan rate of just 0.38% in the third quarter of 2022, which is significantly lower than the national average of 0.55%. This low default rate is a testament to the quality of lending practices at community banks in Arkansas and their commitment to responsible lending.

In addition to their financial stability, community banks in Arkansas are also known for their commitment to their communities. These banks often sponsor local events and organizations and participate in community development projects. For example, many community banks in Arkansas have partnered with the Arkansas Community Foundation, a nonprofit organization that supports community development projects throughout the state.

Another strength of community banks in Arkansas is their ability to adapt to changing market conditions. Despite the challenges posed by the COVID-19 pandemic, community banks in Arkansas have remained steadfast in their commitment to serving their customers. Many banks quickly implemented new technologies and services to better serve their customers, such as online and mobile banking, which became critical during the pandemic.

Community banks in Arkansas have also been proactive in addressing the unique financial needs of their customers during the pandemic. For example, many banks offered loan modifications and payment deferrals to help customers weather the economic impacts of the pandemic. Additionally, community banks in Arkansas participated in the Paycheck Protection Program (PPP), which provided loans to small businesses impacted by the pandemic.

In conclusion, community banks are an integral part of the financial industry in Arkansas. These banks provide personalized and flexible services to their customers, and their local knowledge and expertise allows them to make informed lending decisions. The financial stability of community banks in Arkansas is a testament to their conservative lending practices and their commitment.

Arkansas's Premier Choice for Managed IT Services



A team of IT experts dedicated to
making your bank's technology
secure, productive, and scalable.



Stay up to date with our 2021 Summit Series at jmark.com/summit-series/!



JMARK.com
844-44-JMARK

Take comfort in the satisfying stack of ICBA Membership.

Supported by exclusively pro-community bank advocacy and grassroots support from bankers like you.

Sticky innovative products and services to attract and retain customers.



Rich, modern educational resources, events, webinars, and online training for your entire team.

Find member benefits at icba.org/membership



Stop Ransomware with SureProtect from UFS



Advanced cybersecurity, purpose-built exclusively for community banks

UFS, the technology outfitter for community banks has responded to the rise in ransomware threats to provide SureProtect, the next generation "Cybersecurity as a Service" solution.

- Prevent Zero-day Attacks
- 24x7 Security Operations
- Rapid Response
- Artificial Intelligence
- Roll Back Capability
- Reporting / Compliance



For more info visit: www.ufstech.com/sureprotect
262.376.3000 | www.ufstech.com | hello@ufstech.com

UFS is a proud member of the Arkansas Community Bankers Association



Continuous Innovation. Exceptional Service.
Smiley Technologies, Inc.



Exceptional Service

- We don't believe in voicemail. You call us, you get a live person
- Our support team provides rapid and helpful responses for our partner banks
- Fair pricing based on the size of the assets. This provides a predictable bill less than 1/2 page long

Continuous Innovation

- Agile company that delivers development in a more timely and tailored fashion with deployments held every two weeks
- 198 custom enhancements for our partners so far in 2021
- Have an open dialogue with our bank partners to prioritize their needs, not tied down to user groups

Solid History & Strategic Growth

- Founded in 2002 out of need for better software and exceptional service
- President & CEO's father founded Systematics in 1968
- Recognized as the 2nd Best Place to Work in FinTech by *American Banker* in 2021
- Bank partners located from coast to coast

Product Features

- Vertically integrated solution that includes core processing, general ledger, teller system, digital banking for consumer & commercial, item processing, document images, robust reporting and much more
- Allows for better access to information, more simple business processes and a more secure product
- APIs are available for 3rd party platforms

Elizabeth Glasbrenner, CEO
eglas@sibanking.com
Visit us: sibanking.com
Phone: (501) 850-7799



Federal
PROTECTION, INC.®





Network Management simplified



Eundra Boles

Eundra Boles is the Vice President of Information Technology Services of Celerit Solutions Corporation. Eundra has over twenty-five years of expertise in keeping financial infrastructures up-to-date, safe and secure. He leads a team of seasoned technicians, providing around-the-clock protection to keep your network safe from the new and sophisticated cyber-threats faced today, while looking to the future for the next surfacing risk.



Virus Protection Issues? New Audit Requirements? Sophisticated Cyber-threats?

Celerit's team of Network Management experts will keep your IT infrastructure secure. Today and tomorrow.

The challenge of maintaining a safe and secure IT infrastructure continues to grow every day:

The financial services industry faces common challenges that come with complicated decisions and a high price tag. The threats are real and the regulatory environment is evolving. The tools and effort that are required to effectively manage a network are sometimes beyond the reach of small to mid-sized financial institutions.

