



A LOOK AHEAD at your Educational Roadmap

ICBND's 2017 Live Sessions and Seminars

- NEW!** Making the Commercial Credit Decision—Credit Analysis Workshop, March 2-3, Bismarck
Emerging Leaders Development Group; Spring Session, March 10, Grand Forks
Community Bankers for Compliance; Spring Session, March 28-29, Bismarck
Certified Frontline Professionals, Spring Session, April 4,5,6; Bismarck, Fargo, and Minot
- NEW!** IT/Cyber Security Workshop April 19-20, Bismarck
- NEW!** Lender's Comprehensive Guide to Mortgage Loan Compliance, March 27-28, Bismarck
2nd Annual – Women in Community Banking Summit, May 9-10, Bismarck
Emerging Leaders Development Group; Summer Conference, June 1-2, Fargo
School of Agricultural Lending, 2 year course, June 19-23, Bismarck
- NEW!** HMDA Training, September 6, Bismarck
- NEW!** Consumer Non-Real Estate and Commercial Lending including Problem Loan Workouts
Conference, Sept 27-28-29, Bismarck
Community Bankers for Compliance; Fall Session, October 3-4, Bismarck
Certified Frontline Professionals, Fall session, October 10-12, Bismarck, Fargo, Minot

Please refer to our website for more information and to register:

[Register Here!](#)

Quick Look



- 3 Chairman & President Remarks
- 4 Logo Highlights of Associate Members
- 5 In Honor of Past Association Presidents and Chairmen
- 6 Fine Points by Camden R. Fine, President & CEO of ICBA
- 7 From the Chairman by Rebecca Romero Rainey, Chairman of ICBA
- 9 Portfolio Management by Jim Reber, President and CEO ICBA Securities and Arne Monson, President and CEO of Holtmeyer and Monson
- 11 ICBA News: Community Bank Role in Washington Transition Makes Headlines
- 12 “Plaintiffs’ Law Firm Again Targeting Community Banks” by Peter Weinstock and John Gerhardt, Hunton & Williams LLP
- 14 ICBA News: Fed Finalizes Dividend Cut for Banks Over \$10B
- 16 Shazam: “On the Attack” by Liz Little, Fraud Consultant II
- 17 ICBA News: Community Bank Net Income Rises in Third Quarter
- 18 Office of Attorney General Statements
- 19 Social Security Administration: Health Insurance Marketplace
- 19 ICBA News: Court Blocks Rule Expanding Overtime Pay
- 22-23 CSI: “Ransomware Threatens Us All” by Tyler Leet
- 25 Social Security Administration: Cost of Living Increase
- 28 North Dakota Appraisers Association (NDAA)
- 30 ND Industrial Commission: Housing Incentive Fund (HIF)
- 33-37 Members in the News
- 38 Classifieds
- 39 ICBND “Just for Fun”
- 40 ICBND Members Discounted Hotel Rates
- 1,15,31,41,42-43 Educational Opportunities
- 44 Our Advertisers
- 44 ICBND Directory



Independent Community Banks of North Dakota

PO Box 6128
Bismarck, ND 58506-6128

701.258.7121

info@icbnd.com

www.icbnd.com

Senator John Hoeven

338 Russell Senate Office Building
Washington DC 20510
Phone: 202-224-2551
Fax: 202-224-7999

Banking Aide: Emily Tryon

Emily_tryon@hoeven.senate.gov

Ag Aide: Cassie Bladow

Cassie_bladow@hoeven.senate.gov

Senator Heidi Heitkamp

SH-110 Hart Senate Office Building
Washington DC 20510
Phone: 202-224-2043
Fax: 202-224-7776

Banking Aide: Craig Radcliffe

Craig_Radcliffe@heitkamp.senate.gov

Ag Aide: Tyler Jameson

tyler_jameson@heitkamp.senate.gov

Congressman Kevin Cramer

1032 Longworth House Office Building
Washington DC 20515
Phone: 202-225-2611
Fax: 202-226-0893

Banking Aide: Adam Jorde

adam.jorde@mail.house.gov

Ag Aide: Mark Gruman

Mark_gruman@mail.house.gov



Rick Beall
Peoples State Bank of
Velva
Minot
ICBND Chairman

Hello and Merry Christmas to each and every one of you across our great state. As I write this it definitely feels like the holiday season as I have spent the last two days shoveling the 20+ inches of snow we received in and around the area L. Seriously though, this year has flown by and as I reflect on 2016 I realize we have many things to be thankful for. Most importantly we are blessed to be able to live in a state that is truly a hidden gem in this great country. These past few days I have witnessed total strangers helping pull out cars, shovel neighbors driveways and demonstrating a can-do attitude that has made this such a special state. Even more exciting, 2017 has the makings of being a fantastic year for our state and our organization. We have new leadership coming to Bismarck who bring a wealth of private sector knowledge and the support of members from both parties. In Washington, we have a

renewed sense of hope that we might see some much needed regulatory relief after receiving regulation upon regulation these past few years. Let it be known that being optimistic isn't just enough. It falls on all of us to take a pro-active approach and make sure we are involved in every step of the federal and state systems. Please make sure your voice is heard whenever it can be. Also, should you have any questions or concerns for the state legislature this year, please feel free to contact Barry or myself and we will make sure to get those issues addressed to the best of our abilities. In closing, Happy Holidays and here is to a great and prosperous 2017!!!

Warmest Regards,

Rick

President's Remarks



Barry D. Haugen
ICBND President

As I write this, we're in the midst of our first snow event of the season so I guess winter is officially upon us. While it seems like it's been awhile since we had snow, the novelty of shoveling and plowing has already worn off. Not a great sign. My wife has also informed me that our older dog has again exercised her apparent right to move her bathroom indoors! Also, not a great sign.

Speaking of seasons, how about that election season! I know we're all glad it's over, but it really was something to watch unfold. At the national level, public pollsters and election models just absolutely missed it. Republicans not only won the presidency, but also held a majority in the US Senate (which was somewhat unexpected) and lost many fewer seats in the US House than anticipated. I think it's also interesting to note that of the 535 Senators and Representatives in DC, over 60 percent of them were not in Congress during the 2008 financial crisis. Hopefully, unified control of the executive and legislative branches presents a unique opportunity for community bank

regulatory relief in this next Congress. Additionally, the results of this election will have a profound effect on the makeup of the US Supreme Court.

Closer to home, statewide races in North Dakota went as expected. Legislative races however held a bit more intrigue. Minority leaders in both the Senate and House along with the chair of the Democratic Party lost re-election bids. Republicans in the House picked up 10 seats for a super-majority of 81-13 while Senate Republicans picked up 6 seats for a 38-9 super-majority. The halls of the North Dakota State Capitol will be teeming with three dozen new faces come January as one out of every four legislators will be newly elected in 2016. Rest assured ICBND has already been reaching out to these new legislators to communicate the importance of independent community banking in our state and the challenges we face.

Most importantly, let me be early in wishing you and yours a very Merry Christmas and a Happy New Year!

Associate Profiles

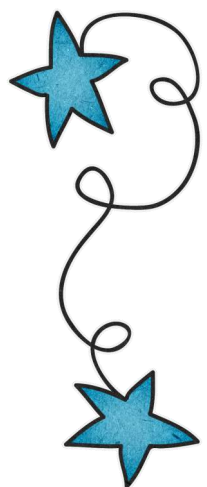
Featuring ICBND's Associate Members:

DOUGHERTY & COMPANY LLC

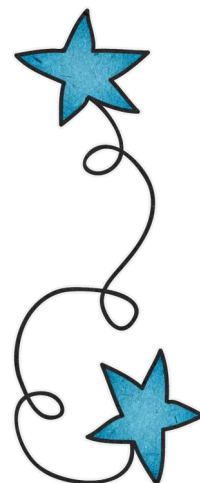


DAKOTA CAPITAL
LIFE INSURANCE





THANK YOU



In Honor of Past Association Presidents and Chairmen

Independent Community Banks of North Dakota has been strong and deep-rooted since 1967, thanks to the skilled leadership of past presidents and chairmen. Following is a list of the leaders who built the association.

1967 T.W. Sette, Bismarck
1968 Dick Grenz, Strasburg, Bismarck
1969 John Banker, Mohall
1970 Don Baertsch, Beach
1971 Paul Pederson, Page
1972 Don Miller, Grand Forks
1973 Leonard Jorgenson, Kenmare
1974 Will Summers, Jamestown, Bismarck
1975 Alvin Haas, Bismarck
1976 Gary Hanisch, Crosby
1977 James Kuchar, Devils Lake
1978 Gene Rich, Fargo
1979 Bob Hansen, Steele
1980 Jack Hoeven, Minot
1981 Duane Anderson, Dickinson
1982 Jim Jorgenson, Kenmare
1983 James Walth, Halliday - Deerwood, MN
1984 John Brown, Wimbledon
1985 Gary Nelson, Stanley
1986 Kelly Dakken, Drayton
1987 Chet Folkert, Velva
1988 Myron Pfeifle, Bismarck
1989 Terry McNea, Hatton
1990 Jim Goetz, Center

1991 Terry Jorde, Cando
1992 Dennis White, Valley City
1993 Randy Streifel, Powers Lake
1994 Pat Fisher, Jamestown
1995 Jeff Campbell, Dunseith
1996 Craig Larson, Bismarck
1997 Robert Sorenson, Stanley
1998 Howard Schaan, Harvey
1999 DeWayne Streyle, Leeds
2000 Jon Mund, Milnor
2001 Rich Campbell, Minot
2002 Brian Houkom, Devils Lake
2003 Kent Lovell, Ashley
2004 Nancy Baerwald, Cando
2005 Gale Skjoiten, Hatton
2006 Richard Beall, Velva
2007 Dave McAdoo, Williston
2008 Scott Tewksbury, Edgeley
2009 Gordon Hoffner, Beulah
2010 Mary Erman, Bismarck
2011 Jerry Hauff, Bismarck
2012 Brenda Foster, Minot
2013 Robert Larson, Underwood
2014 Tim Porter, Bismarck
2015 David Ludwig, Bismarck

A heartfelt THANK YOU to all of you!



An Important Distinction

Written by: Camden R. Fine, President and CEO of ICBA

FINE Points



Here we go again. Another megabank scandal has stunned ICBA and the nation's community bankers, who are working to ensure the negative backlash from outraged consumers and policymakers does not rub off on their local institutions. Not only did Wells Fargo violate the trust of its customers by opening as many as two million unwanted accounts, the top executives at the nation's second-largest bank have generally refused to accept full accountability as Washington considers a policy response.

Although Wells Fargo's now-retired chief executive, John Stumpf, has directed blame toward the 5,300 employees the bank fired for following its crooked sales practices (or else, paradoxically, be fired), his banking industry allies have responded by merely condemning dishonest or unethical behavior at "any bank, anywhere, any time." But this fraud and its potentially industry-shaking regulatory aftermath cannot be laid at the feet of anyone other than the \$2 trillion-asset institution that perpetrated it. It certainly shouldn't punish or burden community banks that had nothing to do with the fraud.

Nevertheless, the Wells Fargo scam poses a grave threat to our industry. Community bankers have been down this road before, and it doesn't end well. We have seen over and over how megabank misdeeds result in dramatic new regulatory demands—not on the perpetrators, but on us. Again and again, systemically risky institutions have made reckless decisions, harmed consumers and wrought a broad-brush policy response that trickles down on community banks.

So ICBA is working diligently to ensure that Washington policymakers and the American public clearly distinguish between community banks and systemically risky, too-big-to-manage institutions. In face-to-face meetings, written communications and media

coverage, we have called on Congress and the regulatory agencies to avoid the kinds of overreaching laws and regulations enacted after the financial crisis, which disproportionately affected local institutions.

Furthermore, the Wells Fargo fraud should not inhibit the passage of bills containing tailored regulatory relief for community banks. Much-needed legislation inspired by ICBA's Plan for Prosperity remains before Congress this very moment, and Wells Fargo should not be allowed to stall its momentum.

Washington can and must be able to differentiate between relationship lenders, who are held directly accountable to their customers, and the megabanks, whose impersonal, transaction-based business model too often exploits consumers and puts the financial system at risk. That is why, of course, ICBA has long advocated a system of tiered and proportional regulation based on an institution's size and risk. With the Wells Fargo scandal putting immense pressure on policymakers to mount a regulatory response, this tailored approach to regulation has never been more important.

