

WBA Website No Longer Requires Login!

The Wisconsin Bankers Association is *your* association. Our mission is to work with you and for you for the benefit of the Wisconsin banking industry. As part of that mission, our top priority is to listen and respond to member needs.

We hear you, loud and clear. You need simple, streamlined access to all the information and resources that make your day-to-day work easier. That's why the latest update to wisbank.com is the removal of the login requirement for most pages. Now, your membership gets you access



to nearly every page on the website, no password required. Articles, upcoming training opportunities, resources, and publica-

tions are all available without credentials. The few pages that do require a member login contain information for banker

eyes only, such as the *WBA Compliance Journal*, the Best Practices Library, and event materials intended for attendees.

Subscription-only resources, such as the *Community Bankers for Compliance* newsletters, will continue to be password-protected.

We hope that this new website feature will allow you and your staff to access the many resources on wisbank.com more easily. For example, many of WBA's members prefer to receive information from the association via email. Now, if you want to read more information about an article or event, you won't need to log in after clicking to the website from your inbox.

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ILCs: Fad or the Future?

Resurgence of this rare charter may reshape our industry

By Amber Seitz

The FDIC has two decisions to make that will have a tremendous

impact on the financial services industry. On June 6, online personal finance company Social Finance, Inc.* (better known as "SoFi") applied for an industrial loan charter (ILC) for the purposes of offering FDIC-insured NOW

deposit accounts and credit card products—this in addition to the student loan refinancing, mortgages, and personal loans the company already offers its customers. The de novo would be chartered in Utah under the

name SoFi Bank. On September 7, payments giant Square filed its application** for a Utah-based ILC for the purposes of expanding its lending arm—in addition to payments, Square also offers small business and

consumer loans. While (at the time of this writing) the FDIC has yet to take action, approval or denial of these applications will set the stage for the next phase of bank-fintech relations.

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Message from the Chair

For Your Radar: Legislation, Technology, and Compliance

By Frederick J. Siemers

Invest in Apple and Google; offer Internet Banking as a service; collect your consumers' email addresses so you can communicate with them... In retrospect, these bits of advice seem obvious, but when they first popped up they were cutting-edge moves. It's always easier to analyze the past than predict the future. That's why Wisconsin bankers need to keep their eyes on the horizon and prepare for the future. Here are a few things to keep on your radar:



Message from the Chair

Frederick J. Siemers

Legislation

In Madison, things are fairly quiet now that the state budget is finalized. However, there are a few items bankers should keep our eyes on. First is AB 280/SB 212, a WBA-supported financial literacy bill that would require all Wisconsin public schools to

incorporate some component of financial education into their curriculum for grades K-12. The bill was passed unanimously out of the Assembly back in June, and is expected to reach the Senate sometime this Fall. Be sure to encourage your representatives in Madison to support this common-sense bill. Farther out on the horizon is a potential tax exemption for income generated from commercial and agricultural loans. This provision was close to being included in the 2017-19 state budget, but ultimately wound up on the cutting room

floor. The only way to make sure our legislators don't forget about this bank-friendly legislation is to not forget about it ourselves.

Artificial Intelligence

Though many people – not just bankers – think of artificial intelligence (AI) technology as a far-off, futuristic concept, the reality is that AI is impacting Wisconsin's banking industry today. In fact, the Wisconsin Bankers Foundation is working with Madison startup Curate Solutions on AI technology that helps banks

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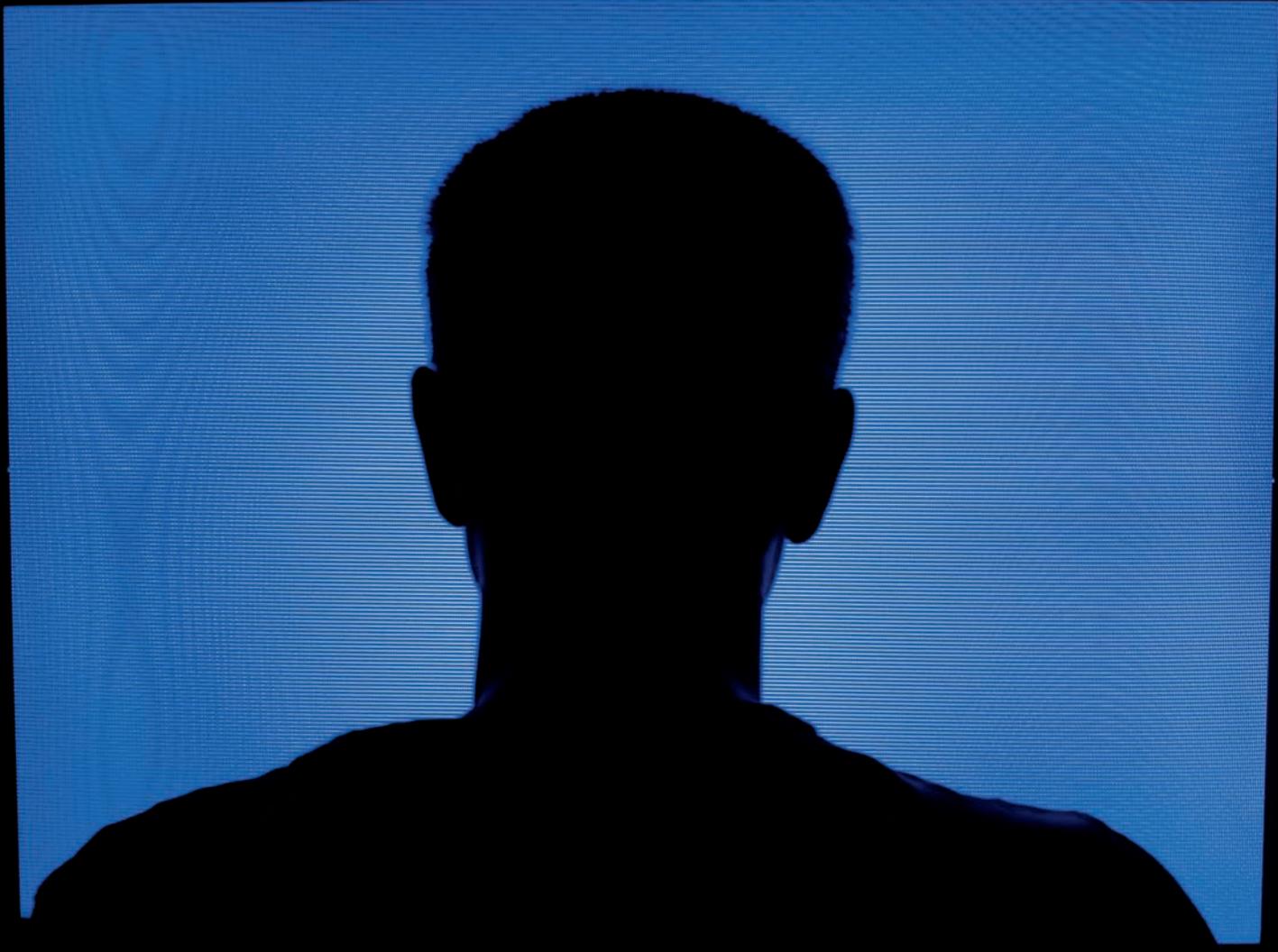
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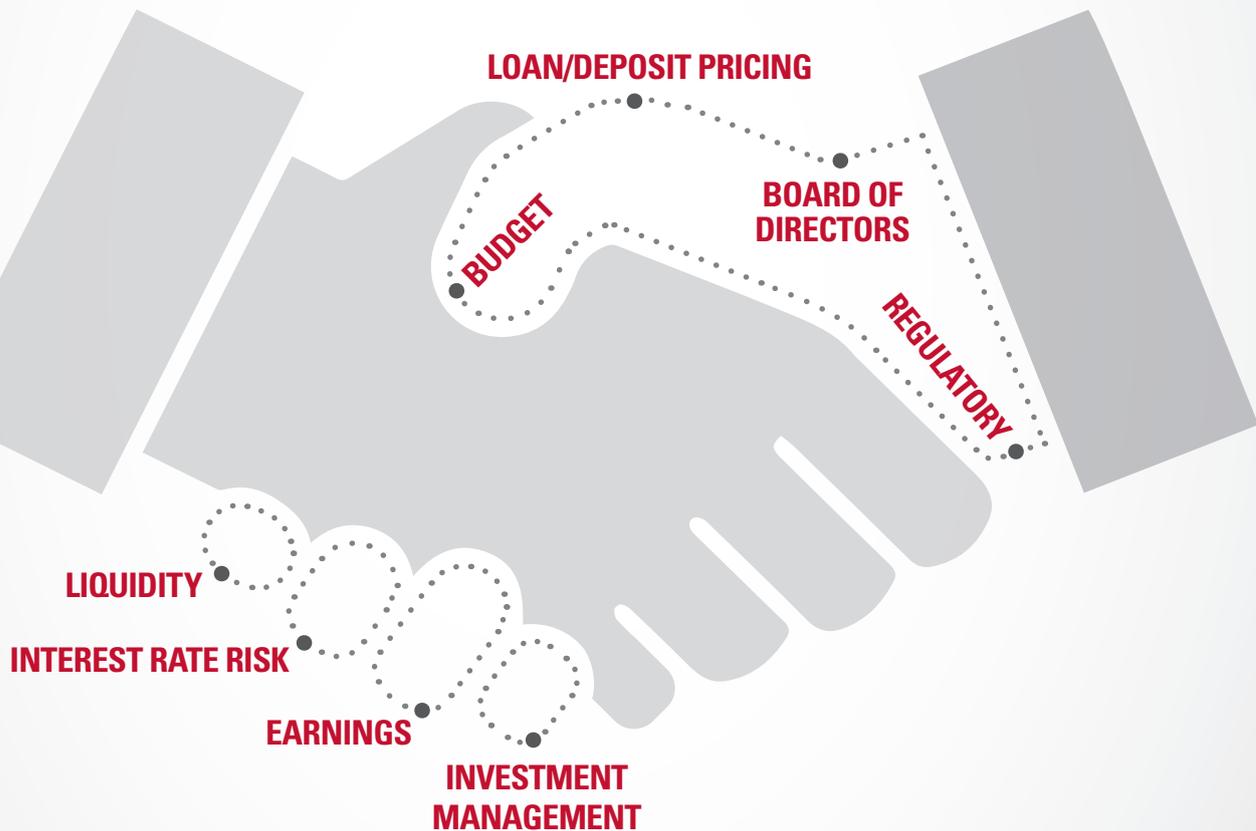
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Political Fundraising Season Ending Soon!