If your institution is struggling to keep pace, Celerit's comprehensive network services will keep your IT infrastructure more secure. By

offering services that can be CUSTOMIZED to address the unique challenges currently faced by your institution, we find the solution that is right for you. We analyze your network, recommend solutions, and then implement a program to ensure the reliability and safety of your infrastructure.

We aim to protect your network and data at all costs, especially with the growing and ever-changing threat of hackers, malware and other cyber-threats.



www.celerit.com

A blue and white header for Allied Technology Group, LLC. It features a large "Allied" in white on a blue background, and "Technology Group, LLC" in blue on a white background. A circular seal with "Associate Member" is in the top right.

Your technology needs are critical to your bank. Allied's approach is simple. We implement a set of best practices that help you run your organization more efficiently while reducing risk. Don't just take our word for it. Allied is consistently ranked as one of the top service providers in the country.

Allied is redefining IT Professional Services. Schedule an executive meeting with us today!

A graphic for "PRINCIPLES OF BANKING" featuring a laptop, a graduation cap, a play button, and a cloud icon.

PRINCIPLES OF BANKING

The most popular training course in Banking is available in three convenient formats:

- Instructor-led online
- Guided Self-Study
- Private, in-house



NEED MORE TRAINING?

We have formats to fit every schedule! Also available:

- Self-paced online - courses as little as \$49!
- Live, e-Classroom training via Zoom!
- Webinars - Live & On-Demand!

Visit our website for course start dates & pricing!



VISIT WWW.CFTNOW.ORG
TO REGISTER TODAY!
(800) 795-5242
INFO@CFTEDUCATION.ORG

A graphic for "COMMUNITY BANKERS Webinar network" featuring a blue and white design with a city skyline and a hand holding a glowing orb.

COMMUNITY BANKERS
Webinar network

**Relevant
Reliable
Cost-effective**



FINANCIALEDINC.COM

FLOURISH



REBECA
ROMERO
RAINEY

ICBA President and CEO.
ACB is the ICBA state affiliate.

 [@romerorainey](https://twitter.com/romerorainey)

“Through national advertising, media relations outreach, social media and more, we will differentiate community banks in the hearts and minds of Americans.”

To me, the community bank story is personal. Growing up in a small town and seeing first-hand the impact community banks make shaped not only my career path, but also how I define community. I witnessed how a bank's connection to its neighbors brings hope, prosperity and continued purpose for so many, demonstrating the importance of supporting one another so all can thrive.

I daresay that's a collective experience for most community bankers, one so familiar that we almost take it for granted. But too many Americans are in the dark about the community bank difference and the way it changes their community's potential. They don't realize the tremendous value in a community bank's ability to respond in times of need and crisis; they don't understand the resilience and flexibility that's afforded by working with a bank that is a true part of the community. They simply are unaware of the genuine difference a community bank relationship can make.

That's why it's important to tell our stories. If members of our community have not witnessed the community bank difference personally, they don't know what they're missing. When you're exposed to that impact over time, you see economic development in action—how people come together and how local deposits are used to support the greater good.

In today's landscape, there are lots of variables competing for our attention: industry change, regulatory pressures, competitive threats and more. But even

with these factors at play, it's more important than ever for us to take a step back, remember why we do what we do and share that with the nation.

This is why ICBA is investing big in the future of our industry with the launch of a national campaign for community banks. The public awareness campaign, which has been two years in the making, officially launched at ICBA LIVE 2023. Through national advertising, media relations outreach, social media and more, we will differentiate community banks in the hearts and minds of Americans.

And we're making it as simple as possible for you and your community bank to plug into the campaign so our reach can be even greater. With an ICBA member-only national campaign toolkit, you'll receive access to research and industry insights, along with turnkey deliverables like ads, press releases, social media posts and more that you can use in your local market.

Because as we continue to prove, we are most effective when we work together. So, I encourage you to join us as we educate the American public and our target audience of community-minded millennials and show them the community banking difference. I truly believe this national campaign is central to ICBA's mission of creating and promoting an environment where community banks flourish.

So come along with us as we shine a light on community banking. Because now more than ever, it's our time to shine.



Where I'll be this month

I'm on the road rallying community bankers to tell their stories! I'll be speaking at the Independent Bankers of Texas Edge event and then joining colleagues at the Louisiana Bankers Association annual convention in Asheville, N.C.