Just as community banks are accountable to their local communities, ICBA takes responsibility for exclusively representing community banks, not the megabanks that make our lives more difficult. Therefore, we will stand up for community banks every step of the way. We must ensure that we are neither tarnished by this scandal nor roped into an unwarranted and burdensome regulatory backlash. Instead, through tailored and proportional regulatory standards, we can fix what's wrong with our banking system by strengthening what's right with it—community banks.

Camden R. Fine is President and CEO of the Independent Community Bankers of America® (ICBA), a national trade association representing the interests of more than 6,500 community banks.

On Bad-News Banks

Written by: **Rebeca Romero Rainey**, Chairman of ICBA

From the Chairman



Disheartened and upset. I used those words to describe how I felt about the Wells Fargo scandal when I was recently interviewed by CNBC's Steve Liesman. While at the Federal Reserve Bank of Kansas City's forum for minority bankers, I told him that it was so upsetting to think that anywhere in America consumers could be taken advantage of like that. When Liesman asked if something like this could happen at a community bank, I immediately said, "No, it would not happen at a community bank, and that's the difference." I explained that at my community bank, I'm an active part of the community and that we work hard to build trust and relationships with our customers. I also know that if something like this were to happen at a community bank, that bank and its executives would be held strictly and personally accountable for overseeing a culture that allowed such abuses to happen. Yet again, here amid the chaotic news cycle, we see a bright line that distinguishes the large systemically risky megabanks like Wells Fargo from the thousands of community banks across the country. It's unfortunately events like these scandals that show everyone just how different our business models and playing fields truly are.

But community bankers have the upper hand, if we only play our full hand. We have the customer relationships, we have a time-tested business model that works, we have the sterling reputation all on our side. So let's take those positives and counter the bad megabank news with our message—the community bank message. ICBA is with you every step of the way. After all, distinguishing "community banks" from merely "banks" is what your national association is all about. That's why ICBA exists, because it serves

community banks and only community banks. That's also why ICBA has created marketing and communications resources designed for community banks. ICBA's Go Local initiative is a perfect example of educating consumers about the power of local community banks. The initiative ultimately helps consumers connect the dots between community banks and how they help their local customers and communities thrive.

Think of Go Local in terms of the farmer's market movement. Does an apple taste better from a local farm or from one seven states away? We all know that answer, and community banking is the same. It's much sweeter to know your banker and know where your money is going. Is it going to fund big-box businesses seven states away, or is it going to a local entrepreneur who wants to open up a business on Main Street? We all know where we stand.

I encourage you and your customers to spread the Go Local community bank message, if you aren't already. Make "local" part of your narrative. Local matters. Community banks matter. We are different. It's times like these when we need to communicate and explain just a little more.

Consumers are listening and they want alternatives to the bad-news banks. Let's give them a ray of hope in the banking world. Let's give them community banks.

Rebeca Romero Rainey is chairman and CEO of Centinel Bank of Taos, in Taos, N.M. Follow her on Twitter at [@romerorainey](https://twitter.com/romerorainey).

BND is an agile partner that creates financial solutions for current and emerging economic needs.

Your Direct Line Monthly Conference Call

Join us Tuesday, December 20 from 11-11:30 a.m. CT for an Economic Update with Al Weisbeck, Bank of North Dakota.

Call-in number: 1.877.860.3058 **Participant passcode:** 900234

Are you on our Your Direct Line call email list? bnd.nd.gov/signup



LEADING THE WAY IN BRANCH TRANSFORMATION

Improve Efficiency ■ Increase Profitability ■ Reduce Costs



DIEBOLD 9900
In-Lobby Teller Terminal
Fast, Flexible and Smart



GLORY QuickChange
Fully-Automated, Self-Service
Coin Deposit



GLORY Intelligent Recycler
Increase Efficiency, Profitability
& Reduce Costs



Your Branch Transformation Partner
Toll Free: 888-890-6661
bankersequipment.com



Portfolio Management

Jim Reber and Arne Monson



Push and Pull

Two-sided SBA market doubles your chance for success

Rufus Thomas, the late R&B impresario whose hit list included “The Funky Chicken” and “Walking the Dog,” was not known to be a market maker of Small Business Administration (SBA) 7(a) loans. It’s ironic, then, that he was talking about the two-sided benefits of both lending and investing in these products when he released his 1970 hit “Push and Pull.”

Hundreds of community banks have learned that this strategy can satisfy several needs on their balance sheets and income statements. The loan department makes quality loans, which are usually 75 percent guaranteed by the federal government, in many cases to borrowers that are outside the community bank’s traditional lending grid. The investment portfolio manager buys zero percent risk-weighted assets that are true floating rate instruments backed by these loans, at yields that far exceed other money-market alternatives. As Rufus himself might have said, “Let’s boogie!”

Hit it

The 7(a) program has grown exponentially in the last four years as the economy has expanded and borrowers have improved their own balance sheets. In Fiscal Year 2017 the SBA estimates that there will be requests for \$29 billion in guarantees, up from \$17 billion in 2013.

The growth in the program has had no impact on the national debt. The 7(a) program is “zero subsidy,” meaning that the fees charged the borrowers cover the costs of administration. That is a major reason the government has gradually approved larger appropriations. Of course, supporting private enterprise has been a hallmark of community banking for generations.

These loans are almost all floating rate tied to the prime rate. Borrowers’ rates can range from 1.00% to 2.75 percent over prime, and loan terms will vary based on use of proceeds. Working capital credits can be seven- to ten-year terms, while real estate-backed loans can be as long as 25 years.

About half of these loans are sold into a lucrative secondary market. The lender/seller is required to retain servicing (with a 1.00 percent servicing fee), as well as the full unguaranteed portion. The sale of the loan is not visible to the small business owner since monthly payments continue to be made to the originating community bank.

Pick up the beat

The sale of the loans is really just a step in the procession. The reason a community bank is able to sell its guarantees at 10 percent premiums and higher is that there are ready buyers of the securities collateralized by

these small business loans. A consortium of poolers buys the loans and aggregates them into groups of homogenous maturities, then issues Guaranteed Loan Pool Certificates (GLPCs) backed by the U. S. government.

GLPCs have some obvious and tangible benefits for community bank bond portfolios. As mentioned they’re floating rate, so the risk metric known as “effective duration” is very short. These securities are fairly liquid and pledgeable. They have monthly principal and interest cash flow which further helps manage interest rate risk. Finally, the yields for these have been near that of a three-year Treasury note, in spite of their (usually) quarterly reset window.

Big finish

Let’s walk our way through an example. Currently, 10-year prime plus 2.00 percent loans can be sold to a pooler at a price of about 108.50. You, the lender/seller, would keep the 25 percent unguaranteed portion, and you would retain 1.00 percent of the guaranteed balance as servicing income. (Longer loans and those with higher note rates will have higher prices.) The premium represents gain recognized immediately on sale date.

Once an aggregator has accumulated enough 10-year loans to issue a security, it will do so at a price of about 109.00. (SBA requires a pool to have at least 4 loans and a face of at least \$1 million, although most securities have a multiple of both.) The investor assumes one major risk: that the loans behind the pool prepay sooner than expected. This is why it’s vitally important for the buyer to examine detailed loan listings made available by the pooler, which is effectively the DNA. Generally, these investments will produce a yield that is about 100 basis points (1.00 percent) above the effective fed funds rate.

Seeking participants

This column barely scratches the surface of this subject. It is significant, though, that the number and dollar amount of 7(a) loans being made, and the number of community banks that own GLPCs, have skyrocketed in the last decade. That is argument enough of the benefits seen by the thousands of participants in the push and pull of this two-way market.

* * * * *

Jim Reber is president and CEO of ICBA Securities, an institutional fixed income broker/dealer and can be reached at 800-422-6442 or jreber@icbasecurities.com.

Arne Monson is president and CEO of Holtmeyer and Monson, the ICBA’s endorsed lender service provider and can be reached at 800-340-7304 or amonson@holtandmon.com.

Call me at
701.371.3355

Gary Keller

Based in Fargo, ND,
serving North Dakota,
Minnesota, Iowa and Colorado.

Bell Bank

Why choose Bell as your bank's lending partner?

As your partner, we won't directly compete with you, and we won't re-participate your credit – so you can maintain your valued relationships with your customers.

Together, let's make it happen.

- Commercial & ag participation loans
- Bank stock & ownership loans
- Bank building financing
- Business & personal loans for bankers



bellbanks.com | Member FDIC



13982-V1

Sponsorship Opportunities

Independent Community Banks of North Dakota is currently looking for sponsors for our various seminars, and programs being held in 2017 as well as our annual convention.

Sponsorships for these programs would cover expenses such as food, hotel, travel, speakers, and more. Recognition will be given to those sponsoring the event, along with the opportunity to address the attendees & distribute company information!

Opportunities for Sponsorship include:

- ⇒ Emerging Leaders Development Program
- ⇒ Community Bankers for Compliance Program
- ⇒ School of Agricultural Lending
- ⇒ Certified Frontline Seminars
- ⇒ Women in Community Banking Summit
- ⇒ Commercial Credit Decision-Credit Analysis
- ⇒ Lenders Comprehensive Guide to Mortgage Loan Compliance
- ⇒ IT/Cyber Security Workshop
- ⇒ ICBND 2017 50th Annual Convention and events
- ..And Much More!!

For more information on how you can become a sponsor please contact us at:

info@icbnd.com

+

701-258-7121

+

www.icbnd.com

**The
TITLE COMPANY**

**35 4TH STREET NORTH
FARGO, ND 58102
(701) 241-9282**



COMMUNITY BANK ROLE IN WASHINGTON TRANSITION MAKES HEADLINES

The impact of the new presidential administration and incoming Congress on community banks is making news, with industry advocates continuing the push for regulatory relief.

[The New York Times](#) reported that the 2016 elections position the community banking industry to advance regulatory relief. Quoting ICBA community bankers Rusty Cloutier, Tim Zimmerman and Scott McComb, the article notes that the industry's push to reform the Consumer Financial Protection Bureau and roll back Durbin Amendment price controls on debit card interchange fees will gain new life in 2017.

A separate [Morning Consult](#) article cites ICBA's support for raising the \$50 billion asset threshold determining which banks are deemed systemically important financial institutions. In the article, ICBA's Paul Merski notes there is bipartisan support for an increase, which is a provision in ICBA's [Plan for Prosperity](#) regulatory relief platform.



Consider YOUR NEEDS MET

SHAZAM is a financial services company offering you choice and flexibility to use the products and services that meet your needs, help you stay in control of your future and allow you to compete in the market. From debit cards to core processing to marketing services and more, **we deliver.**

Call SHAZAM today.

Delivering Unlimited Possibilities
855-314-1212 | shazam.net | @SHAZAMNetwork



PLAINTIFFS' LAW FIRM AGAIN TARGETING COMMUNITY BANKS

By Peter Weinstock and John Gerhart

HUNTON & WILLIAMS LLP

A Pittsburgh law firm has recently trained its sights again on community banks. This same law firm previously filed a number of class-action lawsuits against community banks: first, for alleged violations of the ATM fee-disclosure requirements in the Electronic Funds Transfer Act and, more recently, for alleged violations of the Americans with Disabilities Act (ADA) with regard to ATM-accessibility by disabled customers. In its latest attack on community banks, the law firm is sending demand letters to banks threatening litigation over the banks' websites. The law firm contends the banks' websites do not comply with the ADA because they allegedly are not accessible by disabled patrons.

ADA website-accessibility standards have not been issued by the federal government. In 2010, the US Department of Justice (DOJ) announced that was considering issuing regulations applying the ADA to websites. Originally, it was expected that DOJ would issue website-accessibility standards for places of public accommodation by the spring of 2014, but the DOJ has now delayed issuing those regulations until 2018.

Many have anticipated that ADA website-accessibility rules, if and when they are issued, will resemble the standards set forth in the Web Content Accessibility Guidelines (WCAG), which are promulgated by the Web Accessibility Initiative (WAI) of the World Wide Web Consortium. As described by the DOJ, the "WAI has created recognized voluntary international guidelines for Web accessibility" which "detail how to make Web content accessible to individuals with disabilities."

The fact that there are no ADA rules and regulations currently governing website accessibility, however, has not stopped aggressive plaintiffs' lawyers from filing lawsuits or threatening litigation based on allegedly inaccessible websites. Many of these lawsuits seize on technical violations and seek injunctive relief, damages under state public accommodations laws, and attorney's fees. These lawsuits first gained traction based on a federal court class action lawsuit filed in California against Target Corporation, where the court held that portions of Target's website had a "nexus" to physical stores and were covered by the ADA. Since that lawsuit settled in 2008, a number of retailers, banking institutions and hospitality providers have settled lawsuits or threatened lawsuits and brought their websites into compliance with the voluntary WAI guidelines.