Special thanks to our Gold Triangle Banks

By Jon Turke

As we come into Fall, we are entering the last quarter for raising advocacy funds for 2017! Special thanks to all who have donated so far this year—and especially to our Gold Triangle Club banks listed below. Want to be on this list? There’s still time! Additionally, WBA recognizes individual bankers who have donated \$250 or more to the PAC or conduit as part of our Silver Triangle Club.

WBA has two advocacy funds that you can donate to. The first, the Alliance of Bankers for Wisconsin (ABW) Conduit Fund acts



Advocacy Update

Jon Turke

as your personal “political bank account.” With this option, you choose which candidates or legislative party committees your donation goes to. If you want to participate in our efforts but want WBA to select which candidates to give to, you can give to Wisbankpac, a political action committee registered with the Wisconsin Ethics Commission and Federal Elections Commission.

Bankers will need to continue to be very involved in talking to our legislators and regulators, and we will need strong, unified industry positions that make sense in this economic and political environment. WBA continues to support those elected officials who support us. As always, WBA focuses on winning elections by supporting candidates in the “Banker” party, not Democrat or Republican.

Gold Triangle Club banks are at the forefront of the banking industry’s political action effort. To qualify for membership in the Club, bank employees and directors must contribute a minimum amount to WBA’s political action funds (the Alliance of Bankers for Wisconsin political conduit and Wisbankpac, WBA’s political action committee) apportioned by bank asset size.

These contributions go toward helping pro-banking candidates get into office. Hearty congratulations to the banks, listed in the blue box below, whose directors and employees contributed enough to WBA’s political action funds to achieve Gold Triangle Club bank status in 2017.

Should your bank be on the list? Contact WBA’s **Jon Turke** at jturke@wisbank.com or 608/441-1215.

Turke is WBA director – government relations.

Bank Assets	Total Banker Contributions
\$0-25 M.....	\$500
\$25-100 M.....	\$1,000
\$100-250 M.....	\$1,500
\$250-500 M.....	\$2,000
\$500-750 M.....	\$2,500
\$750M-\$1 Billion.....	\$3,500
\$1 Billion+.....	\$4,500

» WBA Gold Triangle Banks

Whether it’s \$10, \$100, \$1,000 or \$10,000, contributions to WBA’s political action funds are investments in the future health and profitability of our industry and your bank. We’d like to thank the following banks* for their contributions:

- » Associated Bank, Green Bay
- » Bankers’ Bank, Madison
- » Bank of Galesville
- » Bank of Luxemburg
- » Capitol Bank, Madison
- » Charter Bank, Eau Claire
- » Citizens Bank, Mukwonago
- » Citizens State Bank of Loyal
- » Coulee Bank, La Crosse
- » East Wisconsin Savings Bank, Kaukauna
- » The Equitable Bank, Wauwatosa
- » First Citizens State Bank, Whitewater
- » First Federal Bank of Wisconsin, Waukesha
- » First National Community Bank, New Richmond
- » Forward Financial Bank, Marshfield
- » Fox River State Bank, Burlington
- » Horicon Bank, Horicon
- » Investors Community Bank, Manitowoc
- » Jackson County Bank, Black River Falls
- » Mound City Bank, Platteville
- » The Park Bank, Madison
- » The Peoples Community Bank, Mazomanie
- » Peoples State Bank, Wausau
- » Security Financial Bank, Durand
- » Security State Bank, Iron River
- » Settlers Bank, DeForest
- » Spring Bank, Brookfield
- » The Stephenson National Bank & Trust, Marinette
- » Union Bank & Trust Company, Evansville
- » Wisconsin Bankers Association, Madison

* List of banks is current as of Oct. 3, 2017.

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Card Issuers and Automatic Updater Programs

Card issuers not required to send opt out notices

Are card issuers required to issue an opt out notice to consumers for the Visa Account Updater and MasterCard Automatic Billing Updater programs?

Answer: No. It is WBA's understanding that while card issuers are required to participate in the Visa Account Updater and MasterCard Automatic Billing Updater programs ("programs"), they are not required to notify customers of these programs nor provide an opt out notice.

While notice may not be required by Visa or MasterCard,



Compliance Q&A

Scott Birrenkott

WBA recommends that from a customer service standpoint, some form of consumer notice would be a good practice to follow. Furthermore, while a change in terms notice would not be required, financial institutions affected should still consider updating their terms and conditions to include the

Visit www.wisbank.com to learn more about opt out notice requirements for card issuers and other compliance issues.

service. Financial institutions should also be aware that while an opt out notice is not required, it is WBA's understanding that card holders do have the ability to opt out of these services by request.

WBA has also been asked whether the programs affect a financial institution's privacy and opt out requirements under Regulation P. Because of

exceptions to notice and opt out requirements for maintaining or servicing a consumer's account as part of a private label credit card program, financial institutions should not need to revise their privacy policies or opt out notice procedures.

Birrenkott is WBA assistant director – legal. For legal questions, please email wbalegal@wisbank.com.

Note: The above information is not intended to provide legal advice; rather, it is intended to provide general information about banking issues. Consult your institution's attorney for specific legal advice or assistance.

WBA Comments on Real Estate Appraisal, Capital Rules

Summary of recent comment letters below

WBA recently submitted two comment letters to federal banking regulators. On September 15, WBA submitted comments supporting OCC, FRB, and FDIC's proposal to extend the current treatment of certain capital rules for non-advanced approaches institutions that would otherwise become effective on January 1, 2018 under Basel III. The extension would apply to the risk weight and deduction treatment for MSAs, temporary difference DTAs, significant investments in the capital of unconsolidated financial institutions in the form of common stock, nonsignificant investments in the capital of unconsolidated financial institutions, and significant investments in the capital of unconsolidated financial institutions that are not in the form of common stock (i.e. Trust Preferred Securities).