Intelligent Portfolio Protection Superior Insurance Services

LENDER PLACED/REO HAZARD - LENDER PLACED FLOOD - REO LIABILITY
BLANKET INSURANCE - VENDOR SINGLE INTEREST - OUTSOURCING
FLOOD DETERMINATIONS



Call **Tim Tasker** To Discuss How **IL Group** Can Provide An Insurance Solution For Your Organization

251.978.2858

866.300.7020

www.ILgroup.com



Lending Leads

Powered by Data Driven Partners, LLC

Prospect. Recruit. Compete.

Lending Leads is a relationship based prospecting tool for commercial and residential lenders. It delivers granular information ideal for business development, competitor analysis, and identifying lending opportunities in Arkansas.

Designed with banker input, **Lending Leads** improves efficiencies, fills gaps left by other vendors, and **makes data actionable**.

- Business intelligence source
- Qualified lead generator
- Mortgage filing and maturity dates
- Data to help with CRA efforts
- Cloud based—No integration with core systems



Schedule your demo today!
Lending-Leads.com

ARKANSAS
BASED
FINTECH
COMPANY

 info@Lending-Leads.com



Michael P. Wallace
President

Wallace Consulting Co., LLC
is dedicated to mitigating
Fair Lending and CRA risks at
banks of all sizes.

Founded on 19 years of regulatory experience, Wallace Consulting Co., LLC is the premier provider of fair lending, CRA, and HMDA consulting services in the State of Arkansas.

Regulatory Insight • Discrimination Referral Experience • Successful CRA Rating Appeal

FAIR LENDING AND CRA RISK MANAGEMENT SERVICES

- Fair Lending Audits
- Redlining Analyses
- Fair Lending Risk Assessments
- CRA Self Evaluations
- CRA Ratings Appeals
- CRA Community Development
- HMDA Data Validations
- Due Diligence for Mergers and Acquisitions
- Customized Fair Lending, CRA, and HMDA Training



Contact us today for a free estimate



WALLACE CONSULTING CO., LLC
Fair Lending, CRA & HMDA Risk Management

(501) 258-9463 | mwallace@wallaceconsultingllc.com | www.wallaceconsultingllc.com

THINK TWICE



there's a better core



MODERN BANKING SYSTEMS
(800) 592-7500

modernbanking.com sales@modernbanking.com



TO TAKING A SECOND LOOK

“Arkansas Capital’s 2nd Look option provides us a great opportunity to get our small business customers’ requests approved when we are unable to approve them under conventional terms.”

—JIM DANIELS
President & CEO,
First National
Bank of McGehee

Through Arkansas Capital’s 2ND LOOK LOAN ANALYSIS, we provide your difficult-to-fund small business customers an independent and comprehensive review of their new money or restructuring requests.

WHY ALLOW US TO TAKE A 2ND LOOK?

An independent second look based on the SBA and USDA eligibility requirements may identify creditworthy small businesses that would not otherwise be able to access the desired credit.



Are FinTechs Competitors or Compatible?

BY PHILIP K. SMITH and CHARLES PLUNKETT

Let's be honest, historically as the board chair, directors or bankers, we have viewed financial technology companies or "FinTechs" as the enemy. It was not so long ago that we viewed them as taking over the world, buying up all of the small bank charters and basically being disruptors. In the current wake of some high-profile bank failures, this question becomes even more relevant. But could there be a role where banks and FinTechs become more compatible rather than competitors in the current environment?

As the effects of the prolonged pandemic continue to play a role in shaping relationships and communications between community banks and customers, we believe it is important to highlight the continued importance of "modern banking" through online services, apps, and the possibility for strategic partnerships with FinTech companies.

The FinTech industry has brought competitive challenges and disruption for banks, particularly community banks, across the nation during the last decade or so. FinTechs are often better positioned to offer more convenient services when it comes to online banking and mobile services, which continue to grow as the categories of services offered through mobile banking applications expand. But recently, the focus has shifted from a competitive view to a compatible view between the two sectors. This is primarily because, while a FinTech may have the convenient and modern technology sought after by customers, it is community banks that have the customer base, the strong relationship experience, and the compliance "know-hows" that can bring benefits in partnership to build modern financial solutions.

Across various sectors, customer expectations have risen, or changed altogether, as younger generations who grew up in the digital era have now joined the workforce and require banking services for their daily lives. As the "digital economy" expands, areas such as crypto currencies, IT security, cloud computing, and customer accessibility will continue or begin impacting the services offered by community banks. Banks of all sizes should be focusing on updating their processes and shifting their customer acquisition and retention strategies by creating technically sophisticated, yet accessible and convenient, services that meet the mobility and convenience needs of our digital economy and the future customer base. The board should be a leader in setting that tone for the organization.