The DOJ entered the fray by requiring, among other entities, a convenience store and gasoline retailer chain and a hotel and resort chain in consent decrees to initiate programs that will improve accessibility to their websites, which includes website modifications to comply with version 2.0 of the WAI guidelines. Both of these consent decrees arose from investigations into accessibility issues at their physical facilities —gasoline station parking lots and convenience stores, and hotel rooms. Nevertheless, during the course of the investigations, the DOJ found website-accessibility issues and ordered modifications. Under these consent decrees, for instance, the places of public accommodation were required to make certain changes to their websites, including some combinations of the following:

- Provide text alternatives for photographs, charts, graphics so they can be changed into usable formats, such as large print or Braille, for visually impaired users;
- Make videos accessible via text and sequencing;
- Minimize use of blinking and flashing;
- Provide documents in text-based, not image based, formats for ease of reading;
- Provide alternatives to time-based media;
- Provide a second static copy of page where auto-refresh or timed response required;
- Provide keyboard-accessible content;
- Provide a navigable site;
- Add a "Skip Navigation" link; and
- Provide screen reading software.

Despite the lack of formal ADA website-accessibility requirements from the DOJ, the combination of recent DOJ settlements and the DOJ's statements in its settlements and press releases make clear that the DOJ does not view its own inaction in promulgating regulations as an impediment to bringing enforcement actions against public accommodations with websites that are inaccessible to blind patrons. Moreover, given the combination of the DOJ's public endorsement of WCAG 2.0 standards, the DOJ's own enforcement actions and investigations, and the growing number of lawsuits and threatened lawsuits from plaintiffs' attorneys, we believe places of public accommodation should take a proactive look at website-accessibility issues and take steps to protect themselves in light of potential litigation — including possible class litigation — from private individuals and disabled advocacy groups. These efforts should include: (1) making sure that access to physical facilities is compliant with federal, state and local accessibility laws and codes; (2) reviewing the WAI's accessibility guidelines and assessing website compliance; and (3) having experienced accessibility defense counsel assist with advice to remediate problems and either preempt or, alternatively, respond to website accessibility demands and lawsuits quickly and efficiently.

Hunton & Williams attorneys have represented community banks, major retailers, restaurants and other businesses in lawsuits brought by this same law firm and other plaintiffs' firms for alleged violations of the ADA. We have successfully resolved many of these claims and believe that our strategies for the defense and resolution of these prior suits will be of value to our clients in dealing with this latest attack on community banks.

Peter Weinstock
pweinstock@hunton.com

John T. Gerhart, Jr.
jgerhart@hunton.com

M. Brett Burns
mbrettburns@hunton.com

Merry Christmas!



May all the sweet
magic
of Christmas
conspire
To gladden your
hearts
And fill every desire.

ICBND Staff
Barry, Wendy &
Nanci & ICBND
Board of Directors

HELPING LENDERS CREATE SMALL BUSINESS OPPORTUNITIES!

THE NORTH DAKOTA OPPORTUNITY FUND helps
small businesses and manufacturers leverage the financing you
provide to grow their businesses and create jobs. Call 701.667.7600
or go to lewisandclarkrdc.org to learn more about the NDOF.



NORTH DAKOTA
DEVELOPMENT FUND

Meet our
experienced
lending team,
ready to go to
work with you.



NDDevelopmentFund.com 701-328-5310



firstclasscorp.com

Our Expertise, Your Peace of Mind.



When you send mortgage applicants to First Class Mortgage, our team represents you. With over 80 years of combined experience, our experts work to find competitive mortgages that meet your borrowers' budgets, goals and timelines, whether they are refinancing or buying a new home.

Dan Van Winkle, Mortgage Consultant / Owner NMLS 8495
P 701-356-9898 TF 877-375-2016 dan@firstclasscorp.com

Have mortgage questions?

For questions on your bank's mortgage process or for more information, connect with Dan.

Locations in Fargo & Grand Forks, ND



CONVENTIONAL • FHA • USDA • VA

NMLS 2520



FED FINALIZES DIVIDEND CUT FOR BANKS OVER \$10B

The Federal Reserve Board issued a final rule formally adopting revised dividend rates for Federal Reserve institutions with more than \$10 billion in assets under the FAST Act transportation law. The final rule is the same as the interim final rule issued in February, which decreases the dividend rate for these institutions to the lesser of 6 percent or a floating dividend rate based on the 10-year Treasury rate.

Following dogged advocacy by ICBA, state community banking associations and the nation's community banks, the dividend rate for other member banks remains at 6 percent. ICBA continues to strongly oppose the reduction in Fed dividends, which sets a bad precedent despite the exemption for banks under \$10 billion.

The dividends are paid in exchange for Fed member banks paying in a required 3 percent of capital and holding an additional 3 percent that is subject to call. ICBA offers a summary and fact sheet on the community bank provisions of the FAST Act.



2017 EMERGING LEADERS



LEADERSHIP... NOT A POSITION, BUT A PROCESS.

DO YOU WANT TO BE:

- Progressive thinker
- Legislatively-informed
- Technology-smart
- Community-minded
- Bank-wide knowledgeable
- Informed about the difference between the financial industry players of today's world

Join Today!

If you answered yes to any of these questions, ICBND's **Emerging Leaders Development Program** can accomplish this for you! Join today!



Thank you for your support of the ICBPE.



*Look for a BIG change coming to the
ICB Purchasing Exchange in 2017!*

*Merry Christmas,
Jess and Lacey*





ON THE ATTACK

Brute force attack fraud attempts starting to reappear

Is the attack back? After a lull during the first half of 2016, the number of attempted brute force attack fraud cases is on the rise once again.

A brute force attack happens when a fraudster has a cardholder's information. They might have the card number, expiration date and PIN. Most of the information is gathered through phishing the cardholder for information to help perpetrate the attack.

But the fraudster is missing one key element: The three-digit CVV code on the back of the card.

The criminals then use a computer to generate fake card-present transactions, mostly in low dollar amounts. They use bogus retailer names and hope to guess the right CVV code.

Once a processor sends back an approval, they know they've got the right CVV code and they can manufacture a counterfeit card and get cash out of an ATM.

In 2016, the number of attempted brute force attacks SHAZAM detected on our own network nearly tripled in 10 months.

So, if this type of attack is back, it's time to brush up on some old, but helpful security habits.

First, make sure your processor is limiting the number of failed attempts for an invalid CVV. If an attacker is just guessing, a temporary block can give the processor and cardholder time to realize their information is at risk.

A second important component to that temporary block is an alert to the cardholder. A simple heads-up via cellphone or email can head off a brute force attack before the fraudsters get the information they're after.

But, what if the cardholder can't be reached right away to get the problem resolved? Can the fraudsters just count down the minutes until the expiration time and resume their criminal activity?

That's why there's the need for a third important component: An extension of the original temporary card block.

An extension of the block should remain in place until it's physically removed. Think of it as an additional preventative measure.

The good news about these attacks is, despite the uptick, none of them were successful here. That's because more monitoring is being done to protect the cardholder from these criminals.

One thing is for certain, the brute force attack trend comes and goes. A layered approach to security safeguards can ensure that, even when an old attack comes back, you're ready.

By Liz Little

Fraud Consultant II



For more than 15 years, Liz has researched fraud trends in the electronic funds transfer (EFT) industry and provided fraud prevention tips to SHAZAM participants.

As an expert in fraud, Liz writes informative and helpful fraud-related articles for Spotlight on Service (SHAZAM's operational newsletter), Fraud Watch (a section of SHAZAM Access with current fraud information) and other industry publications. Additionally, she's a liaison for distributing compromised card notices to financial institutions.

Liz previously worked for The Members Group, gaining valuable industry experience as a customer service representative, a chargeback representative specializing in fraud-related disputes and a project manager. In her role as project manager, she implemented the organization's FICO® Falcon® Fraud Manager program.

Liz currently resides in Urbandale, Iowa, with her husband, Jim.

About SHAZAM

The SHAZAM Network, founded in 1976, is a national member-owned and -controlled financial services and payments processing company. SHAZAM provides choice and flexibility to community financial institutions throughout the U.S. SHAZAM is a single-source provider of the following services: debit card, core, fraud, ATM, merchant, marketing, training, risk and automated clearing house (ACH). To learn more, visit shazam.net and follow @SHAZAMNetwork.



Bill Credits, Discounts
and Device Deals



**The season
for saving.**

New promotions now available to you!
Contact Lacey or Jess for more information
701-258-8748



"It's beginning to look a lot like Christmas."



COMMUNITY BANK NET INCOME RISES IN THIRD QUARTER

Community banks reported an 11.8 percent increase in net income in the third quarter from the same time last year, the FDIC reported in its latest Quarterly Banking Profile.

The 5,521 institutions identified as community banks reported total loan and lease balances rose \$31.1 billion during the quarter and \$127.6 billion over the past year. Net operating revenue increased 8.5 percent to \$23 billion, while higher loan-loss provisions and noninterest expenses also rose.

Overall, insured banks and thrifts reported an increase in aggregate net income of \$45.6 billion (12.9 percent) since the third quarter of 2015. The increase was mainly attributable to a 9.2 percent increase in net interest income and a 1.9 percent rise in noninterest income.

Of the 5,980 reporting insured institutions, 60.8 percent reported year-over-year earnings growth. The proportion of banks that were unprofitable in the third quarter fell to 4.6 percent from 5.2 percent last year, the lowest percentage since the third quarter of 1997.

The number of banks on the FDIC's Problem List fell from 147 to 132 during the third quarter, the smallest number in more than seven years and down significantly from the peak of 888 in the first quarter of 2011. The Deposit Insurance Fund's Reserve Ratio increased \$2.8 billion during the third quarter to 1.18 percent. Because the reserve ratio surpassed 1.15 percent on June 30, lower regular FDIC assessment rates went into effect in the third quarter. [Read Community Banking Data.](#) [Read More from FDIC.](#)



OFFICE OF ATTORNEY GENERAL

Attorney General Wayne Stenehjem issued a Cease and Desist Order, banning Krystle Lester and her business Elite Supplies, of Anaheim, California, from doing business in the state due to alleged violations of the consumer fraud law and refusal to cooperate with the Attorney General's investigation.

Krystle Lester, doing business as Elite Supplies, is believed to be engaged in a so-called "invoice scam" or "toner pirate scheme" designed to deceive businesses into overpaying for copier toner that they never ordered or received. As part of a scheme to collect money, Lester sends unsolicited invoices to business requesting payment for toner that the business has never ordered or received. The Attorney General has received complaints indicating that Lester has specifically targeted libraries in the state. However, there is reason to believe that she may also have been targeting care facilities, professional offices, and other businesses across the state.

After receiving complaints against Lester, investigators from the Consumer Protection Division made contact with Lester, who, after vague promises to cooperate and provide information, responded by informing investigators that she had simply deleted all records pertaining to the North Dakota businesses that had filed complaints. Lester subsequently refused to cooperate with the Attorney General's investigation.

Stenehjem notes that any business in the state may be targeted by "toner pirate schemes" or other "office supply scams." The variations on this scam involve a phone call from someone claiming to be the business' regular supplier or an "authorized reseller" and asking for information about the company's equipment, names of purchasing personnel, or types of office supplies normally ordered," said Stenehjem. "Once the scammer obtains this information, it then proceeds to send an invoice for supplies, which looks legitimate and includes information the scammer obtained from the business. These unsolicited invoices may also be sent out without an initial phone call."

No business is safe from this scam. However, according to Parrell Grossman, director of the Consumer Protection Division, there are steps a business may take to protect itself against this type of scams. "Designate a specific individual responsible for ordering office supplies, train all employees who answer the phone to not give out equipment information, like make, model or serial number, over the phone, and to refer all sales people to the appropriate person or department, do business with known companies or ask for references, use written purchase orders and instruct suppliers to put purchase order number on the invoice, and do not pay a bill unless it matches your purchase orders and goods or services received," Grossman said. Any suspicious incidents should be reported to the Attorney General's Consumer Protection Division at 1-800-472-2600 or 1-701-328-3404.



HELPING LENDERS MAKE HOME OWNERSHIP DREAMS COME TRUE!

THE DREAM FUND can help your customers bridge gaps in their lending eligibility. Call **701.667.7600** or go to **communityworksnd.org** to get more information about our single-family home financing program – now available statewide!