The WBA Legal Department advocates for the industry by writing comment letters to federal and state regulators on proposals affecting the industry and by filing friend-of-the-court briefs at the request of WBA members and per approval by the WBA Board of Directors.

On September 29, WBA submitted comments to OCC, FRB, and FDIC supporting an increase in the threshold level at or below which appraisals would not be required for commercial real estate transactions, which has remained at \$250,000 since the inception of the threshold. However, WBA strongly advocated for an increase to at least \$1M, calling the proposed \$400,000 increase inadequate to relieve regulatory burden, especially in small market areas.

For copies of this or other WBA comment letters, please contact the WBA Legal Department at 608/441-1200 or visit www.wisbank.com/CommentLetters.

CORRECTION: In the October issue of the *Compliance Q&A* column, we incorrectly printed the new vendor for DHS's Medicaid Asset Verification Data Matching Program. The new vendor is Accuity Asset Verification Services. We sincerely regret the error.

Chair's Message

(continued from p. 2)

find commercial lending leads and business intelligence. You can read more about that project in the October issue of *Wisconsin Banker* (which also features [a helpful primer on AI](#) for bankers).

Regulatory Changes

No list of bank priorities would be complete without mentioning compliance. While there is certainly no shortage of regulations to keep up on, a few items might have slipped through the cracks. First is the OCC fintech charter. While not finalized, acting Comptroller of the Currency **Keith Noreika** has expressed (on several occasions) that he is far more open than his predecessor to allowing commercial businesses – such as Amazon and Google – to obtain such a charter. Also for your radar is the pending Industrial Loan Company application

of fintech Square (read more on page 1 of this issue). Finally, in early October, the DOJ greenlit a real-time payments network being developed by The Clearing House after a nearly year-long antitrust review. This federal approval has the potential to push the country's payments infrastructure forward dramatically.

Staying up-to-date on everything that could potentially impact the banking industry is impossible for any individual banker to accomplish. That's why WBA strives to be your source for reliable, forward-looking industry information and training. Think there's something we're missing? Please be sure to pass it on to WBA staff or myself. We look forward to hearing from you.

Siemers is the 2017-2018 WBA Chair.

A Trip Down Memory Lane: Check [21] Please! Program Goes Into Effect Oct. 28

By Dr. Linda Eagle,
president of The Edcomm
Group, a financial services
consulting firm.

When Check 21 takes effect on Oct. 28, 2004, hundreds of bankers might follow **Harry Truman's** lead and place a sign on their desk saying "The **Check** Stops Here."



.....
**"The Check
 Stops Here."**

What is Check 21?

Check 21 is short for The Check Clearing of the 21st Century Act. Check 21 authorizes financial institutions to stop shipping customers' checks back and forth to clear them and allows either the use of a new negotiable instrument called a "substitute check" or the exchanging of check images via an electronic link.

over the Internet. Adopting an electronic imaging method will require purchasing equipment and/or upgrading computer systems to support the process.

How Check 21 Impacts Your Customers?

Instead of taking days to clear, checks could now clear in hours. Deposit deadlines will be extended. Float will be a thing of the past. While the security benefits resulting from fewer people handling the checks include a decreased number of lost, damaged or stolen checks, as well as fewer opportunities for fraud, consumer groups have voiced some misgivings. They are concerned that with a "real" check and a "substitute" check in existence, checking accounts might be debited twice. Another concern is that consumers will have difficulty obtaining their canceled substitute checks, or when they do receive them, their creditors won't accept the substitutes as proof-of-payment. Consumer groups also question whether the cost-savings realized from the new automated system will reach the customer through reduced service charges.

What Banks and Other Processors Need to Know

Although it is anticipated that Check 21 will displace many workers through the use of more automated

systems where currently paper checks are read, sorted and otherwise processed, it will also eventually lead to cheaper, faster and more secure processing. Cuts in such operations' costs could conservatively save into the billions of dollars.

Additionally, it is estimated that at least \$250 million per year is now being spent on moving checks across town and the country. Check 21 could virtually eliminate the need for courier services when the switch is made to exchanging images via the Internet or an electronic link.

Tighter Security

Because far fewer people would be involved in the processing, the number of lost, damaged or stolen checks should be greatly reduced. Criminals intent on fraud will have a smaller window of opportunity under Check 21. Banks will be able to find out sooner if an account was closed right after a check was written on it.

Terrorists may also find it harder to undermine the payment system since planes full of checks will no longer be grounded for days, as they were after 9/11. Similarly, the impact of natural disasters on the transportation system will be less of a concern since couriers will no longer be necessary to transport the paper checks.

Your Call: Substitute Check vs. Electronic Image

The new system is not perfect and is not yet fully supported. That's why banks aren't being required by Check 21 to accept electronic images. However, if they don't, they must accept a substitute check. The substitute check can be a two-sided photocopy, with the check slightly reduced in size to make room for a notice that says the substitute is a legal equivalent of the original.

If the paying bank prefers not to accept an electronic image, the depositing bank can arrange to send the image to a third party near the paying bank where a substitute check is printed and then forwarded to the paying bank. In these cases, at least the cost of transporting the check across the country can be saved. The issue here is contracting with a secure third-party agency willing to print and forward the substitute check.

Depository institutions must either buy imaging equipment or outsource such work. Meanwhile, they will have to keep two systems going – paper and electronic – until the actual transition occurs.

The Final Word

The Fed (and a few other banks) have been successfully processing electronic images of checks for several years. Like any new idea, true efficiencies will occur only after all institutions embrace imaging – opening the door to the first real technological change in check processing in decades.

Originally published in the July 2004 edition of the Wisconsin Banker.

125
YEARS

WBA staff dusted off our past publications and found this gem for your enjoyment. Also see p. 9 for a list of historical events from 2001-2010.

The substitute check will be used in place of the original paper document. As a legal equivalent of the original check, it must contain an image of the front and back of the original check and display the MICR line from the original check. It must also conform to industry standards with regard to paper stock, dimensions, etc. and be suitable for automated processing.

Electronic check imaging involves scanning checks into a system and then transmitting them via an electronic link or

CEOnly | CFOnly Networks Hold First Event with WBA

The CEOnly and CFOnly Networks have been part of the WBA since late July, and on October 13 the informal peer networks hosted their first group meeting since the transition. Held at the Crowne Plaza in Madison, the meeting included the traditional welcome reception—held the evening prior—as well as special guest speakers from the law firm Reinhart Boerner Van Deuren s.c. The speakers gave attendees a summary of the banking landscape, covering hot topics such as M&A updates, credit unions in the M&A space, charter conversions, regulatory updates, staffing issues, and shareholder management. Of course, the capstone of the event was the breakout networking sessions where attendees engaged in peer-to-peer discussions and idea-sharing.

During the event, WBA presented **Terry Burrington** with an award in recognition of his dedication to the



Columbus **Randy Bobholz**; and President/CEO of Wolf River Community Bank, Hortonville **Joe Peikert**.

Pictured (left to right): WBA's **Daryll Lund** and **Rose Oswald Poels**; CEOnly/CFOnly Network Founder **Terry Burrington**; President and CEO of Farmers & Merchants Union Bank,

three networking events each year, members also enjoy other benefits. WBA is continuing the network services members have come to expect, including question-and-answer emails. With the confidential Q&A emails, members are able to submit questions for their peers to WBA staff, who then distribute the question anonymously to the rest of the network. After all answers have been compiled and any identifying information removed, staff distributes a follow-up email to the entire network.

Interested in joining one of the networks? Membership in the CEOnly and CFOnly Networks is separate from your WBA membership, but is open to all WBA member bank CEOs and CFOs.

Still have questions about the CEOnly and CFOnly Networks? Please contact Daryll Lund at 608/441-1203 or dlund@wisbank.com.

