



CBAI E-Newsletter, sponsored by **SHAZAM** July 29, 2020

IN THE NEWS

SBA Released Procedures for PPP Loan Forgiveness

The SBA released a new Procedural Notice that explains the process for submitting PPP Loan Forgiveness applications. The notice states that a PPP Forgiveness Platform will be available to accept submissions on August 10, 2020, unless legislative modifications necessitate changes to the system.

[SBA Procedural Notice »](#)

First Women's Bank (in-formation) Receives Conditional Approval From the FDIC

CBAI member and Chicago-based First Women's Bank (in-formation) received its conditional approval from the FDIC to become the first Illinois *de novo* in a decade. The bank is now raising the required capital and hopes to open later this year or in early 2021.

The bank's proposed CEO, Marianne Markowitz, is quoted as saying, "This is a significant milestone on the path to launching First Women's Bank, the only bank in the country with a strategic focus on the women's economy." Markowitz went on to say, "The FDIC approval of our application is recognition that the combination of our talented leadership team, unique strategy and differentiated mission positions us for success."

CBAI supports *de novo* community banks and has consistently maintained that they are vitally important to maintaining a strong, growing, evolving and vibrant banking profession. We wish First Women's Bank success in its formation.



Check out a special message from CBAI Special Events Chairman and State Bank of Toulon President & CEO, Doug Parrott. **Register by July 31, 2020, to receive early-bird pricing!** If you have any questions or need help with registering, please contact the **CBAI Education Department** at 217/529-2265. Don't wait, register today!

CBAI and IDFPD Listening Session on Exams During COVID-19

Members of the CBAI Legislation and Regulation Committee participated in a virtual meeting with Chasse Rehwinkel, IDFPD Director of the Division of Banking to discuss concerns over bank examinations during the COVID pandemic. First among the discussion was sharing of files during remote exams. Digitizing and sharing very large files for off-site review can be cumbersome and time-consuming. It was brought up that FDIC has created a template for standardized export of imaged documents. Community bankers asked for consistency in procedures among the various regulators as well as a potential way for regulators to share information to avoid duplicative requests of banks. Also discussed was the difficulty of communicating during remote exams and the possibility of having lead examiners visit the bank for limited face-to-face conversations during the exam.

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Only Two More Days to Receive Early-Bird Pricing for CBAI's 46th Annual Convention & Expo!

Register by July 31 to receive Early-Bird Pricing for CBAI's 46th Annual Convention & Expo, scheduled for September 24-26, 2020, at the JW Marriott, Indianapolis, IN. Expert speakers on the hottest community banking topics fill an exciting education agenda of break-out sessions. This year's Opening Breakfast Speaker, Christine Cashen, delivers a fast-paced, hilarious program on handling conflict, reducing stress and energizing employees. Also on the agenda are the Welcoming Reception with BancPac Live and Silent Auction, a jam-packed Exhibit Hall, the Annual Business Meeting Luncheon, and much more. The Closing General Session speaker, Vallie Smith Collins, shares her experience during the flight and rescue of the event that has become known as the "Miracle on the Hudson."

[Register Here »](#)

PPP Data Shows Community Banks Stepping Up: Blog

The SBA's release of Paycheck Protection Program loan data confirms that community banks have led the way in supporting the economic recovery in local communities. Community banks delivered the most PPP loans to minority-owned, women-owned, and veteran-owned small businesses while serving 98.2 percent of low-income or economically distressed counties.

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Face Masks and Other PPE Available Quickly to CBAI Member Banks

As confirmed cases of COVID-19 rise in certain areas in Illinois, citizens are encouraged to continue wearing face coverings.

Regency, a CBAI Preferred Provider, has in stock tens of thousands of face masks that can be shipped and delivered within days of placing an order. An order may be placed for as few as 50 masks and shipped directly to branches. Prepayment is unnecessary. Contact **John Bybee** at 217/653-4028 if you are interested in placing an order.

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CBAI Continues to Urge the FDIC to Halt ILC Deposit Insurance Approvals

CBAI has consistently opposed the mixing of banking and commerce, which industrial-loan companies represent, because of the risks they pose to the financial system, our economy and American taxpayers. In March of 2020, and again at the end of June, CBAI expressed concerns about the risks posed by ILCs and the regulatory loophole which permits their parent holding companies to evade consolidated supervision.

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Moratorium on Repossession Set to End August 22

Governor JB Pritzker extended his Executive order creating a moratorium on vehicle repossessions EO 2020-16 through August 22. Under the newly issued extension on that date Section 1 of the order which deals directly with repossession will be rescinded essentially allowing the practice to resume. CBAI joined with IBA, Illinois Credit Union League and the Illinois Automobile Dealers Association in a joint request to the Governor's office to make the change.