This trend is continuing to grow as more and more community banks seek to establish relationships in one fashion or another with FinTechs. Just last year, the FDIC, Federal Reserve Board, and the OCC issued new guidelines to assist community banks with conducting due diligence and partnering with FinTechs in a number of operational areas and products including:

- digital and mobile payments and deposits
- customer interface and experience technology
- provision of money management and wealth management
- expedited credit underwriting and loan origination processes

- data breach and identity protection tools

It is expected that there will be further regulatory changes in the near future to better serve and promote these types of partnerships while still providing a level of protection for consumers.

Even before the failures, one of the visible changes we noticed was a national shift in new areas of emphasis among the regulatory agencies. Chief among those have been risk management and vendor management concerns. Often, when we are facilitating strategic planning sessions, we see that a board may have rarely focused on the concept of risk management as an actual strategic principle even though they may inherently make their decisions considering various elements of risk. Our experience is showing that specific and targeted risk management practices and procedures are now being mandated by the regulators, especially as it relates to emerging industries.

The relatively new emergence of the concept of "banking as a service" is an area that is both exciting and challenging, but may also present additional areas of potential regulatory concern. Banking as a service typically is the term used to mean when a non-bank company offers banking products that are provided through a licensed bank without facing the regulatory hurdles of actually forming a bank. As we have sometimes cynically pointed out, this is almost like saying banks are too boring to be able to offer cool techy products and the cool techy companies want to access the bank's customer base but cannot get regulatory approval to buy a bank. So, the idea is to allow the tech company to offer its products "through" the bank.

An example may be where a customer can complete a banking transaction at a company website level without having to complete a separate transaction through the actual bank website. It allows the non-bank company to monitor company transactions such as how much the customers are spending or what they are purchasing with the funds. However, in evaluating these types of new services, the bank can be subject to additional criticism for third-party risk management, Bank Secrecy Act and anti-money laundering risk management, suspicious activity reporting, information technology control and overall risk governance. The results may be some type of enforcement action that among other things might require a bank to adopt and implement a third-party risk management program, complete a BSA



Philip Smith is President & CEO of Gerrish Tuck Smith, an ACB Associate Member. You may connect with Philip at (901) 767-0900 or psmith@gerrish.com.



Charles Plunkett is an attorney with Gerrish Tuck Smith, an ACB Associate Member. You may connect with Charles at (901) 767-0900 or cplunkett@gerrish.com.

risk assessment, adopt a BSA audit program and similar functions. The bottom line is that regulators are taking a renewed look at these kinds of areas and banks should not enter into those types of relationships without a well-structured overall risk management process.

As these trends continue, we believe it is imperative for banks and their boards to review their vendor relationships and seek to develop mobile banking systems with an emphasis on the bank's technology and mobile banking services, to ensure customer satisfaction and convenience is

being attained. These steps help ensure the organization's relevance and viability well into the future.



GERRISH SMITH TUCK
Consultants and Attorneys

COMMUNITY BANKERS
Webinar
network

**Relevant
Reliable
Cost-effective**

FINANCIALEDINC.COM

The advertisement features a dark blue background with a faint image of a person's face. In the upper right, there are white line drawings of stacks of money. In the lower right, a person's hands are shown holding a glowing blue sphere. A QR code is located in the bottom right corner of the advertisement.

Bank Term Funding Program Provides Liquidity to Depository Institutions

BY CARL WHITE

On March 12, the Federal Reserve launched the [Bank Term Funding Program](#) (BTFP), a lending program for eligible depository institutions—banks, savings banks and credit unions—experiencing liquidity issues. The goals of the BTFP are to bolster institutions’ capacity to safeguard deposits and ensure the ongoing provision of credit to communities and the broader economy.

Use of the BTFP reduces the need for an institution to quickly sell securities, perhaps at a loss, in times of stress. As of April 5, outstanding loans through the program stood at \$79 billion. BTFP usage is published weekly in the Board of Governors’ [H.4.1 statistical release](#) (“Factors Affecting Reserve Balances of Depository Institutions and Condition Statement of Federal Reserve Banks”).

Some of the BTFP’s features and requirements follow. More detailed information can be found in a [list of frequently asked questions \(PDF\)](#) prepared for program users.