CEOnly™

CFOnly™

» To join the CEOnly|CFOnly Networks please contact WBA's Daryll Lund at 608/44-1203 or dlund@wisbank.com.

CEOnly and CFOnly Networks that he established over a decade ago and in appreciation of his 42 years of service to the financial services industry.

For this first meeting, CEOnly and CFOnly non-members were invited to

participate on a complimentary basis to discover the advantages of the networks. These informal networks are exclusively for WBA member bank CEOs and CFOs, respectively, and offer a space for unparalleled peer communication. In addition to

125 YEARS

RECOGNIZING NOTABLE HISTORICAL EVENTS, 2001-2010

2001

On September 11, terrorist attacks rock New York City and Washington, D.C., eventually resulting in the passage of the USA Patriot Act, signed by President George W. Bush, which gave the Treasury extra authority to investigate money laundering. Enron Corporation files for bankruptcy.

2002

In response to increasing accounting scandals such as Enron, WorldCom, and Tyco, Congress passes the Sarbanes-Oxley Act.

2003

Electronic payments outnumber paper checks for the first time in history. New regulations continue to pile on with the enactment of the FACT Act and Check 21.

2004

Three U.S. banks cross \$1 trillion asset threshold, largely due to commercial and investment banks merging: Bank of America, Citigroup, and J.P. Morgan Chase. By the end of 2005, the ten largest banks will hold nearly 60 percent of the industry's total assets. **Kurt R. Bauer**, Arizona Banker's executive vice president, is named WBA president/CEO.

2007

Former Wisconsin Governor **Tommy Thompson** engages in a failed campaign for U.S. President. On June 29, the first iPhone goes on sale.

2008

The Treasury takes over Fannie Mae and Freddie Mac on September 7. On September 16, investment bank Lehman Brothers files for bankruptcy. On September 18, Fed Chairman **Ben Bernanke** and Treasury Secretary **Henry Paulson** tell key legislators if they don't approve a \$700 billion emergency bailout the U.S. economy will collapse. Global markets plummet as ongoing struggles in the

U.S. subprime mortgage market develops into a full-blown global financial crisis.

2010

President **Barack Obama** signed the Dodd-Frank Act into law on July 21. On November 19, the FDIC and Wisconsin DFI closed Burlington-based First Banking Center, making it the fifth Wisconsin financial institution closed since the beginning of the financial crisis in 2008. Nationally, 317 banks failed between January 2008 and December 2010.

Future issues of Wisconsin Banker will feature historical events from the past 125 years.

Court Dismisses Most of CFPB's Claims in TCF Bank Lawsuit

By Ally Bates

In March, WBA joined 12 other state bankers associations by signing on to an amicus brief filed by the Minnesota Bankers Association (MBA) for a Consumer Financial Protection Bureau (CFPB) lawsuit against Wayzata, Minn.-based TCF Bank. The lawsuit challenged the way TCF Bank had implemented the Regulation E "Opt-in" rules, which addressed overdrafts caused by electronic transaction cards. Rather than settling the case, TCF Bank chose to fight the allegations, filing a motion to dismiss the CFPB's claims. Considering this lawsuit could have a far-reaching impact on overdraft programs and retroactive application of regulations, WBA felt it appropriate to lend support



Consumer Financial Protection Bureau

to TCF Bank and MBA's amicus brief.

On Friday, September 15, the United States District Court for the District of Minnesota issued an order granting TCF Bank's motion to dismiss CFPB's claims that TCF Bank violated Regulation E.

Regulation E "Opt-in" rules required banks to take action not only for new customers, but it also applied to all of the banks' existing customers. That situation presented significant challenges for banks to maintain compliance.

The Regulation E claims were especially troubling for the banking industry as a

whole; CFPB acknowledged that TCF Bank provided all the proper Regulation E Opt-in disclosures and notices. They acknowledged that every customer that opted-in to overdraft coverage for card transactions had given affirmative consent. But CFPB said that because "consumers rarely read written disclosures," CFPB would look beyond the written disclosures and consider the bankers' verbal explanations of the written disclosures.

Regulation E does not require verbal explanations of the written disclosures. In the amicus brief, the Court

The Court agreed with MBA's arguments—specifically stating that it appreciated the state bankers associations' amicus brief—concluding that the bank had in fact complied with Regulation E, and refused to read CFPB's additional, unwritten requirements into the regulations.

was urged to reject this new, unwritten requirement and to enforce Regulation E as it is written. Otherwise, this would set a new legal standard which would result in considerable uncertainty and new significant liability for all financial institutions. The Court agreed with these arguments—specifically stating that it appreciated the state

(continued on p. 11)



Adam Brubaker
COO
Partners Bank



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— **Adam Brubaker COO - Partners Bank** Partners Bank of Wisconsin formed as a merger of Heritage Bank and Stratford State Bank in 2017. Partners has three locations (Spencer, Marshfield, and Stratford, WI), \$215 M in assets, and 38 employees.

WBA Website

(continued from p. 1)

Another area of the website that no longer requires a password is the calendar. Wondering what's going on at WBA this month? Head to www.wisbank.com and click the Calendar link on the far-right side of the menu to open a comprehensive guide to all upcoming committee meetings, in-person

training opportunities, and advocacy events.

While you're on wisbank.com, don't forget to check out the Community section to learn about all the many ways bankers can get involved in the association, as well as an online Bulletin Board with announcements about member banks' community involvement, promotions and

new hires, bank anniversaries, and other celebrations. Want to see your bank's announcement listed here, or in a future print edition of the *Wisconsin Banker*? Email your announcement and photos (if applicable) to bulletinboard@wisbank.com.

Haven't been to WBA's website in a while and need a quick refresher on

all the great features? We've created a helpful set of FAQs with information on how to search for specific information, update the email publications you receive from WBA, reset your password, and more! Visit www.wisbank.com/FAQ and get reacquainted with the new wisbank.com. See you online!

TCF Bank Lawsuit

(continued from p. 10)

bankers associations' amicus brief—concluding that the bank had in fact complied with Regulation E, and refused to read CFPB's additional, unwritten requirements into the regulations.

CFPB also filed claims against TCF Bank for deceptive acts or practices as to new customers, and abusive acts or practices as to new customers, which were not dismissed, but the Court did limit those claims. It dismissed the UDAAP claims that related to actions taken by the bank before the effective date of the Dodd-Frank Act, which created the "abusive" standard and the date that the CFPB became operational, thus avoiding the legal precedent of retroactively enforcing regulations on actions that occurred before the regulations existed.

With respect to the remaining, limited claims, the bank continues to believe that it has both the law and the facts on its side. All the issues discussed in the amicus brief that could widely impact the banking industry have been decided, and all of those decisions have followed the recommendations of the brief.

Bates is WBA administrative/communications assistant – legal.



Programs through the Graduate School of Banking at the University of Wisconsin - Madison are the best place to hone both banking and leadership skills. GSB programs explore critical banking topics in the real world—with hands-on learning and the chance to network, collaborate and learn among some of the brightest leaders in the industry. Take advantage of the industry's most powerful banking and leadership development programs and take your career, your team—and your bank—further.

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Human Resource Management School

April 15 - 20, 2018

Financial Managers School

September 9 - 14, 2018

Bank Technology Security School

October 21 - 26, 2018

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Graduate School of Banking
at the University of Wisconsin - Madison

Wisconsin Bankers Association

Calendar of Events

November 2017 – May 2018

Visit www.wisbank.com/education to find out more about these programs, register or browse a full list of WBA Education events.

Please direct questions to the WBA Education Department at 608/441-1252 or wbaeducation@wisbank.com.

Conferences

CFO Conference
Nov. 16 | Madison
(See *WBA Featured Events*.)

Bank Executives Conference
Feb. 5-7 | Madison
(See sidebar on p. 1.)

FIPCO Events

FIPCO Compliance & Software Forum [Loan + Mortgage]
Nov. 14-15 | Stevens Point
(See sidebar on p. 17.)

Threat Intelligency Briefing
Dec. 14 | Madison
(Visit www.fipco.com/events.)

Luncheon

Wisconsin Economic Forecast Luncheon
Jan. 22 | Madison
(See sidebar on p. 1.)