NMLS# 177084  



COMMUNITYWORKS
NORTH DAKOTA

OFFICE OF ATTORNEY GENERAL

Attorney General Wayne Stenehjem warns North Dakota residents that the "jury duty" scam is once again circulating in the state.

In this scam, the scam artist calls pretending to be a law enforcement officer, claims the resident has missed jury duty, and threatens to have the person arrested unless they pay a fine immediately.

In some variations of the scam, the supposed officer instructs the consumer to buy prepaid cash cards or gift cards and then read off the numbers from the back of those cards; in other variations, the scam artists offer a "discount" on the supposed fine if the consumer sends cash via overnight delivery.

Stenehjem reminds residents:

- No court will ever make calls threatening to arrest someone for having missed jury duty; and
- No legitimate government official or law enforcement officer will ever demand that you mail cash, wire money, or buy prepaid cards to pay fines and fees.

There is no need to report having received one of these calls.



November 1, 2016 kicked off the Health Insurance Marketplace open enrollment season!

Social Security is with people through life's journey. This includes spreading awareness about the Health Insurance Marketplace at HealthCare.gov. [Twenty million Americans](#) have gained healthcare coverage through the marketplace. Today the uninsured rate is the lowest it has been in history.

Open enrollment for 2017 coverage runs from **November 1, 2016** through **January 31, 2017**. To start the New Year with coverage you must enroll by **December 15, 2016**.

During open enrollment this year, the U.S. Department of Health and Human Services expects [over 13 million](#) people to secure a health plan through the marketplace. Most of those who already have a plan are satisfied with their coverage overall — with over 60 percent of enrollees describing their coverage as [good, very good, or excellent](#). However, many eligible people continue to remain uninsured. Please help us make certain that everyone who may qualify for coverage knows about their options!

Social Security is securing today and tomorrow for millions, and we welcome opportunities to talk about our programs. If you would like to explore having a Social Security representative speak at your event, please submit a request through our [speaker page](#) or contact Diandra Taylor at Diandra.Taylor@ssa.gov.

Thank you for helping us spread the word about the upcoming open enrollment period for the Health Insurance Marketplace and Social Security. We appreciate your support!



COURT BLOCKS RULE EXPANDING OVERTIME PAY

A federal judge blocked an ICBA-opposed rule extending overtime pay to roughly 4.2 million additional workers. The [ruling](#) from Judge Amos Mazzant in the Eastern District of Texas delays implementation of a regulation scheduled to take effect on Thursday, Dec. 1.

While the judge's preliminary injunction is temporary, it signals support for a legal challenge brought by 21 state attorneys general and a coalition of business groups to overturn the Labor Department rule. The rule increases the salary tests used to exempt employees from overtime pay and permanently indexes the thresholds for inflation.

ICBA has repeatedly expressed its opposition to the rule, [citing concerns](#) with the impact on employee benefits and hiring. In a September 2015 [joint comment letter](#), ICBA and a coalition of other financial trade groups said the plan is excessively burdensome to employers in regions with relatively low costs of living and salary rates. ICBA has since led community bank grassroots support for House and Senate [legislation](#) to effectively nullify the rule.





Check Your Tap Water for Chromium-6

Live Well, Work Well

Health and Wellness tips for your work, home and life
brought to you by ND BANKS Benefit Trust.

A recent report from the Environmental Working Group (EWG), a nonprofit research organization, revealed that there are higher-than-recommended levels of chromium-6 in the tap water being supplied to two-thirds of all Americans. EWG published an interactive map which lists their water testing results on a county-by-county basis.

Chromium-6 is a cancer-causing chemical that occurs naturally in the environment and can be produced in high quantities by industrial projects. In addition to being a known carcinogen, chromium-6 can also cause burns, pneumonia and complications during childbirth.

If you live in an area that has high levels of chromium-6, consider purchasing a filter to remove the chemical from your water. The following are the most common filters used:

- **Ion exchange water treatment units**—These units are effective in removing chromium-6. However, they need to be monitored, maintained and replaced fairly frequently.
- **Reverse osmosis filters**—These filters are often more affordable and practical for residential use and are easier to find at local stores. However, they use much more energy, and you must dispose of the filtered materials.

If you aren't sure what filter is best for you, visit <http://www.ewg.org/research/ewgs-water-filter-buying-guide> for further guidance. ■

Choosing Medications Wisely

The rising cost of prescription and specialty medications is alarming. The most recent example of how expensive these types of medications can be is the price hike of the life-saving EpiPen, which now costs more than \$600 for one pack of two EpiPens. If you take prescription medication, using the following strategies can help you become a wiser health care consumer and save you money:

- **Shop around**—Drug prices are not the same at every pharmacy. You may be able to save money by shopping around.
- **Ask about drug substitution**—When your doctor prescribes a drug, ask if a cheaper alternative is available or if an over-the-counter drug will work just as well.
- **Consider using a generic version of your prescription drug**—Generic medications work just as well as brand-name drugs and can cost up to 80 percent less.
- **Look into discount card programs**—Some drugstore chains offer discount prescription cards that provide additional discounts on your prescriptions for a small monthly or annual fee. ■

Important Updates: 2016 Flu Vaccine

As the 2016-2017 flu season approaches, now is a great time to get vaccinated against the flu.

The U.S. Centers for Disease Control and Prevention (CDC) recommends that everyone 6 months of age and older get a flu vaccine.

Unlike their recommendations during past flu seasons, the CDC and the American Academy of Pediatrics (AAP) are not recommending the nasal spray vaccine, FluMist, for the 2016-2017 season due to concerns over its effectiveness, especially in children. The CDC and AAP are now only recommending the injectable flu vaccine.

Some flu shots protect against three flu viruses while others protect against four viruses. Consult your physician to determine which shot is best for you. If you don't have a regular doctor, you can get a flu vaccine at a local health department, pharmacy or urgent care clinic.

Getting an annual flu vaccine is the first and, arguably, the best way to protect your family during the flu season. For more information on the 2016-2017 vaccine, visit <http://www.cdc.gov/flu/protect/vaccine/index.htm>.

Effectiveness of Flu Vaccines

FluMist Nasal Vaccine



Injectable Flu Vaccine



ND BANKS
BENEFIT TRUST

Contact Angi Day at (701) 223-5303 or
angi@ndba.com for more information on

ND BANKS Benefit Trust.

(Article provided by Zywave
Broker Briefcase)

Apple Crisp

Ingredients

- 4 medium-sized apples
- ¼ cup quick-cooking oatmeal
- ¼ cup flour
- ½ cup brown sugar
- 1 Tbsp. cinnamon
- ¼ cup margarine, cut into small pieces

Preparation

1. Preheat the oven to 350 degrees. Grease the bottom and sides of an 8-by-8-inch pan.
2. Core and slice the apples. Spread the sliced apples on the bottom of the prepared pan.
3. In a medium-sized bowl, combine the oatmeal, flour, brown sugar and cinnamon.
4. Using a knife, cut the margarine into the mixture until it looks like small crumbs.
5. Sprinkle the crumb mixture over the apples.
6. Bake in the oven for 20-30 minutes until the apples are tender and bubbly. Serve warm.

Makes: 8 servings.

Nutritional Information (per serving)

Total Calories	170
Total Fat	6 g
Protein	1 g
Carbohydrates	28 g
Dietary Fiber	2 g
Saturated Fat	2 g
Sodium	50 mg



Ransomware Threatens Us All

by Tyler Leet

Get Our 6 Tips for Protecting Against Cybersecurity's Biggest 2016 Story

While the Zika virus has garnered serious press this year, another plague is sweeping the country, but getting far less media attention outside of cybersecurity circles. However, FBI Director James Comey warns that this very real threat—ransomware—is “spreading like a virus.” As it does, it has become one of the biggest cybersecurity threats of 2016. And it’s time to bring this tech story into daylight, because ransomware threatens us all.

Ransomware Uses Social Engineering Methods to Manipulate and Infiltrate

Most common criminals prefer simplicity—the easy grab-and-go heist—because less time, money and risk are required, increasing the return on their larcenous efforts. If it’s a choice between stealing a car with the keys in the ignition or a locked car, it’s a no brainer; the smart thief always chooses the former.

Cyber criminals are no different, even though they operate in the digital, versus the physical, world. They seek the path of least resistance, and [social engineering](#) provides them exactly that. This attack methodology, which preys on the essential human instinct to trust and be helpful, has been a key tool in the cybercriminal arsenal since the 80s and 90s, but over the last few years, it has taken a very nasty and dangerous turn with the introduction of ransomware.

Ransomware at Work

Similar to ordinary phishing attempts, a ransomware attack often starts with a legitimate-looking email that actually is from a nefarious actor. It can contain a hyperlink that leads to a hijacked or malicious website, but more commonly today, it includes an attachment, like a Word or Excel document, which contains a macro built with malicious intent. Clicking on the malicious link—or opening the document and allowing the macros to run—installs malware that encrypts all data on the recipient’s computer as well as on any network data to which it has access. The legitimate end user, and possibly the entire organization, is locked out. The hacker holds that data and network captive until a ransom is paid.

The Danger Increases

In April, the [FBI warned](#) that, “Ransomware attacks are not only proliferating, they’re becoming more sophisticated. Several years ago, ransomware was normally delivered through spam emails, but because email systems got better at filtering out spam, cyber criminals turned to spear phishing emails targeting specific individuals.” Cyber criminals scan social media and other public sites looking for information to help them choose their targets, typically people in key roles within organizations. The result is an email that appears legitimate (i.e., from someone in accounts payable or sales) and a document that needs attention by the recipient (i.e., an invoice or a customer request).

The High Cost of this Hacking Methodology

Based on FBI reports, [CNN Money](#) published the cost of ransomware for first quarter 2016. “Cyber criminals collected \$209 million in the first three months of 2016 by extorting businesses and institutions to unlock computer servers.” On its own website, the FBI indicated that “if the first three months of this year are any indication, the number of ransomware incidents—and the ensuing damage they cause—will grow even more in 2016 if individuals and organizations don’t prepare for these attacks in advance.”

The Damage Can Be Devastating

The FBI describes the catastrophic impact of these attacks, including “the loss of sensitive or proprietary information, the disruption to regular operations, financial losses incurred to restore systems and files, and the potential harm to an organization’s reputation.” In his [speech to the International Cyber Security Conference](#), Director Comey characterized hackers’ intentions: “What they’re after is obvious: information and access and advantage and money. Increasingly we are worried not just about the theft of data but the corruption of data, and the denial of access to our own data in cases like Sony.”

The Rate of Attack Is Exploding

Since 2005, more than 7,700 ransomware complaints have been submitted to the Internet Crime Complaint Center (IC3), yet the 2,453 complaints it received in 2015 alone account for almost one-third of that 10-year total. This ransomware explosion is occurring because cyber criminals figured out they could monetize their social engineering attacks, thereby enriching themselves in the act of paralyzing their victims.

Multiple Layers of Security Provide Best Inoculation

For most viruses, there’s a way to protect yourself, and the same holds true for ransomware. There are ways to protect your institution from falling victim to an attack, as well as ensuring it can recover from an attack without catastrophic consequences.

These six steps form the basis of that antidote:

- **Educate Your Employees**

In the current environment, once-a-year cybersecurity training is not enough. Institutions must conduct ongoing awareness campaigns that continually educate their employees about cyber-criminal behaviors, motivations, methodologies and trends. In addition, these campaigns should reinforce your policies and procedures, including actions employees should take to prevent their inadvertently becoming a victim of ransomware or any other type of malware.

- **Disable Macro Scripts from Microsoft Office Files**

Don’t open the email or click the link if you don’t know the sender used to be the mantra. That is no longer adequate, as the “sender” can appear to be a known individual, and it isn’t just a link to avoid; it’s a tempting document to open. Remind your employees that if they do try to open such a document, they will likely see an “allow content” message, which enables the use of macro code, the medium used to inject the

ransomware. Beyond this employee education, institutions should take the enterprisewide step of disabling macro scripts from Microsoft Office files sent via email. In its own recent [awareness campaign](#), the FBI also recommends that organizations “implement software restriction locations (e.g., temporary folders supporting popular Internet browsers, compression/decompression programs).”

- **Closely Manage and Review All Privileges and Permissions**

In that same campaign, the FBI also advises appropriately configuring access controls, including file, directory and network share permissions. Routinely reviewing employee privileges and permissions will ensure they only have access to the systems or networks they absolutely need. This significantly limits the potential access points available to cyber criminals. So even if an employee receives and opens the link or document in a phishing email, his lack of access to the larger network prevents that email from extensively damaging your institution.