[Read Executive Order »](#)

[Read Newly Issued Extension »](#)



Ncontracts: Third-Party Vendors & Compliance Risk

The only thing worse than getting in trouble for making a mistake is getting in trouble when somebody else makes a mistake. That's the situation financial institutions face when a third-party vendor acting on behalf of the bank doesn't comply with laws and regulations.

Your bank may think its compliance game is strong, but if it doesn't have a good vendor-management program that risk-assesses vendors, provides enhanced oversight of critical vendors, and actively monitors vendors for compliance, it's got a gaping hole.

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FDIC Seeks Input on Voluntary Certification Program to Promote New Technologies

FDIC recently announced that it is seeking the public's input on the potential for a public/private standard-setting partnership and voluntary certification program to promote the efficient and effective adoption of innovative technologies at FDIC-supervised financial institutions. Given rapid technological developments and evolving consumer behavior, this public/private partnership model program has the potential to help promote innovation across the banking sector and streamline a costly and often duplicative system for both banks and technology firms.

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OCC Issues Proposed True Lender Rule

The OCC recently proposed a rule that would determine when a national bank or federal savings association bank makes a loan and is the "true lender" in the context of a partnership between a bank and a third party. Banks' lending relationships with third parties can facilitate access to affordable credit. However, the relationships have been subject to increasing uncertainty about the legal framework that applies to loans made as part of these relationships.

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BOOST PRODUCTIVITY. REDEFINE SUCCESS.

Delivering a frictionless experience for your customers is a top priority for your success. And that's why we'll continue to work behind the scenes to advocate for open standards that foster innovation and competition, and ensure interoperability in the payments industry.

ADVANCE WITH THE RIGHT PARTNER.



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Cybersecurity: Ransomware Alert

The Office of Compliance Inspections and Examinations (OCIE) has observed an apparent increase in sophistication of ransomware attacks on SEC registrants which include broker-dealers, investment advisers and investment companies, and also ransomware attacks impacting service providers to registrants.

[Read Alert »](#)

CBAI Hosted Legislative Roundtables

The governmental relations team recently hosted legislative roundtables in Wyoming and Girard, IL. These events give community bankers the opportunity to interact directly with their lawmakers in a laid-back atmosphere in their home districts. With the cancellation of this year's Capital Conference and Call on Washington, we continue to look for ways to facilitate personal relationship-building opportunities for CBAI members and lawmakers. This year we prioritized supporting small venues who are community-bank customers suffering from the effects of COVID on their businesses. These events are made possible by your generous contributions to Community BancPac. Unfortunately, because of localized COVID-19 outbreaks and growing concerns we have decided to temporarily suspend roundtables for the near future. We are hopeful that circumstances will become more stable and we can resume planning events for the fall.

New Agency Tool to Assess Continuity Plans

The Cybersecurity and Infrastructure Security Agency released a tool to help businesses assess their recovery and continuity plans related to COVID-19. The COVID-19 Recovery CISA Tabletop Exercise Package is also designed to help organizations discuss the potential impact of a second wave of infections. The package and additional resources are available on ICBA's "Return to the New Normal" guide.

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BSA GRADUATE SCHOOL



Banks and Fintechs Need Each Other More Than Ever

The coronavirus pandemic has greatly strained financial-services providers. Even fintechs, despite their digital prowess, have not been immune to the economic downturn. With the exception of some of the largest providers, the vast majority of fintechs don't have the benefit of mature customer bases to help weather the crisis.

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CBAI Foundation Scholarships for Children and Grandchildren of Community Bankers

The CBAI Foundation for Community Banking is proud to present three annual \$4,000 Scholarships endowed by: SHAZAM®, Kasasa and Community BancService Corporation. Eligible students are children and grandchildren of community bankers and students who work at our members' community banks. *(These students are not eligible for the original Foundation Scholarships.)*

Your community bank can be eligible for all three with your support of the Foundation. These scholarships are for the children and grandchildren of CBAI member bank employees, directors, and officers of community banks with a tax-deductible contribution/pledge of at least \$2,500 to the Foundation. Part-time employees of the bank who are high school seniors are also eligible. The presentation of these scholarships will be held at the Annual Recognition Program during CBAI's 46th Annual Convention in Indianapolis, IN. Nominations must be received by Friday, August 14, 2020.

[Learn How Your Bank Can Become Eligible »](#)



Did You Know CBAI Shares the Capitol Fax Newsletter with CBAI Member Banks?