- **Eligible Borrowers**—U.S. federally insured depositories and U.S. branches or agencies of foreign banks that are eligible for primary credit at the discount window. While the holding of a Federal Reserve master account is not required, borrowing institutions must at least have a correspondent relationship with an institution that does have a master account.
- **Eligible Collateral**—Direct obligations of certain U.S. government agencies, including the U.S. Department of the Treasury, government-sponsored enterprises such as Fannie Mae and Freddie Mac, and the Federal Home Loan Banks. In addition, mortgage-backed securities issued and/or fully guaranteed by Ginnie Mae, Fannie Mae and Freddie Mac are eligible.
- **Loan Terms**—Institutions may borrow up to the value of eligible collateral pledged. Collateral is valued at par, i.e., with no haircuts. Loans can be prepaid at any time without penalty. The rate is fixed for the life of the loan (up to one year) and is calculated by adding 10 basis points to the overnight index swap rate. The rate is published daily on the [Discount Window website](#). Advances will be available until March 11, 2024, or longer if the program is extended.

This program will help eligible institutions ensure that they have sufficient cash on hand to meet depositors’ needs. Supervisors will view the use of the BTFP as prudent liquidity management.¹ Information

about borrowing institutions and the advances they take will remain confidential for a year after the program ends;² as of now, that date would be March 11, 2025, one year after the program is scheduled to end.

Bankers are also encouraged to use the discount window as a complement to the BTFP. The programs share some characteristics but differ in other ways. The discount window accepts a wider range of collateral than the BTFP, for example, which may make it a better choice for some banks.

Detailed information on the BTFP can be found on the Discount Window website. There, bankers will also find a standard template to request funds and collateral pledging instructions. As with discount window loans, BTFP loans are issued by local Federal Reserve banks. Please reach out to your local Reserve Bank contact with questions or concerns. A [list of contacts](#) can also be found on the Discount Window website.

Notes

1. From the Board of Governors [FAQ \(PDF\)](#), “The Board will not criticize eligible depository institutions for participating in the Program. The Board believes banks’ use of the Program can be part of sound liquidity management. The Board established the Program to make additional funding available to eligible depository institutions to help assure banks have the ability to meet the needs of all their depositors. The Program provides an additional source of liquidity against high-quality securities, which eliminates an institution’s need to quickly sell those securities in times of stress.”
2. From the [FAQ \(PDF\)](#), “Under section 11(s) of the Federal Reserve Act, the Federal Reserve will publicly disclose information concerning the Program one year after it ends (the Program is currently scheduled to end on March 11, 2024). This disclosure will include names and identifying details of each participant that borrows from the Program, the amount borrowed, the interest rate or discount paid, and information concerning the types and amounts of collateral pledged or assets transferred in connection with participation in the Program.”



Carl White is SVP of the Supervision, Credit and Learning Division at the Federal Reserve Bank in St. Louis. You may connect with Carl at Carl.White@stls.frb.org



FEDERAL RESERVE BANK
of ST. LOUIS

Superior Executive Benefits, Outstanding Client Service

For clients across Arkansas, our team offers BOLI, executive benefits, nonqualified plans and a whole lot more.

We're a powerhouse with the person-to-person expertise you deserve backed by the breadth and scale to meet your needs. As the nation's #2 retirement plan aggregator firm according to Investment News and the #6 largest benefits broker by global revenue as ranked by Business Insurance, we can take care of you every step of the way.

Keep your key people happy with:

- Bank-owned life insurance, risk assessment, implementation and administration
- Executive and director benefits plans, compensation plans and consulting
- Nonqualified benefit plans

NFP provides employee benefits, property and casualty, retirement, and individual private client solutions through our licensed subsidiaries and affiliates. Our expertise is matched only by our commitment to each client's goals.

COMMERCIAL INSURANCE | CORPORATE BENEFITS | PRIVATE CLIENT SOLUTIONS

Contact Trey today to see how we can help your bank or business.

Harry L. "Trey" Deupree III,
trey.deupree@nfp.com | 469.252.1038

7200 Bishop Road, Suite 240
Plano, TX 75024



EQUIAS ALLIANCE
BOLI AND BENEFIT ADVISORS
AN NFP COMPANY



Insurance Products: 1) are not a deposit or other obligation of or guaranteed by, any bank or bank affiliate; 2) are not insured by the FDIC or any other federal government agency, or by any bank or bank affiliate; and 3) may be subject to investment risk, including possible loss of value. All guarantees are subject to the claims-paying ability of the issuing insurance company. Insurance services provided through NFP Executive Benefits, LLC (NFP EB), a subsidiary of NFP Corp. (NFP). Doing business in California as NFP Executive Benefits & Insurance Agency, LLC. (License #OH86767). Securities may be offered through Kestra Investment Services, LLC, member FINRA/SIPC. Kestra Investment Services, LLC is not affiliated with NFP or NFP EB.