- **Back Up Data Daily**

In an article for [Bankinfo Security](#), Engin Kirda, a computer science professor at Northwestern University, says ransomware “is a very simple attack that’s simple to prevent if you have good backups.” The problem, he says, is that most organizations don’t perform backups often enough. Financial institutions cannot afford to be in that category. Conducting comprehensive daily backups is crucial to mitigating the impact of a successful ransomware attack. If your institution can recover all data minus one day from its backups, it can resume normal operations faster and likely avoid the need to consider paying any ransom.

- **Segment Your Network**

Just as investors diversify their portfolios to limit the risk from any one investment, financial institutions should segment their networks. Separating your network into distinct and specific zones is a cybersecurity best practice that helps protect against ransomware attacks. If a cyber attacker does gain access, proper network segmentation severely limits the ability of malware to proliferate beyond its initial entry point. Institutions also should take the necessary steps to ensure that their backups are secure and cannot be stricken by ransomware.

- **Invest in Social Engineering and Penetration Testing**

In addition to bolstering employee education, policies and procedures, and mitigating controls in the fight against ransomware, the [FFIEC](#) offers this advice, “Conduct an exercise at the financial institution that simulates a cyber attack involving destructive malware.” Investing in such [social engineering and penetration testing](#) can validate what you’re doing right as well as uncover vulnerabilities that threaten your institution, whether they stem from human or technical flaws.

Keep Your Institution out of the Headlines

Social engineering works because its victims make easy marks for cyber criminals. While that was a significant threat before ransomware, complete control of your data and systems is now at extreme risk. This is an institutional problem that requires the engagement of everyone in your institution. The goal is to make social engineering much more difficult, so cyber criminals move on to an easier target.

Tyler Leet is director of Risk and Compliance Services for CSI Regulatory Compliance, a role in which he oversees the development and maintenance of the risk and compliance-related services that are conducted for a wide variety of financial institutions and organizations in other vertical markets.



MEMBERSHIP
saves you money

We have partnered with NPP to bring you discount pricing on wireless service, travel, maintenance supplies and more.



[LEARN MORE >](#)



NORTH DAKOTA DEVELOPMENT FUND

Since 1991,
supporting
573 business
projects in 120
communities
and counting.



 NDDDevelopmentFund.com 701-328-5310



YOUR MEMBERS, FRIENDS AND FAMILY GET THE BEST DEALS

Cyber Week deals include triple and double discounts on Dell's best selling items.

OFFER GOOD NOV. 21 — DEC. 5, 2016

Order Online: www.dell.com/icba

Call: (800) 757-8422 – mention ICBA

ICBA Member ID# 141351622



Latitude 15 and OptiPlex 5040 featuring Intel® Core™ processors



Best wishes for a happy holiday season
and our sincere thanks for all you do
to help make North Dakota better





Social Security announced that monthly Social Security and Supplemental Security Income benefits for more than 65 million Americans will increase 0.3 percent in 2017. Visit our [blog](#) for details about the cost-of-living adjustment and other important news.

HELPING LENDERS FINANCE LONG-TERM FIXED ASSETS!

THE SBA 504 LOAN can be combined with bank financing to provide businesses 20-year fixed, low-rate loans for land, buildings, equipment and eligible closing costs. Call **701.667.7600** or go to lewisandclarkcdc.org for more information. Together, we can strengthen your business community.

2014 SBA DISTRICT DIRECTOR AWARD WINNER

LEWIS & CLARK
CERTIFIED DEVELOPMENT COMPANY



What 96% satisfaction* looks like

It's that feeling you have when you're cared for by advocates who are working on your behalf, whether online, on the phone or at a helpful local office.

THIS IS HEALTH CARE—North Dakota Style

*Based on April 2016 First Call Resolution and Member Satisfaction Survey



Blue Cross Blue Shield of North Dakota is an independent licensee of the Blue Cross & Blue Shield Association

Member Mutual Insurance Company

BCBSND.com/Satisfaction

Just a friendly reminder that if your bank has been the victim of any type of fraud please email the information to info@icbnd.com with as many details as you can so we may in turn alert our fellow community bankers around the state. It seems that there are more counterfeit bills, checks, and suspicious activity including robberies in our state at an increasing rate these days.

Please stay safe and help us to keep all our North Dakota Community banks, customers and employees safe by getting us your information to pass on to our members.





INDEPENDENT COMMUNITY
BANKERS of AMERICA®



ICBA Member Discounts for Personal and Professional Use



Order toll free: 800-757-8442

ICBA Member ID: 141351622

<http://www.dell.com/icba>

Dell has great 4th quarter deals designed to save you money on essential tools you use every day, with no-hassle and the convenience of shopping from your office, home or anywhere in-between. Double-down on specials now through the end of January 2017, and choose the time - or year - that's best for your budget.

Now is a great time to pass information to your staff and small business customers who are eligible for the same savings. Exclusive pricing and options are available for professional and personal needs.

Explore the offers listed below and be sure to enter the **ICBA Member ID: 141351622** when placing your order.

Current Exclusive Offers for ICBA Members (Offers Good Thru Jan. 28, 2017)	Coupon Code
Save an extra 10% off select OptiPlex/Latitude/XPS for business use	DOUBLEDISCOUNT
Save an extra 4% off select Inspiron Desktops & Laptops	DOUBLEINSPIRON
Save an extra 20% off select Precision Workstations \$899 and up	DOUBLEWORKSTATION
Save an extra 20% off select PowerEdge Servers	DOUBLESERVER
Save an extra 10% off select Dell PowerConnect Switches	DOUBLESWITCH
Save 25% on all E Series Dell Laser Printers	PRINT25OFF
Save an extra 5% off select Dell Electronics & Accessories	STACK5%

ICBA Member pricing is available for your professional needs, for your staff and their personal needs and to your bank customers.

Free Shipping and Easy Returns on Select PCs, Electronics and Accessories

ORDERING MADE EASY: ICBA MEMBER ID: 141351622

Online: www.dell.com/icba

Toll Free: (800) 757-8442

Rules and exclusions may apply to all offers. See www.dell.com/icba for additional information and offer details. Most coupons are valid through January 28, 2017 with the exception of E Series Dell Laser Printers and Dell Electronics and Accessories.



Reserve the ICBND Mobile ATM Trailer for 2017

YOUR
BANK
NAME
HERE*



Are you marking your 2017 calendar for special community events?

Will you need to borrow ICB Services Mobile ATM Trailer?

Be sure to call to reserve the portable ATM now!

Scheduled on a first come, first serve basis.

Also available when your bank-owned ATM is out of service or in the case of a disaster, i.e. Fire, Tornado or Flood. This ATM trailer comes equipped with Verizon Mobile Communication, Emergency Battery Operation, Wheel & Hitch Locks, Multiple Cameras and DVR, Heat and Air Conditioning.



There is no rental costs to the individual bank that borrows the trailer. Your bank will be responsible for the travel expenses associated with picking up and returning the trailer for storage as well as insuring the trailer when it is in your bank's possession. For more details and to check availability call:

Marilou Voegelé

ICB Services

701-258-8326 Email: marilouv@icbnd.com

RESERVE NOW



THE NATION'S — FIRST — BANKERS' BANK

First For Your Success

United Bankers' Bank is proud to be the nation's first and the upper Midwest's largest bankers' bank, covering 14 states and serving over 1,000 community banks from the Pacific Northwest to the Great Lakes. We can't wait to share our passion for community banking with you!

**For more information, contact your
North Dakota Calling Team:**

Pete Switenki
VP, Investments

952.885.9485

pete.switenki@ubb.com

Todd Holzwarth
VP, Correspondent Banking Officer

605.214.0957

todd.holzwarth@ubb.com



First for Your Success™
www.ubb.com • Member FDIC
800.752.8140

North Dakota Appraisers Association (NDAA)

After years of aspiration and multiple efforts, the North Dakota Appraisers Association (NOAA) has taken flight - becoming the central voice for the diverse real estate appraisal industry in ND!

On Monday, September 12, 2016, the 100+ members of the NOAA, elected their first ever slate of officers (4) and board of directors (5)! These dedicated volunteers, from all around ND - see below, are excited to serve as they move forward to accomplish the purposes of the NOAA:

To educate and communicate about legislative and regulatory issues with members of the appraisal profession or with any persons concerned with valuation of real property in North Dakota.

To support the improvement of the Uniform Standards of Professional Appraisal Practice (USPAP) and its effective enforcement by the North Dakota Real Estate Appraiser Qualifications and Ethics Board.

To foster and promote the appraisal profession to the general public through education, research, and publications.

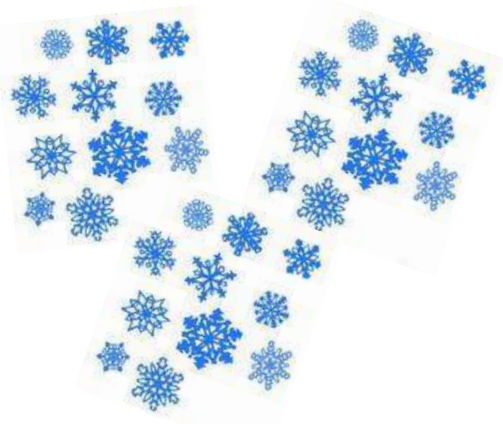
To raise the funds necessary to administer the activities of this nonprofit Corporation and to use such funds to carry out its purposes and objectives.

- To promote the public interest and to foster greater public trust and confidence in professional appraisal practice through non-partisan interaction with legislative bodies, government regulatory agencies, and other related organizations.
- To be an advocate for the appraisers and the appraisal profession to ensure that their interests, rights, and independence are protected.

The ND appraisal industry has long needed a unified organization like the NOAA to be their central voice - to inform, guide and educate, not only the real estate appraisers, but also the other professionals, legislators and consumers involved in the real estate business. The NOAA assists appraisers as we incorporate appraisal requirements and practices into our work and take on the appraisal challenges unique to ND. The NOAA will serve as a legitimate source of appraisal education and information and a beacon of professionalism for all involved in this critical profession. For more information about the NOAA, contact the Officers/Directors (listed below) or visit the website www.ndappraisers.org

Congratulations to the NDAA Officers & Directors for 2016-2017!

President: Bill Gion, Regent, ND 701-690-7633
President Elect: Dean Rylander, Minot, ND 701-626-2123
Secretary Treasurer: Rhonda Knudson, Harvey, ND 701-324-4799
Director: Beth Keller, Jamestown, ND 701-269-0377
Director: Kathy Berry, Moorhead, MN 218-236-5063
Director: Joe Ibach, Bismarck, ND 701-255-3181
Director: Wade Bachmeier, Bismarck, ND 701-400-4251
Director: Ross Berg, Valley City, ND 701-367-6655
Apptd Past Pres. Peggy Boettner, Grand Forks, ND 701-772-4700



SECURITIES

Come Grow Your Bank With Us.

CALCULATED MOVES, MINIMIZED RISK

ICBA Securities® brokers provide you with custom opportunities to fit your banks individual investment needs. Our team's primary focus is adding value by providing insight, analysis, and recommendations which are determined by our Performance Profile, a comprehensive study utilized by over 1,200 community banks. Our proprietary Risk Manager service can help identify your needs and determine which products and strategies will assist you in achieving optimum success to take your bank to the next level.

icbaSecurities.com



1.866.THE.ICBA



North Dakota Industrial Commission

The North Dakota Industrial Commission announced that the state's Housing Incentive Fund (HIF) has been fully capitalized for the biennium. The program relies on taxpayer support to provide low-cost financing to developers of affordable rental housing.

"We are very pleased with the success of the Housing Incentive Fund," said members of the Commission in a joint statement. "Through the program, almost 2,500 new housing units have been created statewide since 2011, helping to address the demand brought on by North Dakota's economic growth."

The Commission, consisting of Governor Jack Dalrymple as chairman, Agriculture Commissioner Doug Goehring and Attorney General Wayne Stenehjem, oversees North Dakota Housing Finance Agency (NDHFA), the program administrator.

The state legislature reauthorized HIF during the 2015 session approving a \$10 million transfer to the program from Bank of North Dakota profits and giving NDHFA \$30 million in tax credit authority to further capitalize HIF.

"We are thankful for the support of all of our contributors. It is only with their assistance that the Housing Incentive Fund is able to advance North Dakota's efforts to provide housing that's affordable for all of our residents," said Jolene Kline, NDHFA executive director.