Summit

BOLT Winter Leadership Summit
Nov. 9 | Stevens Point

Webinars (online training)

Living Trust Documents
Webinar | Nov. 28

Robbery Awareness
Webinar | Nov. 30

(Register online for webinars at www.wisbank.com/education.)

> Register online for WBA events at www.wisbank.com/education.

> Register online for FIPCO events at www.fipco.com/events.

Schools

Deposit Compliance School and Alumni Update Seminar
Nov. 6-8 | Wisconsin Dells

Commercial Lending School
Feb. 19-23 | Wisconsin Dells
(See article on p. 19.)

Residential Mortgage Lending School
Feb. 19-23 | Wisconsin Dells

Real Estate Compliance School
March 13-15 | Wisconsin Dells

School of Bank Management Lending School
May 6-11 | Madison

Seminars

Branch Manager Series: Session Three – Business Development | Madison (Two remaining sessions)
Nov. 7 | Dec. 5

Introduction to Call Report Preparation Seminar
Nov. 7-8 | Wisconsin Dells
(See *WBA Featured Events*.)

Principles of Banking Course
Nov. 15 | Mineral Point
Nov. 29 | Fond du Lac
Dec. 5 | Mineral Point

Insurance Continuing Education Seminar
Nov. 16 | Madison

Workshop

CECL Workshop
Nov. 15 | Madison
(See *WBA Featured Events*.)

WBA Featured Events

Seminar, Conference and Workshop

Introduction to Call Report Preparation Seminar

Nov. 7-8 | Wisconsin Dells

The Call Report is constantly changing, producing confusion and many questions. Designed for bankers who have never prepared a call report or are fairly new to the call report preparation process, this seminar will provide basic training for new preparers and complete coverage of new and complex issues for experienced preparers. New, proposed, and revised changes will be discussed with the schedules they will impact, and a summary of all recent updates will be included at the end of the manual. Participants will receive a 250+ page manual; in addition, speaker **Ann Leavelle Thomas**, Thomas Consulting, has offered to answer future questions via email. Visit www.wisbank.com/events/introduction-to-call-report-preparation-seminar to view a full description of the seminar and to register online.



CFO Conference

Nov. 16 | Madison

WBA's annual conference designed specifically for bank CFOs is November 16! Have you registered? The one-day conference is packed with expert speakers and presentations on a variety of critical issues for

everyone who makes financial decisions within their institution. Some highlights include an examiner's perspective on safety and soundness from the FDIC, managing interest rate risk in a rising rate environment from The Baker Group, and managing core vendor relationships from Trent Fleming Consulting. Visit www.wisbank.com/CFO for a full list of sessions and speakers.

CECL Workshop

Nov. 15 | Madison

New this year, WBA is offering an *optional* workshop before the CFO Conference: **Managing Your Bank's Implementation of CECL**. Finalized in June 2016, the Current Expected Credit Loss (CECL) standard will have a substantive impact on banks of all sizes. This workshop will address what your bank needs to do in order to plan, implement, and comply with the new CECL standard before the 2020 and 2021 effective dates. By the end of the workshop, bankers will know what they need to do in order to create a successful implementation process and shift it into high gear.

Visit www.wisbank.com/CFO to learn more about the conference and workshop or to register online.

Please direct any questions about upcoming WBA education programs to WBA's **Miranda Helt** at 608/441-1270 or mhelt@wisbank.com.

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Travis Bolcerek
Bank of Wisconsin Dells
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Kim Lantta
Blackhawk Bank
Edgerton



Mindy Shoemaker
Mayville Savings Bank
Mayville



Jeff Brady
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Horicon



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Amherst



Jami Noyes
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Monona



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Partnership Bank
Tomah



Louise Dick
Wisconsin Dept of Financial
Institutions- Div. of Banking
Madison



Craig Philipp
River Cities Bank
Baraboo



Brandon Wegner
Bank of Wisconsin Dells
Lake Delton



Josh Esser
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Cobb



Chuck Rabitz
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Bulletin Board

News about people working in Wisconsin's financial institutions

Promotions and New Hires

Aurora

Great North Bank has hired **Matthew Nord** (pictured) as market president for the Upper Peninsula/Northern Wisconsin region.



Nord



Jones



Witt



Chrystal



McCormick

Madison

Ixonia Bank has opened a loan production office in Madison with **Mike Jones** (pictured) as senior commercial lender.



Foote



Culver



King



Bansal

The State Bank of Cross Plains has hired **Ryan Witt** (pictured) as vice president of private banking; he will establish and develop the private banking department.

and CEO, **Kevin Tenpas**, will be assuming the same position at Rocky Mountain Bank in Billings, Mont.

Wisconsin Bank & Trust has named **Curtis Chrystal** (pictured) as president and CEO effective January 1, 2018. Current president

Manistique, Mich. mBank has hired **Erin McCormick** (pictured) as senior vice president, branch administration and sales officer.

Manitowoc

Investors Community Bank has promoted **Jennifer Foote** (pictured) to vice president – compliance officer.

Milwaukee

Park Bank has hired **Jillian Culver** (pictured) as an assistant vice president, private banking.

Waukesha

Randy King (pictured) has joined Waukesha State Bank as a mortgage consultant. The bank has also hired **Bharat Bansal** (pictured) as a commercial lender.

Congratulations

Oconomowoc First Bank Financial Centre (<https://www.fbfzwi.com>) recently won the *Bank Standard of Excellence Award* in the Web Marketing Association's WebAward competition. The award recognizes excellence for website development and design. Congratulations!

(continued on p. 15)

Peoples State Bank Donates to Solar Panel Project



Peoples State Bank recently donated \$1,000 to fund two solar panels at the St. Anthony Spirituality Center in Marathon. The solar panels will help St. Anthony reduce their energy bills and become more earth-friendly. The check presentation was held at St. Anthony Spirituality Center on September 15. Pictured (left to right): **Tony Braun**, **Deacon Bryan Hilts**, and **Kaci Sessions** stand among the array of solar panels at the center.

Erick Gorecki
262-369-7007

BS Recruiters is an executive search firm providing placement services to banks in the Wisconsin market that seek top-caliber talent.

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Have good news? To submit a notice, please email bulletinboard@wisbank.com. Or mail entries to *WBA Bulletin Board*, 4721 South Biltmore Lane, Madison, WI 53718. Send photos as JPEG files. Questions? Contact WBA's **Amber Seitz** at 608/441-1237 or aseitz@wisbank.com.

Bulletin Board

News about people working in Wisconsin's financial institutions

(continued from p. 14)

WBA Coordinates Facebook Live Events in Wake of Equifax Breach

During the month of October, WBA participated in three separate Facebook live events to help educate consumers on what they can do to protect themselves and their information in the wake of the Equifax data breach. Hosted by local news stations (Channel 3000 in Madison, WBAY in Green Bay, and Fox6 in Milwaukee), the livestreams featured a panel of experts from WBA, local banks, and the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP). The events garnered nearly 20,000 views and generated hundreds of comments from consumers.



» WBA Staff gathered to watch the livestreams and help answer consumer questions.

Associate Members

The U.S. Treasury recently awarded the Milwaukee-based Wisconsin Women's Business Initiative Corporation, a WBA Associate Member, one of three awards in Wisconsin to further their mission of economic self-sufficiency through job creation. The \$686,500 award is from the Treasury's CDFI Fund.

Farmers & Merchants Union Bank Employees Recognized for Years of Service



On September 29, three bankers at Farmers & Merchants Union Bank, Columbus, were presented with Lifetime Service Award plaques from WBA in recognition of their 30+ years of service to the banking industry and their community. WBA President and CEO **Rose Oswald Poels** (back, center) presented the awards during an event at the bank to (left to right): **Debbie Hanson**, **Kate Westphal** and **Sharel Martin**.

WBA Lifetime Award recipients were honored and recognized at a reception and dinner banquet on September 12 at the WBA Management Conference & Expo in Wisconsin Dells. See a photo wrap up of the event in the October 2017 issue of *Wisconsin Banker*.