A BOXX Modular company

*Others make promises.
We Deliver!*

DISASTER RECOVERY PROGRAM

Space

14'x70' commercial bank with enclosed office(s)
Two ADA compliant restrooms
Teller stations with under counter steel pedestals
Night depository with TL 15 safe
Alarm & CCTV systems
Furniture including file cabinets

Power

Generator capable of powering the MPA facility

Technology

Laptops, printers/fax, digital phones
Portable internet dish and core processor connection

Connectivity

Satellite connectivity solution

LEASING & SALES

Custom

Full-service buildings with custom options
Design and build custom solutions

Additional Services

Complete turnkey on-site services available including: fire proof cabinets, ADA ramps, decks, canopies and tube systems



888-233-1584 | www.mpasystems.com



BARRET

SCHOOL OF BANKING

Paul W. Barret, Jr. School of Banking • Memphis, TN

What makes us the best Graduate Banking Education value found anywhere?

Tuition

Barret's \$1,995 tuition is the **lowest** in the industry, thanks to a large endowment that allows for over 60% tuition subsidies for all students.

Approximately 1/3 of the cost of other banking schools at LSU, SMU, Wisconsin, and Colorado.

Education

Outstanding and innovative curriculum.

ACB and ICBA Endorsed.

Superb faculty including nationally known speakers in the industry.

Lecture Series

Featuring nationally distinguished speakers:

- Dr. Robert Gates
- Coach Mike Krzyzewski
- Coach Tony Dungy
- Newt Gingrich
- Coach Tony LaRussa
- Kat Cole
- Daymond John
- Fred Smith
- Kurt Warner

Convenience

One-week resident session means employees spend less time away from the job and family.

Experience

More than 50 years in existence.

Attendees come to Barret from 40+ states.



Visit us at **barretbanking.org** for more info, and to fill out your online application today!

Make sure to listen to our Main Street Banking Podcast!

Barret Graduate School Curriculum in Brief

One week per year for three years • 130+ hours of core classroom study • Nine on-campus case studies • Eight home study problems.

Over the three year graduate program, participants will have access to 200+ hours of training.

Year One

Financial Institutions & Markets
Boosting Bank Profitability* **
Financial Statements***
Human Behavior* **
Developing a Sales Culture
Mktg & Business Dvp.***
Compliance Management
Operations Management
Technology, Payments, &
Cybersecurity

Total Hours: 43

Exam at week's end:

* Home Study Problem ** Case Study

Year Two

Asset/Liability Management
Bank Performance Mgmt***
Banking Industry Update
Commercial Lending***
Economic Environ. of Banking**
Investment Portfolio Management
Emotional Intelligence***
Strategic Planning

Total Hours: 43

Exam at week's end:

* Home Study Problem

** Case Study

Year Three

Balance Sheet Management
Loan Portfolio Management
Risk Management
Bank Simulation**
Leadership Development
Digital Marketing**
Executive Learning Lab
Bank Management

Total Hours: 44

** Case Study

*** An additional 25+ hours of electives are available to all participants each year.



Barret's Annual Graduate School program: **May 21-26, 2023**

GO DIGITAL WITH YOUR LOAN MARKETING

Nearly 60% of people would consider another lender for a mortgage loan, auto loan or credit card.¹

Deepen relationships with customers and stay top of mind with always-on, multichannel loan offers at their fingertips. Be in front of your customers consistently by providing:

- Single-loan preapprovals
- Multi-loan preapprovals
- Trigger-based offers

Combining proprietary consumer data and timely alerts from multiple credit bureaus offers the best opportunity for acquiring new loans.

60% of loan shoppers will commit to a loan within a week of a credit bureau inquiry.²

¹ Vericast 2022 Financial Services TrendWatch

² Vericast client data

For additional lending insight, download the 2022 Financial Services TrendWatch report.
vericast.com/FinancialTrendWatch

Learn how we can help you expand for your lending portfolio at vericast.com/Acquisition

1.800.351.3843 | contactHC@harlandclarke.com

© 2022 Vericast. All rights reserved. CS0471



VERICAST.