NDHFA began accepting contributions on July 1, 2015. The agency had until Dec. 31, 2016, to secure all of the contributions needed. NDHFA declared the program fully capitalized on October 14, 2016.

A total of 340 contributions were received. A little over half of the monetary support, \$15.08 million, came from financial institutions. Businesses contributed \$12.27 million with the single-largest contribution being made by Tesoro Corporation at \$5.3 million. Individual taxpayers contributed \$2.66 million - their average being \$9,914. All of the contributors received dollar-for-dollar state income tax credits.

The development assistance provided through HIF this biennium will leverage \$196.4 million in construction costs to create 1,105 housing units. The projects are located in Beulah, Bismarck, Bowman, Devils Lake, Dickinson, Fargo, Grand Forks, Gwinner, Hazen, Killdeer, Mandan, Minot, New Rockford, Valley City, Watford City and Williston. More than one-third of the 30 projects

will provide housing for special needs households including disabled, homeless and elderly individuals and families.

"We look forward to seeing these developments through to completion, providing the housing our communities need for healthy growth and development," Kline said.

A self-supporting state agency, NDHFA finances the creation and rehabilitation of affordable housing across North Dakota.



**NORTH DAKOTA
GUARANTY
& TITLE CO.**

One Mission. One Name.

North Dakota Guaranty & Title Co. proudly announces the transition to one name for all eight North Dakota locations.

- North Dakota Guaranty & Title Co., Bismarck
- Dickinson Guaranty & Title Co., Dickinson
- Dunn County Guaranty & Title Co., Killdeer
- Mandan Guaranty & Title Co., Mandan
- McKenzie County Guaranty & Title Co., Watford City
- Minot Guaranty & Escrow Co., Minot
- Renville County Guaranty & Title Co., Mohall
- North Dakota Guaranty & Title Co., Williston

From one location to the next, NDGT offices share the same mission: to provide the best service in every market in which we participate. As always, one mission and – very soon – one name. Watch for signage changes at your local North Dakota Guaranty & Title Co. office.

thetitleteam.com | 701.223.6835

BISMARCK • DICKINSON • DUNN COUNTY • MANDAN • MINOT
RENNVILLE COUNTY • WATFORD CITY • WILLISTON • SIDNEY, MT

REACT • ESCAPE • SURVIVE

Preparing Your Institution & Staff for an Active-Shooter Incident

RECORDED WEBINAR
ONLY



VIDEO-ENHANCED WEBINAR



Former Secret Service Special Agent William Gage presents a webinar containing video simulations that include powerful, realistic demonstrations.

Active-shooter incidents have become more and more common. They seem to occur monthly. Your financial institution takes proactive measures to train staff for robberies, but very few businesses provide the training and tools for staff to survive an active-shooter situation.

WHEN DISASTER STRIKES

PREPARATION IS THE KEY



Studies show that **survivors** prepared in advance and learned what to do before, during, and after a critical incident. This video-enhanced program will show you how to prevent and proactively identify dangerous situations. It will provide a step-by-step action plan and teach employees how to **react, escape, and survive** an active-shooter incident.

PRESENTED BY



Preparing Your Institution & Staff for an Active- Shooter Incident

•REACT•
•ESCAPE•
•SURVIVE•

**When Seconds Count...
What's Your Plan?
Learn what to do during this
video-enhanced webinar!**

Register Now



*Merry Christmas from ICB Services.
Marilon, Angie and Bill*

BND is your direct line for current issues that impact banking in North Dakota.

Stay updated with Your Direct Line conference call, featuring the state's business and government leaders. The conference call is every third Tuesday of the month, from 11-11:30 a.m. CT.

Sign up for Your Direct Line and receive email notifications with BND updates and upcoming conference call information.

bnd.nd.gov/signup



40Under40 winners announced in current Prairie Business

We recognize our Member Bankers—all impressive people
making strides in their lives and careers!



GREG GOODMAN
Age: 39
Chief Credit Officer
Choice Financial Group
Langdon, ND



JASON JOHNSON
Age: 36
Controller
Bank of North Dakota
Bismarck, ND



DAVID MASON
Age: 35
Market President
First International Bank
& Trust
Bismarck, ND

PETER STENEHJEM
Age: 31
President
First International Bank
& Trust
Fargo, ND



SCOTT TSCHETTER
Age: 37
Vice President/Business Banker
Cornerstone Bank
Dickinson, ND

Congratulations

ICBND Members in the News

WESTERN STATE BANK



Jason Vadnie recently joined **Western State Bank** as a Credit Analyst in West Fargo. His duties include analyzing commercial credits, assessing collateral values and assisting with credit administration efforts.



credit administration.

Jonathan Granlund recently joined **Western State Bank** as a Credit Officer in West Fargo. His duties include analyzing financial statements, underwriting loan transactions and ensuring effective



outstanding customer service.

Molly Nyberg recently joined **Western State Bank** as a Customer Service Representative in Fargo. She will process customer teller transactions, assist the Retail Banking Department and overall demonstrate



customer service.

Michele Walter recently joined **Western State Bank** as a new Business Banking Assistant in West Fargo. Her duties will include preparing loan documents, file maintenance and providing excellent



demonstrate outstanding customer service.

Kashalyn McKinster recently joined **Western State Bank** as a Customer Service Representative in Fargo. She will process customer teller transactions, assist the Retail Banking Department and overall demonstrate outstanding customer service.



with customers to create and deliver an exceptional customer experience.

Sierra Doornbos recently joined **Western State Bank** as a Customer Service Representative in Devils Lake. Her duties include processing bank transactions, identifying customer needs and connecting

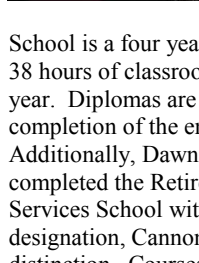
WESTERN EQUIPMENT FINANCE

Theresa Helland recently joined **Western Equipment Finance** as Customer Service Representative in Devils Lake, ND. Her duties include taking payments, calculating interest paid, address changes, running payoffs, providing payment histories and providing excellent customer service.



FIRST NATIONAL BANK & TRUST CO.

Dawn Hustad, Employee Benefits Officer, CRSP at **First National Bank & Trust Co. of Williston** was among twelve professionals who attended the Retirement Planning Services IV School offered by the Cannon Financial Institute (CFI). CFI's



School is a four year school, consisting of 38 hours of classroom instruction each year. Diplomas are awarded upon completion of the entire sequence. Additionally, Dawn successfully completed the Retirement Planning Services School with the Honor Graduate designation, Cannon's highest academic distinction. Courses attended were at Boston University, Pepperdine University and the University of Notre Dame.

First National Bank & Trust Company is very proud of Dawn and her high achievement. Her accomplishment ensures her many clients will benefit greatly with the growth of her knowledge and expertise.

BANK OF NORTH DAKOTA



Jason Anderson has been promoted to Technical Support Manager in Information Technology at **BND**. Anderson began his career at BND in 2010, with his most recent role as Integration Team Lead and Enterprise Application Support.



Isabel Abreu joined **BND** as a Bank Operations Processing Technician.

U.S. SMALL BUSINESS ADMINISTRATION



community lenders on how to best utilize SBA loan products. She will also help area small businesses assess their capital needs and prepare to meet with their local lender.

Deb Kantrud has been selected as the Lender Relations Specialist for the **North Dakota District Office of the U.S. Small Business Administration (SBA)** in Fargo. In this position, Kantrud will be responsible for coaching North Dakota

CHOICE FINANCIAL



Joseph Demester recently joined **Choice Financial** as a Frontline Customer Service Representative.

ICBND Members in the News

FIRST INTERNATIONAL BANK & TRUST



Jason Schneider was promoted to President. Jason joined **FIB&T** in September of 2010 as the Senior Ag Loan Officer in our Harvey office. He was promoted to the Harvey Office Manager in September of 2013.



Sean Elsner was promoted to the Moorhead Office Manager position. Sean began his career with **FIB&T** in May of 2010 as a Manager Trainee. Sean completed the program in 2012 and has been working as a

Commercial Loan Officer out of the Fargo South office.



Cal Perleberg was promoted to AVP. Cal joined **FIB&T** in 2014 as a Wealth Management Officer. He presently works out of the Fargo South office.



Ross Perleberg was promoted to Officer. Ross joined **FIB&T** in 2015 as a Trust Associate. He presently works out of the Fargo SW office.

AMERICAN STATE BANK & TRUST CO.

An **Employee Recognition Open House** was held on September 13 to honor twelve employees of **American State Bank & Trust Company of Williston**, who have been with the bank for 25 years or more. These twelve combined for more than 400 years of service. Chairman of the Board Pat Sogard said, "It was a privilege to honor this group of people who have dedicated their banking careers to the customers of American State Bank and

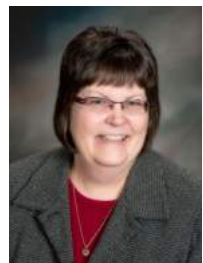
Trust and to the community of Williston." ASB&T President/CEO Dave Hanson added, "The expertise and stability of these co-workers has shaped the culture of the bank and we look forward to their continued contributions to our team."



Lyjean Smith,
Customer Service
Representative, 41 years



Medrein Sandvold,
Asst. Vice President &
Electronic Banking/
Bookkeeping/Card
Services/Safe Deposit
Manager, 40 years



Vicki Kjellerson, Asst.
Vice President &
Deposit Operations
Manager, 38 years



Laurie Pederson, Vice
President & Trust
Department Manager, 37
years



Rick Braaten,
Executive Vice
President & Chief
Lending Officer, 37
years



Barb Jensen,
Bookkeeping
Department, 36 years



Linda Peterson,
Collections
Administrator, 35 years



Marri Hammer,
Customer Service
Representative, 34 years



Mary Jo Oster, Asst.
Vice President & Real
Estate Loan Officer, 34
years



Mary Froelich,
Consumer Loan Officer
& Adjuster, 28 years



Joni Sternberger,
Accounting and CRA
Officer, 26 years



Bob Rude, Ag Loan
Officer, 26 years

ICBND Members in the News

WIDMER ROEL PC

Randy Heller, CPA, CGMA and **Mike Misheski**, CPA have been named partners at **Widmer Roel**, a public accounting and business advisory firm, with offices in Fargo, Bismarck and Hazen, North Dakota.



Heller is a member of several professional organizations, including the American Institute of Certified Public Accountants, North Dakota Society of Certified Public Accountants, Red River Valley Estate Planning Council and the Fargo - Moorhead AM Rotary Club.

Randy has been with Widmer Roel since 2004 and has over 17 years of experience. He will continue to provide tax and accounting services to a wide range of clients.



Misheski is a member of a number of professional organizations, including the American Institute of Certified Public Accountants, North Dakota Society of Certified Public Accountants, National Society of Accountants for Cooperatives and the North Dakota Grain Dealers

Association.

Mike has been with Widmer Roel since 2011 and has over 13 years of experience. He will continue to provide accounting, tax and consulting services to a wide range of agribusiness and construction industry clients.

HTG ARCHITECTS

HTG Architects has announced that Architect **Katie Vasbinder** has joined the HTG team in the Bismarck, ND office. She joins **Kim Duursma**, Business Development Manager, as they grow the Bismarck market. HTG continues to experience rapid growth in the area, with numerous financial projects underway and scheduled.



Kim manages our Business Development for the North and South Dakota regions. She brings a vitality, professionalism, warmth, excellent service and advocacy to her work with clients and HTG Architects. As a native of North Dakota, she understands the

local business environment and culture along with the individuals in the area. Kim's primary focus is to build relationships with new and existing clients and to build awareness about HTG Architects unique process among prospective clients. Prior to joining HTG Architects, Kim spent 7 years negotiating land transactions for multiple oil companies.



Katie is a licensed architect and a member of the National Council of Architectural Registration Boards and the American Institute of Architects. She has been practicing architecture and design for over 10 years throughout the Midwest. Her previous design work includes a

large range of projects from the Bismarck State College Student Union Expansion and the Bismarck Public Schools Career Academy to smaller, more intimate projects, like single family home additions and remodels.

BELL BANK



Paula Swanson, VP/Financial Advisor with **Bell Investments**, located at **Bell Bank** in Fargo, has achieved the Certified Retirement Counselor® designation. This accredited designation helps financial advisors focus on the mass affluent market and expand their

knowledge of retirement planning, investments, retirement plan design and retirement income planning. Paula has been with Bell Investments since 2012 and has worked in the financial services industry for 14 years.