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Eyes on Wisconsin

Iconic Landscapes, Scenes Brought to Life in Annual Calendar

The twelfth year of WBA's popular photo contest has begun! Winning photographs will be used in the development of WBA's customized "Scenes of Wisconsin" calendar, resulting in a beautiful product featuring photographs of the Badger State submitted by Wisconsin banking industry advocates like you.

Imprinted with the bank's logo, website, and other important information, these stunning calendars help your bank stay top-of-mind with your current and potential customers. Order yours today for a special, limited-time price of \$1.09 per calendar!



If you are an amateur photographer and would like the opportunity to show your creativity and the beauty of Wisconsin to bankers and their customers throughout

the state, this is your chance! Send us your photos that represent the history and beauty of this great state: historical locations; a county fair, carnival, parade,

or festival; a local farm; agricultural activity; fall colors; winter snowfall; spring flowers; or summer fun!

To submit your photography to the contest, visit www.wisbank.com/calendars and complete the online submission form. You can even upload the image file(s) directly to the website!

Visit www.wisbank.com/calendars today to learn more about the photo contest or to order your 2019 Scenes of Wisconsin Calendar at the special, low \$1.09 rate!

To find out more about the photo contest or to order your 2019 Scenes of Wisconsin calendar, visit www.wisbank.com/calendars.



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The Calm After the Storm

Lessons We Should Learn Following the Equifax Breach

By Ken Shaurette

By now most everyone in the United States has heard something about the Equifax data breach. It's natural to feel a bit on edge about what happened, but did we learn anything substantial as a result of the events that took place?

When someone's information is exposed in a data breach, it can cause panic and concern. The good news is that many of the most effective preventative measures were already within reach and the breach has brought light to their importance and continued diligence. Anyone's credit information—paired with the right credit protection tools—can help defend against fraud and identity theft after a data breach event.

For years industry experts have suggested that consumers check their credit reports, consider placing credit freezes or fraud alerts, and contact the major credit bureaus. The breach has provided new focus and if anything, should have taught all of us as consumers that monitoring our credit is not a one-time thing and should be part of an ongoing process to ensure our creditworthiness. Just like implementing information security it is a journey, not a destination, it is ongoing and requires continuous attention. You wouldn't drive a car without brakes; you won't do business without proper security controls in place.



Visit www.fipco.com, call 800.722.3498 or email fipcosales@fipco.com.

There are important lessons that any institution can take away from the events that resulted in the breach at Equifax.

Security is often incorrectly framed as a choice, usually a decision between security and privacy. Size and complexity don't matter if you want to be in business and process confidential information; you must protect it. Improving an institution's security is a necessity and can lead to greater privacy. With an even greater emphasis on privacy, institutions will create a corporate culture that values security. I've been calling it Ken's Golden Rule for years: "If you treat all data you work with like it's data about you or your family, you will typically handle it securely and ensure its privacy." Security isn't an end in and of itself. It is a mechanism to protect important values, one of which is privacy.

Being prepared for the eventuality of a breach with a robust Incident Response Plan is critical, as outlined by the NIST Cybersecurity Framework. Being prepared can assist with appropriate notifications after a breach and reduce the reputational impact. When a breach does occur, evidence should be

preserved and it will likely be useful to employ outside counsel and outside digital forensics experts to investigate the breach. If such an investigation is conducted by internal resources, the results of that investigation might not be protected by attorney privileges. Spoliation of evidence poses a significant danger in responding to a data breach. A finding of spoliation can result in substantial court sanctions.

Note: The spoliation of evidence is the intentional, reckless, or negligent withholding, hiding, altering, fabricating, or destroying of evidence relevant to a legal proceeding.

Shaurette is FIPCO director – IT Services and can be reached at 608/441-1251 or kshaurette@fipco.com.

For more information about FIPCO forms, software, or other products, visit www.fipco.com, call 800/722-3498 or email fipcosales@fipco.com.



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Nov. 14-15 · Holiday Inn Hotel and Convention Center · Stevens Point

I didn't know...

FIPCO

offered the 2018 Wisconsin Financial Institutions Directory!



Information for every Wisconsin depository institution and branch by city

This annual bank directory has the most current Wisconsin financial institution information, including every depository institution and branch by city. The handy size includes almost 300 directory pages.

WBA Members: \$110 each | Non-Members: \$135

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Getting information to the right person quickly is critical in these challenging times. Has there been a personnel change at your bank, or are WBA's mailings targeted to the wrong staff?

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Economic Development

Craft Brewers Draft a Plan for Business Growth

By Bruce Kaufmann

In my time at WBD, I have analyzed and underwritten a number of businesses in the craft brewing industry. Combined with my enthusiasm for craft beer, and observing how these businesses have evolved over time, I have developed some insight into factors that are indicators of likely success.

I am not a brewing industry expert, but let's just say I continue to research this subject on an ongoing basis.

The craft beer industry, which includes microbreweries and brewpubs, has shown tremendous growth over the past five years. While overall beer volume has remained relatively flat, craft breweries have been hopping up all over the marketplace.



Economic Development

Bruce Kaufmann

Per the Bolder, Colorado-based **Brewer's Association**:

Craft brewers have tapped into a new consumer—a 25- to 34-year-old who seeks quality, variety, and the ability to buy local. This demographic responds to the notion of small, independent, and traditional—preferring unique blends over standard brews. In 2016, 826 new breweries opened. Out of this number, 97 closed.

What are some of the characteristics of a successful microbrewery?

The most obvious is making a quality product. Many microbrewers start as home brewers, making quality beer in small batches for friends and family. However, taking the next step from home brewer to microbrewer is much more difficult.

Successful brewers have:

- » Learned how to make beer on a larger scale through volunteer opportunities at craft breweries or through educational opportunities

- » Started small and grown a following in local markets

- » Waited on large, quick capital investments in facilities or in costly brewing equipment

- » Approached growth slowly to avoid debt

- » Purchased equipment with cash—often the best chance for small business success

- » Contracted with third-party breweries to grow their businesses without large, upfront capital investments

- » Incorporated basic business practices including human resources, inventory management, and accounting

- » Developed and implemented best practices for quality control

- » Maintained brand consistency so consumers purchase the same quality with every purchase—a vital aspect of microbrewing

- » Established unique brands that stand out not only from commercial brews, but from other craft beers

- » Avoided traditional advertising methods, relying strongly on social media for much of their marketing

Microbrewers may have tapped into a growing market segment, but there are challenges in the craft beer industry.

Distribution laws can be complicated, and the fight for shelf space at liquor and grocery stores has increased.

The competitive landscape historically has been friendly,

with microbrewers often collaborating on projects and sharing ideas. However, that friendly competition could change in the future as more investors become involved in microbrewery projects with the expectation of immediate financial returns.

In addition, large macro breweries like AB InBev and Heineken are changing the industry landscape by buying craft breweries.

Despite these challenges, the future is still bright in the craft brewing industry. Microbrewers continue to incorporate creativity, unique ingredients, and signature styles—growing both volume and revenue while staying true to the independent spirit and small-business mentality of craft brewing.

Microbrewers, or any small business owners, can grow their businesses and create jobs with the SBA 504 Loan Program. At WBD Inc., we can help microbrewers expand into larger, owner-occupied facilities and purchase larger-batch equipment and packaging systems.

Microbrewers, or business owners in a variety of industries, who have been in business for at least two years may be eligible to finance projects with as little as ten percent down. This competitive borrower contribution, combined with financing from the U.S. Small Business Administration and from WBD Inc., enables business owners to preserve working capital and to focus on growth. The fixed twenty-year rate on 40 percent of the total project also provides some cost certainty. Find out the latest buzz in the microbrewery world at www.brewersassociation.org.

Kaufmann is senior credit analyst manager at WBD, Your Business Finance Resource.

Thank You.