Gerrish Smith Tuck	29,30
Harbour Resources	37
ICBA	19,24,26
ICBA Bancard	21
ICBA Securities	16,17
IL Group	27
JMark	23
JTS Financial	IBC
Lively	38
Modern Banking Systems	27
MPA Systems	33
NFP	32
Passageways Onboard	13
PCA Technologies	15
Quattlebaum, Grooms & Tull	9
Retriever Payment Systems	15
SBA	20
SHAZAM	IFC
Smiley Technologies	7,24
SouthState Bank	10,11,12
S&P Global	18
Travelers	5
UFS	24
Vericast - Harland - Clarke	35
Wallace Consulting	27

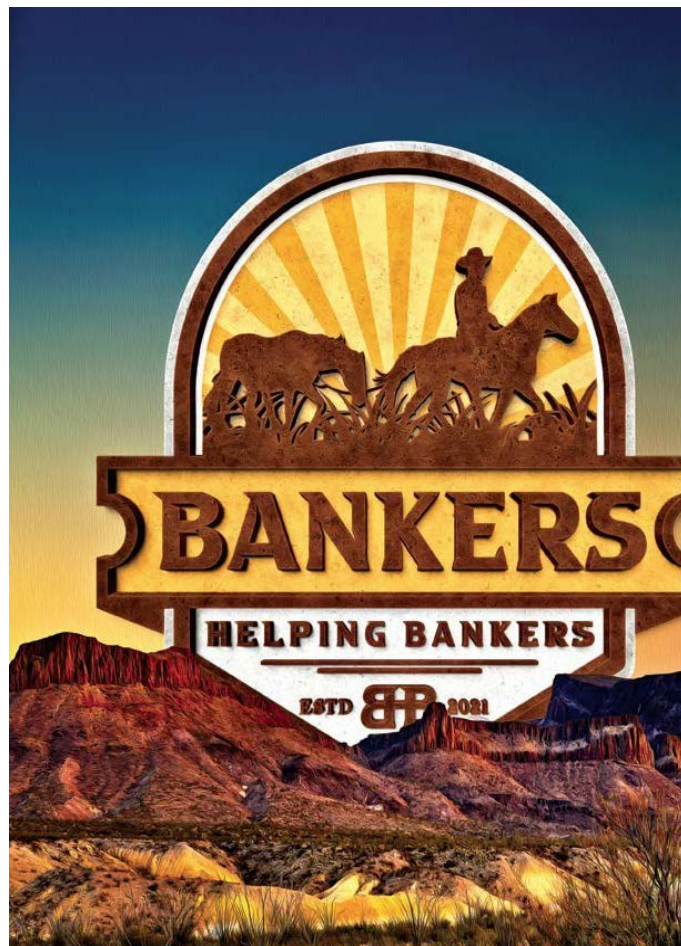
ACB Education	4,25,30
Allied Technology Group	25
Argent Financial Group	14
Arkansas Capital Corporation	8,28
Arkansas Student Loan Authority	15
BHG Bank Network	6
Bankers Helping Bankers	37
Bank Strategic Solutions	14
Barret School of Banking	34
Celerit	25
Center for Financial Training	25
Community Banker University	4,12
Data Driven Partners	27
DD&F Consulting	15
Federal Home Loan Bank	14
Federal Protection	24
Federal Reserve Bank, St. Louis	31
First National Bankers Bank	OBC
FORV/S	37



The [Arkansas Community Banker](#) is published quarterly and read by over 2,500 community bank directors, CEO's, presidents and other key management personnel in every community bank and thrift in Arkansas. Other reader groups include ACB Associate Members and *Preferred Solutions Providers*, as well as governmental and regulatory officials at the state and national levels. Each issue of the [Arkansas Community Banker](#) is filled with leading edge information that has a bearing on Arkansas' banking and financial services industry environment. The electronic format allows readers to archive issues of the [Arkansas Community Banker](#) for future reference.



**High-Performance
Leadership
Development
for America's Leaders**

Moving **FOR**ward requires **VIS**ion



Introducing **FORVIS,
forward vision from the
merger of BKD and DHG**

With a national platform, deepened industry intelligence, greater resources, and robust advisory services, FORVIS is prepared to help you better navigate the current and future dynamic organizational landscape.

FORV/S

forvis.com

ASSURANCE / TAX / ADVISORY

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office.

The Thriving HSA Opportunity for Banks

And How to Stay Ahead of the Competition



The rapid growth of the Health Savings Account (HSA) market is difficult to ignore. Total HSA assets saw a **25% year-over-year increase** in 2020 and are projected to **exceed \$100 billion** in 2022. This presents a unique opportunity for banks looking to differentiate and grow their footprint, without diverting their limited resources to build or administer an HSA offering.

Industry momentum shows no sign of slowing

No other savings vehicle can match the HSA's triple-tax advantages for long-term healthcare and retirement needs. As healthcare costs continue to rise, employers are increasingly offering HSAs to balance employee wellness and the bottom line. This trend underscores the potential for banks beyond just retail business.