WESTERN STATE BANK

WESTERN STATE BANK DONATES TO THE WEST FARGO PACKER BACKERS

Western State Bank recently made a \$1,830 contribution to the **West Fargo Packer Backer Association**.

Western State Bank developed a program to give back to the Packer Backers throughout the school year. During the Packer Backer's varsity football season, Western donated \$10 for each point scored at regular season home games. The Packer Backers will use the donation for various school activities throughout the year.

"Western is always very proud to contribute to



the West Fargo Packer Backers. We love knowing that our donation is going to support numerous programs at the school that truly need the funds. As

Your Hometown Bank, we strive to help the organizations that are dedicated to making programs at schools better for the students and the community," said Mike Bannach, Market President.

WESTERN STATE BANK DONATES TO THE SHEYENNE MUSTANGS

Western State Bank recently made a \$1,480 contribution to the West Fargo Sheyenne Mustangs Booster Club. Western State Bank developed a program to give back to the Sheyenne Mustangs throughout the school year. During the Sheyenne Mustang's varsity football season, Western donated \$10 for each point scored by the Mustangs during regular season home games. The Sheyenne Mustangs will use the donation for various school activities throughout the year.

"As your Hometown Bank, we strive to help organizations better our community, especially our local schools. Western is proud to contribute to the West Fargo Sheyenne Mustang Boosters. We love knowing these funds will be used to support many students," said Mike Bannach, Market President.

Pictured with Mike Bannach, Market President at Western State Bank is Doug Wendel, Booster Club Vice President.



To have your employees featured in the *Member in the News* please send your articles and photos to info@icbnd.com

The Community Banker
Together We Prosper

BELL BANK

Bell Bank repeated its support of the state's Housing Incentive Fund in September, making its second \$1 million contribution to the program this biennium.

"We are pleased to support the Housing Incentive Fund and help make more affordable housing options available to North Dakotans," said Michael Solberg, president and CEO of Bell Bank. "Seniors and people with disabilities will be well served by these two projects, and Bell is proud to be a part of this effort."

Bell's most recent contribution was split between Homefield 2 Apartments, a Fargo development for individuals age 55 and older; and Prairie Pointe in Gwinner and Sunset Ridge II in Minot, family-friendly projects with accessible units.

"North Dakota Housing Finance Agency is charged with helping our state's communities in addressing their affordable housing needs," said Jolene Kline, the agency's executive director. "We are appreciative of the continued confidence displayed by Bell in our ability to get that job done."

HIF relies on taxpayer support to provide low-cost financing to developers of affordable rental housing. Contributors can target their contribution to a specific project or community. Individuals and businesses that make contributions receive a dollar-for-dollar state income tax credit. NDHFA administers the program.

Since HIF's inception in 2011, NDHFA has allocated more than \$89.6 million to 78 projects, leveraging over \$425 million in construction financing to support the development of 2,450 new apartments statewide. More information on the program is available online at www.ndhousingincentivefund.org or by contacting the agency at (800) 292-8621 or hfainfo@nd.gov.

Headquartered in Fargo, ND, Bell Bank has 20 full-service locations in communities in North Dakota and Minnesota. It is the largest privately owned bank in the region with assets of more than \$3.5 billion.

A self-supporting state agency, NDHFA finances the creation and rehabilitation of affordable housing across North Dakota. The Industrial Commission of North Dakota, consisting of Governor Jack Dalrymple, as chairman, Agriculture Commissioner Doug Goehring and Attorney General Wayne Stenehjem, oversees the agency.

BELL BANK ANNOUNCES EMPLOYEE STOCK OWNERSHIP PLAN

Bell Bank plans to add an employee stock ownership plan (ESOP) to its employee retirement benefit, president and CEO Michael Solberg announced today.

Through the ESOP, a portion of each employee's qualified retirement funds will be invested in the stock of State Bankshares, Inc., the parent company of Bell Bank.

Citing locally headquartered sporting goods giant Scheels as an outstanding example of a high-performing ESOP, Solberg said Bell's ownership is excited to bring on employees as co-owners in the company. Solberg projects the ESOP to grow to nearly 10 percent ownership in the company over the next 10 years.

"As majority owners, we wanted to find a new way to share the blessings of our growth and success well into the future," Solberg said. "Our employees have always been good stewards of Bell. We want that stewardship to continue and be strengthened by giving our employees the benefit of having ownership in the company. Together, we want to keep Bell privately held for many years to come."

Bell is currently owned by about 70 private shareholders, with the majority of the company under the ownership of the families of board chairman Richard Solberg, Michael Solberg, Julie Snortland and Laura Snortland Fairfield.

Founded in 1966 with a single location in north Fargo, Bell is now among the nation's largest independent banks, with more than \$4 billion in assets. The company has 20 full-service banking locations, thousands of family mortgages to its name, and more than \$5 billion in assets under management through its wealth management division.

DAKOTA CDC

Dakota CDC welcomes **Jim Hambrick** to the Board of Directors. Jim was selected as a new Board Member on September 7, 2016 representing the Lending sector.



Jim has worked in the banking industry for over 28 years. Originally from Carrington, ND, he is a proud graduate of NDSU in Fargo. For nearly all of his banking career he has worked as a business banker with a focus on relationship management for small to large sized operating businesses. He has experience in banking management in addition to his SVP/Business Banker role. Jim has been involved with a number of local community non-profit organizations including the Red Cross, United Way, and Fraser, Ltd. He currently serves on the board of directors for the NDSU Team Makers and NDSU Alumni Association.

Dakota CDC Board of Directors has elected Hambrick due to his extensive experience in business banking. With over 34 years of experience serving North Dakota and promoting development through small business growth, the board believes Hambrick will be a valuable contributor to the continuing success and growth of Dakota CDC. Other board members include: Lori Gabriel, Mike Connor, Marlowe Johnson, John Phillips, Andy Maragos, Dan Jacobson, Rich Becker and Jim Stai.

Starion Financial

Starion is a growing community bank known for providing local leadership, personalized service and community loyalty. We foster a culture where you can grow professionally and personally, and treat employees as our most important organizational asset.

MARKET PRESIDENT

We are looking for a proven, self-motivated leader to manage our full-service operations in Bismarck. Responsibilities include financial, sales and staff performance, promoting a strong sales/service culture, client strategies and new business development; maintaining and growing a loan portfolio; and promoting the organization through active community involvement.

Qualifications include a deep commitment to community banking with a high level of integrity; progressive commercial lending experience; strong communication, decision-making, change management, sales and customer service skills; and the ability to produce business results. Prefer a bachelor's degree in business administration, accounting, banking/finance or economics and 10 years of banking experience, including 5 years of management experience.

Starion offers a competitive salary and a full comprehensive benefit package including health, life, dental, vision, health savings account, 401K, profit sharing, paid vacation and holidays.

Join our team and work at a bank recognized as "Best of the Best" by Independent Banker magazine, "50 Best Places to Work" by Prairie Business magazine and "Top 10 Workplaces" by Bismarck-Mandan Young Professionals Network! Apply online at www.starionbank.com/careers.

Starion Bank is an Equal Opportunity Employer of women, minorities, protected veterans and individuals with disabilities. Member FDIC



Cornerstone Bank

Credit Analyst II

Cornerstone Bank is looking for a *Credit Analyst II* to join our professional team. Preferred position location is Fargo, however subject to qualifications, other Cornerstone Bank market locations may be considered. This individual will work as an integral part of the lending team, serving as a key person for commercial, agricultural, and real estate lenders by analyzing credit information to estimate degree of risk involved in extending credit to businesses or individuals. A Bachelor's Degree in Finance or related field and 4 years of related experience, or an equivalent combination of education and experience. We offer competitive salaries, a comprehensive benefits program and career development opportunities within an exciting growing company. To join a community bank and rewarding work environment, interested applicants please apply online at: www.cornerstonebanks.net.

AA/EOE/Member FDIC

First Western Bank & Trust

First Western Bank & Trust is hiring two CSR/Tellers in Bismarck due to recent growth and expansion. This position will provide prompt and courteous customer service to patrons of First Western Bank & Trust by directing and assisting customers with bank products and process transactions in support of the Bank's sales and service objectives. This position will greet visitors and customers in a courteous manner and promptly determine the nature of their business. This includes assisting customers with deposits, check cashing, savings withdrawals and statement printing; preparing and issuing cashier's checks, money orders, travel money, gift cards and Canadian currency drafts; selling and converting Canadian currency per active rate of exchange; and accurately balancing cash drawer at end of day.

For a complete position description and to apply online go to:

<http://www.bankfirstwestern.com>

AA/EOE/Member FDIC



To have your announcements featured in the *Community Banker* classifieds please send your articles to info@icbnd.com

Just for fun...

Tradition continues at ICBND:

WooooWooooCSSSHHH ☺



'Freight Train' Todd Haugen serenades Lacey for Valentines Day in 2012.

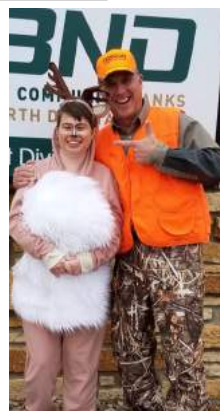


'Freight Train' returns for a sing-a-long with Marilou for her birthday in 2015.



And most recently, 'Freight Train' Todd Haugen returns to wish Nanci a 'Howdy' Birthday! Wooooocssshh!

This year's Halloween was celebrated in pure style at ICBND, IBC Services and ICB Purchasing Exchange. Costumes, potluck of goulish dishes and an innocent 'deer' guest (Barry's daughter, Shaynn).





ICBND MEMBERS

DISCOUNTED HOTEL RATES 2016

BISMARCK

Ramada Bismarck Hotel and Conference Center (701) 258-7000 <i>ICBND Associate Member</i> 1400 East Interchange Avenue-Bismarck ICBND Member Rate.....	\$85.00
Best Western- Ramkota Hotel (701) 258-7700 <i>ICBND Associate Member</i> 800 South Third Street-Bismarck ICBND Member Rate.....	\$90.00
La Quinta (701) 751-3313 2240 North 12th Street-Bismarck ICBND Member Rate (Sun-Thurs).....	\$99.00
Radisson Hotel (701) 255-6000 605 East Broadway-Bismarck ICBND Member Rate..... Use Rate Code T-40593.....	\$104.00
Holiday Inn (701) 751-8240 3903 State Street-Bismarck ICBND Member Rate.....	\$99.00
Staybridge Suites (701) 223-1499 2801 Gateway Avenue-Bismarck ICBND Member Rate (Studio Queen)..... ICBND Member Rate (One Bedroom King).....	\$129.99 \$139.99
Expressway Suites (701) 222-3311 180 East Bismarck Expressway-Bismarck ICBND Member Rate.....	\$89.95
Expressway Inn (701) 222-2900 200 East Bismarck Expressway-Bismarck ICBND Member Rate.....	\$84.95
North Super 8 (701) 751-2550 1405 Skyline Way-Bismarck ICBND Member Rate.....	\$78.00

MINOT

Grand Hotel (701) 852-3161 <i>ICBND Associate Member</i> 1505 North Broadway-Minot ICBND Member Rate.....	\$89.00
Holiday Inn- Riverside (701) 852-2504 <i>ICBND Associate Member</i> 2200 Burdick Expressway-Minot ICBND Member Rate.....	\$99.00

FARGO

Expressway Suites (701) 239-4303 4303 17th Avenue South-Fargo ICBND Member Rate (Sun-Thurs)..... ICBND Member Rate (Fri-Sat).....	\$74.95 \$94.95
Ramada Plaza & Suites & Conference Center (701) 277-9000 1635 42nd Street South-Fargo ICBND Member Rate (Conventional Rm Sun-Thurs)..... ICBND Member Rate (Two Rm Suites Sun-Thurs)..... (Weekends: \$139 Conv. Rm/ \$159 Two Rm Suites)	\$99.00 \$119.00
La Quinta (701) 499-2000 2355 46th Street South-Fargo ICBND Member Rate (Sun-Thurs).....	\$75.00

MEMBERS ONLY

Hotel Discounts
Prices reflect savings
of up to \$60 less than the Standard
Room Rate!



Please remember to call ahead for reservations and indicate your ICBND membership to obtain these special rates at the participating hotels listed.

Any employee from your bank/company may enjoy these discounted rates! Feel free to share this information.