To the **142 lenders**
and **84 institutions** that
partnered with WBD to
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Over 1,200 jobs created in 2017

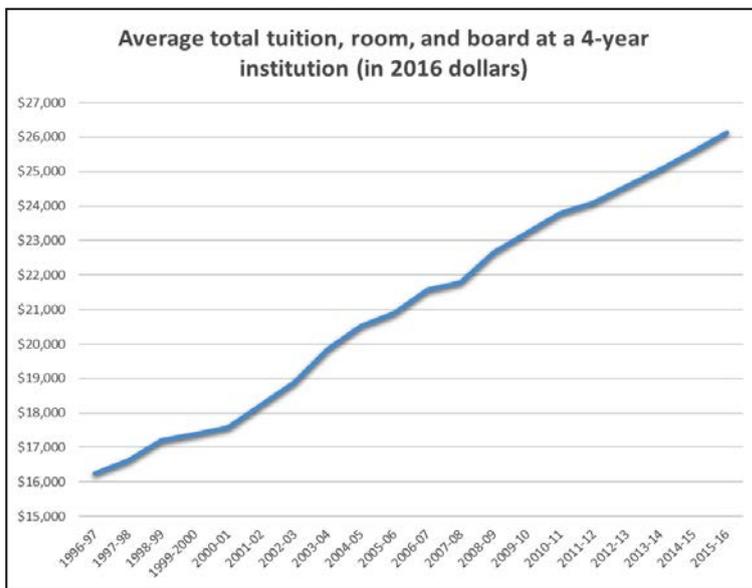


Edvest Celebrates 20 Years of Saving

Edvest, Wisconsin’s 529 College Savings Plan, celebrated its 20th anniversary on September 19 with a reception at the State Capitol. For two decades, Edvest has helped Wisconsin families save for the cost of higher education. While a lot has changed over the years, one thing that hasn’t is Edvest’s commitment to make saving for college easier and more affordable for Wisconsin families.

Edvest is one of the nation’s top 529 plans and offers a variety of investment plans to meet the different needs and risk profiles of Wisconsinites. Earnings from all of the plans grow tax-free, giving consumers an incentive to save. With a minimum contribution of just \$25, Edvest is affordable for most Wisconsin families, a key selling point as college costs continue to rise. Encouragingly, Edvest has almost 160,000 account holders who have collectively saved nearly \$3 billion for higher education—an average balance of \$17,000.

▶ Saving early for post-secondary education has never been more important.



» National Center for Education Statistics: https://nces.ed.gov/programs/digest/d16/tables/dt16_330.10.asp

In addition to celebrating two decades of helping Wisconsin consumers save for college, Edvest is also moving to a new home. Previously housed at the Wisconsin Department of Administration, the 2017-19 state budget transitioned Edvest to the Wisconsin Department of Financial Institutions (DFI). The program will dovetail nicely with DFI’s Office of Financial Literacy; the office

recently launched a website dedicated to college savings resources for current and prospective students: www.lookforwardwi.gov.

Another reason DFI is a good home for Edvest: Banks play an important role in their customers’ lives, and therefore are well-positioned to make them aware of the benefits of saving for the future. “Banks are trusted financial advisors in their communities,” said

DFI Secretary **Jay Risch**. “Many Wisconsinites turn to their local banker for advice on how to save, and Edvest is an effective option for banks to recommend.”

In a Facebook interview during the anniversary celebration, Risch highlighted some of the benefits of opening an Edvest account:

» Anyone, not just a child’s parents, may open or contribute to an Edvest account – even out-of-state family and friends.

» Contributions to an Edvest account will reduce a person’s Wisconsin taxable income.

» Edvest funds can be used at colleges, technical colleges, and grad schools nationwide and abroad on tuition, books, room and board, computers/tablets or other qualified expenses.

» Teens who have a savings account in their name are six times more likely to attend college than those without one.

Watch the full video at www.facebook.com/pg/Edvest529/videos. Please visit www.edvest.com to learn more.

Calling All Commercial Lenders!

Registration discount for popular WBA school expires soon

Reserve your spot in the 2018 Commercial Lending School by December 29 and save \$100 on your registration!

This annual school designed for business bankers will be held Feb. 19-23, 2018 in Wisconsin Dells. The curriculum includes in-depth, hands-on training in all facets of commercial lending with an emphasis on cash flow, financial analysis, and structure. Students will utilize multiple case studies throughout the week-long school to reinforce what they learn in the classroom.



» Register by Dec. 9 and SAVE \$100 on your registration at: www.wisbank.com/events/commercial-lending-school.

The nationally recognized curriculum will cover topics such as assessing the borrower’s competitive position and financial performance, analyzing personal financial statements and tax returns, projecting

future performance, effective relationship management, identifying and managing problem loans, and establishing credit discipline.

This is not an introductory course. Due to the intensity of the school, each student should

have completed coursework in Analyzing Financial Statements and should have the following:

1. Formal training that includes course work in the area of basic accounting and basic economics.
2. A minimum of two years of experience in full time commercial lending or credit analysis, **OR**, attendance at either the WBA Introduction to Commercial Lending School or Analyzing Financial Statements School and one year of full time commercial lending or credit analysis experience.

Reserve your spot today at www.wisbank.com/events/commercial-lending-school.

An Update on Tax Reform

By Drew Simmons

The Trump administration released its framework for tax reform in late September, which aims to simplify the tax code by removing certain loopholes and lowering tax rates for individuals and businesses. The framework itself is quite simple, summarized in just nine pages*; there's even a "one-pager" on the Treasury's website. The main objectives in the framework that could impact the \$3.8 trillion municipal market include:

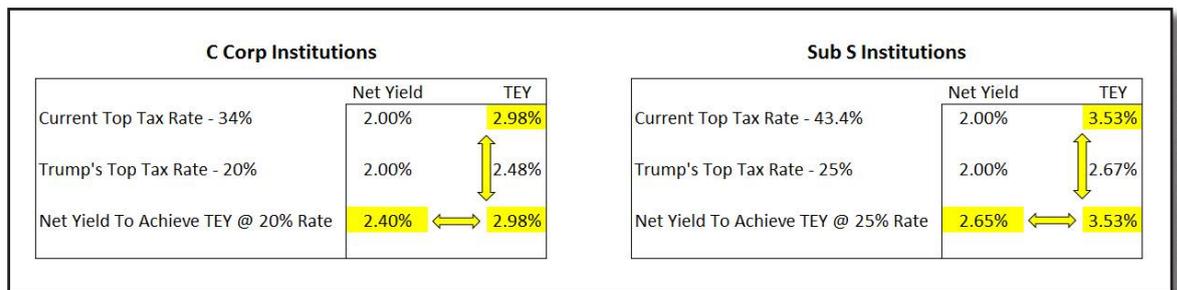
- » Reducing the current seven tax brackets down to three: 12%, 25%, and 35%
- » Lowering the corporate tax bracket from 35% to 20%
- » Lowering the pass-through rate for Sub S businesses to 25%
- » Eliminating the Estate Tax and the Alternative Minimum Tax (AMT)
- » Repealing the state and local tax deductions



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are still more questions than answers. What we do know is that, on the margin, lower tax rates should imply less demand for tax-exempt income. The math of it is quite simple. Figure 1 shows the increase in the net yield for municipals under the proposed tax rates that is necessary to earn the same tax equivalent yield (TEY). Here, we assume a 2% net

» Figure 1



» Figure 2



Figure 1: Changes in Municipal Yields at Lower Tax Rates

As of this writing, the market is showing very little reaction to the proposed changes in the tax code. Last November, we published a brief on the impact that Trump's tax policies might have on the municipal sector. The framework provides additional detail, but there

yield as our starting point, which produces TEYs at today's tax rates of 2.98% and 3.53% for C-Corp and Sub S banks respectively. If investors demand the same TEY under the new tax rates of 20% for C-Corps and 25% for Sub S banks, net yields would need to be 40bps and 65bps higher, all things equal. But all things aren't equal. Future changes

in supply, spreads, and credit quality are just a few of the many unknowns.

Figure 2: Bloomberg's 10-year AAA Bank Qualified Municipal Bond Index

Figure 2 shows a 1-year history of net yields for Bloomberg's 10-year AAA Bank Qualified Municipal Bond Index. After the election, muni yields sold off by more than 100bps. This reflected the market's expectation that tax reform would be a priority for the Trump administration. Fast-forward to today and yields have erased about 60bps of that move.