CBAI members can keep track of the latest developments in Illinois politics from an insiders perspective with access to the daily Capitol Fax Newsletter, available in the members only section of www.cbai.com. This content is password protected so if you need access to CBAI's Members Only Section, contact **Stacy Workman** at 217/560-3096.

Consider a "Dress-Down Day" Benefitting CBAI's Foundation Scholarship Program

CBAI encourages your bank to hold a "dress-down day" for your staff benefitting CBAI's Foundation for Community Banking scholarship program. Choose any day in 2020 and ask your employees to donate a minimum of \$5 to the Foundation to dress casually. Participating banks will be recognized for their support in *Banknotes* magazine and at CBAI's convention! Your donations help fund the Foundation's 31 scholarships offered every year to high-school seniors, the children and grandchildren of community bankers, and CBAI's Community Bankers School students. (All Foundation donations are 100% tax deductible). To find out more information on participating in "Dress Down for the Foundation," contact **Bobbi Watson** at 800/736-2224. Please send donations to: CBAI Foundation, 901 Community Drive, Springfield, IL 62703.

Get the Advantage of Office 365 and Exchange Email

Boost your bank's productivity, connect with customers, and enjoy all the benefits Office 365 and Exchange Email offer.

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Federal Home Loan Bank of Chicago

Visit www.fhlbc.com

MORE UPCOMING EDUCATIONAL TRAINING

New Risk-Management Webinar Series

Each risk officer, including the compliance officer, risk-management officer, security officer and those responsible for AML/BSA – whether new or seasoned – is considered the bank's expert. It's important that these critical staff members stay abreast of changing technology and the regulatory environment. How can you effectively assess, measure and control risk? Although there is no one-size-fits-all strategy, this webinar series provides training, insight, resources and tools to ensure success!

Titles and Dates:

The 15 Worst Security Mistakes – September 17, 2020

A Year in the Life of a Compliance Officer: Tips, Tools & Annual Requirements – October 8, 2020

Advanced BSA Officer Training: Risk, Compliance & Real-Life Scenarios – October 27, 2020

Risk-Management Officer: Expectations & Responsibilities – November 17, 2020

[Register for the Webinar Series »](#)

[VIEW CBAI's EVENTS CALENDAR](#)

MORE NEWS FROM SERVICES

The Baker Group: Baker Market Update

There's a lot to talk about these days and people like to have meetings so they can have someplace to do their talking. Congress will have meetings to try to figure out what the next fiscal-relief package will contain. Trade officials will have meetings to try and figure out what the best way is to deal with China. Educators will have meetings so they can determine the best way to open schools. The FOMC will begin its regularly scheduled policy meeting in order to discover if any stones have been left unturned in

its quest to provide more monetary support. The prospect of providing less policy support will not be a discussion topic.

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Harland Clarke: Contactless-Card Technology Has Now Fully Emerged

Over the course of a few short weeks, new realities have reshaped our thinking. We have suddenly become acutely aware of the spread of viruses, and the role that contact plays in their spread. As a result, demand for technologies that eliminate the risk and alleviate the fears of consumers and merchants is skyrocketing.

While still considered an emerging technology by some, contactless, or tap-and-go, credit and debit cards currently comprise more than half of all payment cards issued in the world.

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AI-Enabled Technology to Manage Regulatory Change

In today's regulatory environment, keeping pace with the enormous volume and complexity of state and federal regulatory obligations is a daunting, complex and expensive undertaking. CBSC preferred provider Wolters Kluwer's OneSumX® ProViso is an AI-enabled technology to help parse, curate and organize those regulations relevant to a bank (or other financial institution), helping it more effectively monitor—and compliantly manage—regulatory change.

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[View Press Release »](#)

Join CBSC and College Ave for a Student-Loan Webinar

CBSC and College Ave Student Loans invite your bank to join a webinar about their new private student-loan referral program. Several Illinois banks have already begun offering student loans and student-loan refinancing to their customers through this program - which is structured to ensure that banks avoid all lending, disbursement and servicing responsibilities. Student Loan Season is here! Many families in your community are looking for assistance with funding this fall's college tuition. The CBSC – College Ave referral program is designed to help these families.

[Register for the Thursday, July 30, 2020 Webinar at 2:00pm CST »](#)

CBIS: Many Community Banks Re-Open the Lobby Workplace

Workplace disruptions created by COVID-19 have impacted every sector of the business world, including community banks. Being an essential business, community banks never lost a beat. Still open. Still serving. Still lending. As community banks re-open, they are safely adapting the lobby workplace to keep customers and employees safe after recently relying upon their drive-thru facilities to serve the public's transactional needs.

[Read More from CBIS »](#)



CBSC Preferred Providers