MANDAN

Baymont Inn & Suites (701) 663-7401 <i>ICBND Associate Member</i> 2611 Old Red Trail (I-94 & Exit 152)-Mandan ICBND Member Rate.....	\$97.00
Comfort Inn & Suites (701) 751-7484 1516 27th St NW- Mandan ICBND Member Rate.....	\$79.00

GRAND FORKS

Staybridge Suites (701) 772-9000 1179 42nd St S-Grand Forks ICBND Member Rate.....	15% off
La Quinta (701) 757-3600 4051 Garden View Drive-Grand Forks ICBND Member Rate (Sun-Thurs).....	\$79.00
Hilton Garden Inn (701) 775-6000 4301 James Ray Drive-Grand Forks ICBND Member Rate.....	15% off
Baymont Inn & Suites (701) 757-2345 951 S 42nd St-Grand Forks ICBND Member Rate.....	15% off

WILLISTON

Holiday Inn Express & Suites (701) 577-0400 415 38th St W-Williston ICBND Member Rate Use ID #100295407.....	15% off
---	---------

DICKINSON

La Quinta (701) 456-2500 552 12th St West-Dickinson ICBND Member Rate (Sun-Thurs).....	\$109.00
---	----------

MINNEAPOLIS

Four Points by Sheraton (920) 684-4378 7745 Lyndale Avenue South Richfield, Minnesota ICBND Member Corporate Rate..... www.fourpointsminneapolisairport.com/set-banks-ND	\$99.00
---	---------

Please note that all Member Rates are subject to availability and may not apply during weekends and/or special events.



BEST FOR BUSINESS
Ranked #1 hotel brand by Business Travel News.

Educational Opportunities

Live Seminars



Community Bankers for Compliance Program

Designed to provide the tools needed to effectively structure and manage an in-bank compliance program.

ICBND is pleased to once again offer the annual Community Bankers for Compliance Program. The program is the most successful and longest running compliance training programs in the country.

Join now for 2017 so you won't miss out on these benefits:

Live Seminars, Quarterly Regulatory Update Webinars, Monthly Newsletters, Compliance toll free **HOTLINE**, Members only Web Page.

Register Here!



Educational Opportunities

Webinars

12/1/2016	The CFPB's Four Ds of Fair Lending: Deceptive Marketing, Debt Traps, Dead Ends & Discrimination Susan Costonis, Compliance Consulting and Training for Financial Institutions	1/17/2017	Identifying Fraudulent Transactions: Including Recent FinCEN Advisory on Email Fraud Schemes Elizabeth Fast, Spencer Fane LLP
12/6/2016	HR Series: Rewarding & Retaining the Best Employees Diane Pape Reed, CU Doctor	1/18/2017	ACH Specialist Series: Direct Deposit Tax Refunds: Posting & Exceptions Michele L. Barlow, PAR/WACHA
12/7/2016	Call Report Series: Improving the Call Reporting Process: Documentation, Efficiency, Accuracy, Common Errors & FAQs Amanda C. Garnett, CliftonLarsonAllen LLP	1/19/2017	Loan Underwriting Basics: Interviewing, Credit Reports, Debt Ratios & Regulation B Tommy Troyer, Young & Associates, Inc.
12/8/2016	Powers-of-Attorney In-Depth: Good Faith, Fraud & Fiduciary Capacity Elizabeth Fast, Spencer Fane LLP	1/24/2017	IRA & HSA Review & Update, Including New Fiduciary Rule Implications Frank J. LaLoggia, LaLoggia Consulting, Inc.
12/13/2016	Cyber Series: Meeting Federal Requirements for Tech-Based Marketing: Websites, Social Media, Robo Calls & More Steven Van Beek, Howard & Howard Attorneys PLLC	1/25/2017	Part 1 – New FFIEC Consumer Compliance Rating System, Effective March 31, 2017: Oversight & Compliance Management Program Ann Brode-Harner, Brode Consulting Services, Inc.
12/14/2016	Loan Review: Consumer, Commercial & Real Estate Ann Brode-Harner, Brode Consulting Services, Inc.	1/26/2017 Morning	Director Series: Risk & Capital in Strategic Planning for the Board Gary J. Young, Young & Associates, Inc.
12/15/2016	Branch Transformation: Strategies for Moving from Transaction Centers to Customer Engagement Centers David Peterson, i7 Strategies	1/31/2017	Call Reports Update 2017 Michael Gordon & Kris Trainor, Mauldin & Jenkins, LLC
12/20/2016	The Growing Scope of Vendor Management: Business Continuity, Cyber Security, Contract Negotiation & More Branan Cooper, Venminder	2/1/2017	Mobile Device Use & the New Overtime Rules: 7 Steps to FLSA Compliance in a BYOD Workplace Nancy Flynn, The ePolicy Institute™
12/21/2016	Essential Compliance Training for the Board & Senior Management Dawn Kincaid, Brode Consulting Services, Inc.	2/2/2017	Regulation E Series: Handling Provisional Credit Under Reg E: Rules, Best Practices & FAQs Elizabeth Fast, Spencer Fane LLP
1/4/2017	Cross Selling Products & Services: Compliance with TCPA & FCRA Steven Van Beek, Howard & Howard Attorneys PLLC	2/3/2017 Morning	SPECIAL EDITION The New World of Debt Collection: What Recent CFPB Actions Indicate About the Future of Regulations & Enforcement David A. Reed, Reed & Jolly, PLLC
1/5/2017	Same Day ACH: Lessons Learned & FAQs for RDFIs Jen Kirk, EPCOR	2/7/2017	Real Estate Series: Understanding TRID Tolerance Cures Steven Van Beek, Howard & Howard Attorneys PLLC
1/10/2017	Top 10 HMDA Issues for 2016 Reporting: Checkup for March 1 st Submission Susan Costonis, Compliance Consulting and Training for Financial Institutions	2/8/2017	BSA Compliance Series: FinCEN's CDD Rules & BSA Compliance: Why Preparing Now for the Fifth Pillar is Critical Susan Costonis, Compliance Consulting and Training for Financial Institutions
1/11/2017	Account Documentation Series: Compliance & Due Diligence at Account Opening Mary-Lou Heighes, Compliance Plus, Inc.		
1/13/2017 Morning	SPECIAL EDITION ADA Website Compliance Requirements & Common Errors Dawn Kincaid, Brode Consulting Services, Inc.		

Educational Opportunities

Webinars

2/14/2017	Qualifying Borrowers Using Personal Tax Returns Part 1: Schedules A, B, C & D Tim Harrington, TEAM Resources
2/15/2017	Procedural & Compliance Responsibilities of the Board Secretary Ann Brode-Harner, Brode Consulting Services, Inc.
2/16/2017	Military Lending Act: Exam Procedure Changes, Post-Implementation Considerations & FAQs Elizabeth Fast, Spencer Fane LLP
2/17/2017 Morning	SPECIAL EDITION Part 2 – New FFIEC Consumer Compliance Rating System, Effective March 31, 2017: Violations of Law & Consumer Harm Ann Brode-Harner, Brode Consulting Services, Inc.
2/22/2017	Risk Management Series: Developing an Enterprise-Wide Risk Assessment Marcia Malzahn, Malzahn Strategic
2/23/2017	Flood Compliance in Lending Part 1: Loan Origination Ann Brode-Harner, Brode Consulting Services, Inc.
2/24/2017 Morning	SPECIAL EDITION Everything You Need to Know About Regulation CC: Holds, Funds Availability, Compliance & More Molly Stull, Brode Consulting Services, Inc.
2/28/2017	Compliance Questions & Issues in Deploying Mobile Remote Deposit Capture Jen Wasmund, UMACHA
3/1/2017	Using the APRWIN Calculator Effectively to Avoid & Correct Violations Bill Elliott, Young & Associates, Inc.
3/2/2017	Imaged Documents: What to Keep, What to Destroy, What Holds Up in Court? Elizabeth Fast, Spencer Fane LLP
3/7/2017	Hot Issues in Cyber Compliance, Including Recent Changes to the IT Handbook Brian Vitale, Compliance Advisory Services
3/9/2017	Developing & Managing a Consumer Complaint Program – Avoiding Reputational Damage Veronica Madsen, Howard & Howard Attorneys PLLC
3/14/2017	Qualifying Borrowers Using Personal Tax Returns Part 2: Schedules E & F Tim Harrington, TEAM Resources
3/15/2017	Regulation E Series: Regulation E Requirements for Debit Card Error Resolution: Processing, Disclosure & Investigation Michele L. Barlow, PAR/WACHA

3/16/2017	Flood Compliance in Lending Part 2: Post Loan Closing Ann Brode-Harner, Brode Consulting Services, Inc.
3/21/2017	ACH Specialist Series: ACH Rules Update 2017 Jen Kirk, EPCOR
3/22/2017	Account Documentation Series: Opening Deposit Accounts Online: Rules, Risks & Best Practices Susan Costonis, Compliance Consulting and Training for Financial Institutions
3/23/2017	Securing Collateral Part 1: Form UCC-1 – Initial Filing & Perfection of Security Interests Elizabeth Fast, Spencer Fane LLP
3/29/2017 Morning	Director Series: The Board Evaluation Process: Steps, Tools & More Jeffrey C. Gerrish, Gerrish McCreary Smith, Consultants & Attorneys
3/30/2017	UDAAP Challenges: Practices, Risk Mitigation, Regulator Expectations & Case Studies Adam Witmer, Young & Associates, Inc.

Director Series are scheduled from 10:00-11:30 AM Central Time.

Most webinars are scheduled from 2:00-3:30 PM Central Time unless otherwise indicated.

Please check the brochure copy to confirm the time.

*Remember for every **10** Live Webinar and/or Recorded Webinar/Free Digital Download you purchase you will get one **FREE!***



Thank you

To our advertisers:

Bank of North Dakota	8, 24 & 32	Lewis & Clark CDC	25
Bankers Equipment	8	Lewis & Clark RDC	13
Bell State Bank & Trust	10	North Dakota Development Fund	14 & 23
Blue Cross Blue Shield	25	ND Banks Benefit Trust	20 & 21
CommunityWorks ND	18	ND Guaranty & Title Co	30
First Class Mortgage	14	Shazam	11
ICB Purchasing Exchange	15,17,23,24,26	The Title Company	10
ICB Services	27, 31	United Bankers Bank	27
ICB Securities	29		

The *Community Banker* can be an effective advertising vehicle for companies marketing to the financial industry. If your company would like more information on how to place an ad in the *Community Banker*,

Please refer to page 6 of this publication and contact ICBND at 701-258-7121 or Nanci at info@icbnd.com.

ICBND Directory

Together We Prosper



Community Banker is the official publication of the Independent Community Banks of North Dakota. Deadline for submission and advertisements is the 5th of the month prior to publication.

Send your items to:

Community Banker
PO Box 6128
Bismarck, ND 58506-6128
tel: 701.258.7121
800.862.0672
fax: 701.258.9960

info@icbnd.com www.icbnd.com

ICBND Office Hours:

Regular Business Hours

Mon-Fri
8:30 am to 5 pm

Summer Hours

(Memorial—Labor Day)
Mon-Fri
8 am to 4 pm

ICBND Staff

Barry D. Haugen
President
barryh@icbnd.com

Wendy J. Ruud
Vice President
wendyr@icbnd.com

Nanci D. Fennern
Office & Marketing
Coordinator/*Community Banker* Editor
nancif@icbnd.com or
info@icbnd.com

Marilou Voegelé
Director of Card Services
marilouv@icbnd.com

Angie Olson
Card Services Coordinator
angiet@icbnd.com

Bill Walker
Card Services Specialist
cardservices@icbnd.com

Lacey Kuhn
ICB Purchasing
Sales & Marketing Manager
laceyk@icbnd.com

Jess Voegelé
ICB Purchasing
Office Manager/CSR
purchasing@icbnd.com

2016-2017 ICBND

Executive Committee

Chairman
Rick Beall, Peoples State Bank of
Velva, Minot
rick@psbvelva.com
701-852-0328

Chairman Elect
Tim Karsky, Choice Financial Group,
Bismarck
t.karsky@choicefinancialgroup.com
701-595-2624

Vice Chairman
Rick Braaten, American State Bank &
Trust Co, Williston
rbraaten@asbt.com
701-774-4100

Immediate Past Chairman
David Ludwig, Security First Bank of
North Dakota, Bismarck
davidl@securityfirstbank.com
701-222-4444

Past Chairman
Tim Porter, Bank of North Dakota,
Bismarck
tcpporter@nd.gov
701-328-5650