63MM AMERICANS ARE COVERED BY APPROXIMATELY 30 MILLION HSAs

54% OF ALL HSAs HAVE BEEN OPENED IN THE LAST 3 YEARS

62% OF ALL ELIGIBLE EMPLOYEES HAVE ACCESS TO HSAs THROUGH THEIR EMPLOYER-SPONSORED PLAN

\$2,728 AVERAGE HSA ACCOUNT BALANCE INCREASED 51% IN THE PAST 5 YEARS

Optimized HSA experience drives maximum returns

Like any financial account, simply providing access to HSAs is not enough. Modern HSA providers, such as Lively, pair proprietary technology with user-centric design, all backed by dedicated support and personalized education. The result is significantly higher engagement and contributions compared to the rest of the industry.

\$5,704 AVERAGE LIVELY HSA ACCOUNT BALANCE IS MORE THAN DOUBLE THE INDUSTRY AVERAGE

57% LIVELY HSA 2020 CONTRIBUTIONS WERE CARRIED INTO 2021, COMPARED TO 28% INDUSTRY AVERAGE

+37% LIVELY ACCOUNT HOLDERS CONTRIBUTE MORE TO THEIR HSAs THAN THE INDUSTRY AVERAGE

73 AVERAGE LIVELY NPS INDICATES HIGH LEVEL OF ACCOUNT HOLDER SATISFACTION WITH THEIR HSAs

Find out how Lively's turnkey HSA solutions can enhance your bank's offerings.

Sources: [1] Devenir Research. "2020 Year-End HSA Market Statistics & Trends." March 2021. [2] Devenir Research. "2020 Devenir & HSA Council Demographic Survey." June 2021.



livelyme.com



partnerships@livelyme.com



1.888.576.4837

"JTS has gone above and beyond to help whenever we need them. They have taken a huge workload off our VERY small HR Department. When you have a small business, adding JTS is like expanding your team."

– Bank of Little Rock



JTS FINANCIAL

INTENTIONALLY DIFFERENT.

Employee Benefits | HR Consulting

john@jtsfs.com
www.jtsfs.com



Partnering with
Arkansas community banks to help drive
efficiency, savings and growth.



SCAN ME

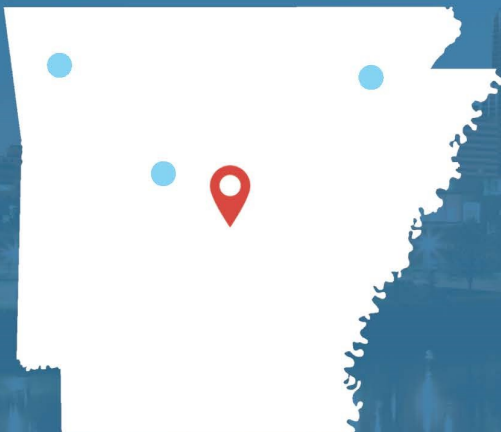
ARKANSAS BASED.



ARKANSAS OWNED.



ARKANSAS PROUD.



Your One-Stop-Shop for all of your Employee Benefit Solutions

- Group Health Insurance
- Dedicated Account Team
- Simplified Bill Reconciliation
- Employee Education and Communication
- Dedicated Employee Support

Reach New Heights with FNBB

FNBB is your trusted correspondent banking partner. With FNBB, you gain access to a financially stable provider and the assurance that we will never be your competition. We are committed to building lasting relationships that help you grow to reach new performance levels, standards, and heights!



We offer:

Capital Markets

- Asset Liability Management
- Investment Sales/Trading
- Portfolio Accounting
- Safekeeping

Lending

- Loan Participations
- Executive Loans
- Holding Company Loans
- Interest Rate Swaps
- Letters of Credit

Bank Formation Services

- Escrow Accounts
- Lending Services

Operations

- Cash Management
- Federal Funds
- Federal Reserve Transactions
- International Services
- Image Exchange Network

FNBB Capital Markets, LLC

- Retirement Plan Services
- Bank Owned Life Insurance

FNBB Services Corp

- Compliance Audit Services
- Internal Audit Services
- IS Audit Services
- Loan Review Services

FNBB Insurance Agency, LLC

- Cyber Policies
- D&O/Professional Liability
- Property & Casualty
- Financial Institution Bond
- Specialty Coverage
- Mortgage Protection

Additional Services

- Credit Card Program
- Merchant Services
- Profit Enhancement
- Subordinated Debt
- Systems Evaluation

Service Beyond Comparison

800.737.0535

bankers-bank.com

FNBB Capital Markets, LLC services are offered through an affiliate FINRA broker dealer.
FNBB Services Corp. is not a CPA firm and does not engage in the practice of public accounting.
Insurance products are not insured by any Federal government agency. Not a deposit. Not FDIC insured and not guaranteed by this bank.