Given that banks would see the largest tax rate reductions, there's a possibility that at least some banks will reduce their municipal holdings.

However, the increase in bank holdings over the past decade has nearly doubled. Given that banks would see the largest tax rate reductions, there's a possibility that at least some banks will reduce their municipal holdings.

» Figure 3

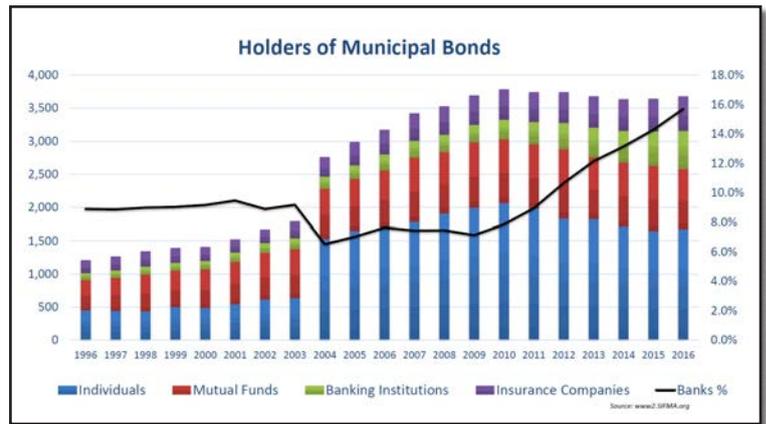


Figure 3: Municipal Holders 1996-2016

As I noted last November, banks represent a relatively small percentage of municipal bond holders (Figure 3 below). Through the end of 2016, banks held 15.7% of municipal bonds outstanding. In the retail sector, individuals and mutual funds held 70.2% through the end of last year.

Passage of tax reform faces many hurdles. President Trump has already said he'd leave it up to Congress to determine what the top tax rate should be. Some have speculated that would include adding a fourth bracket for the highest wage earners. Moreover, the elimination of state and

(continued on p. 21)

Mergers of Three

By Pete Wilder

We have written previously about M&A trends for community banks in the upper Midwest. All of the deals over the last several years have involved the combination of two banks. But did you know that it is possible to merge three (or more) banks together as part of a single transaction?

Recent Tri-Party Merger Precedent in Wisconsin

One does not have to look far to find examples of other (non-bank) financial institutions that have executed three-way mergers. In 2014, Wisconsin based CitizensFirst, Lakeview, and Best Advantage credit unions merged to form Verve, a credit union, headquartered in Oshkosh. At consummation, the combined credit union had \$600 million in total assets with 10 branch locations and 47,000 members. Today, just three years later and aided by an additional merger, Verve has \$840 million in total assets with 16 branches and 57,000 members.

Then, just this year, 1st Farm Credit Services (Ill.), Badgerland Financial (Wis.) and AgStar Financial Services (Minn.) merged to become Compeer Financial. In a



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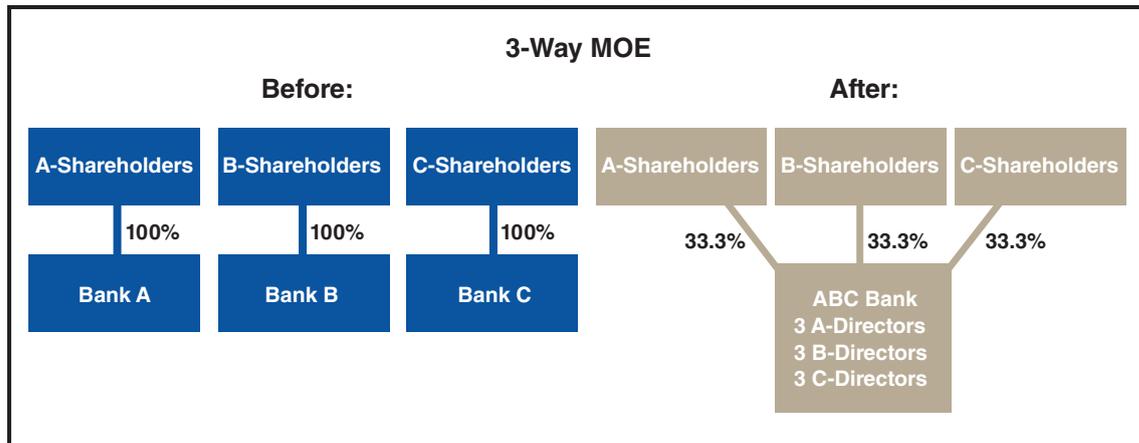
Pete Wilder

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or sale such as lack of scale, succession planning, technology costs, and balance sheet mix. In particular, a three-way merger can solve for some of the difficulties in effecting a “merger of equals” (MOE).

For example, often



press release in September 2016 announcing unanimous board approval for the merger from each of the associations, it was communicated that (i) the operating structure would be “decentralized” allowing each legacy association to continue operating with some relative independence, (ii) all office locations would be retained, and (iii) the combined association would feature “equitable representation of

board members in proportion to the number of stockholders” from each association.

Can it Work for Community Banks?

A three-way merger of community banks can be a creative solution for small community banks wishing to retain some independence but also looking to address the various strategic challenges causing some community banks to consider a merger

community banks cannot find a partner similar enough in size to pitch a truly “equal” MOE partnership. Rather, one bank would clearly be the “acquiring” bank and the other the “acquired.” Moreover, very small banks may shy away from MOEs as a realistic option because they may not be capable of realizing the full benefits of enhanced scale even if they combine. (For example,

(continued on p. 24)

Tax Reform Update

(continued from p. 20)

local tax deductions would be a negative for municipal issuers, so we’d expect push back from both sides of the aisle on that front. One positive for municipal holders would be the removal of the AMT. This would bring back many buyers of munis that were previously out of the market for munis subject to the AMT. These bonds, largely issued

by airports and housing developers, generally trade at a discount to traditional tax-exempt municipals but would rally if the AMT is eliminated.

At this point, there is a great deal of uncertainty surrounding the impact to the municipal market under the current tax reform framework. If tax reform gets through the House and Senate, there’s a high probability that we’ll see changes to the plan under its

current form. Municipal investments have long provided attractive yields for banks relative to alternative sectors of the same credit quality, and should remain so under lower tax rates. However, municipal investors should continue to monitor potential changes to the tax code that might impact their appetite for tax-exempt income.

* www.treasury.gov/press-center/press-releases/Documents/Tax-Framework.pdf

Simmons is senior vice president at The Baker Group, a WBA Bronze Associate Member. He works with community bank needs pertaining to interest rate risk, asset/liability management, and fixed income portfolio management. He created the firm’s municipal credits database, and is a frequent speaker at banking schools and financial seminars. He can be reached at 800/937-2257, drew@GoBaker.com.

ILCs: Fad or Future?

(continued from p. 1)

Historical Context

Now state-chartered companies operating with federal deposit insurance, the ILC business model has been in existence since the early 1900s. Since their inception, non-bank retail companies have used these

“The industrial loan charter allows commercial companies (i.e. BMW, General Motors, Target, etc.) to own financial institutions that can take federally insured deposits.”

entities primarily to make consumer finance loans in order to sell their products, explained Attorney **James Sheriff**, partner at Reinhart Boerner Van Deuren, s.c. For example, BMW, General Motors, and Target all had

industrial bank subsidiaries (and some still do). “The charter allows commercial companies to own financial institutions that can take federally insured deposits,” explained Attorney **Patrick Neuman**, partner at Boardman & Clark LLP. This bucks the long-standing policy in the U.S. to separate commerce and banking, a policy created in 1933 by the Glass-Steagall Act and reinforced by the Bank Holding Company Act of 1956 (BHCA).

Only seven states currently have provisions allowing for ILCs: California, Colorado, Minnesota, Indiana, Hawaii, Nevada, and Utah (where the vast majority of industrial banks are headquartered). Due to their exemption from the BHCA, ILCs are regulated only by their chartering state regulator (the Utah Department of Financial Institutions oversees ILCs with over \$143 billion in combined assets) and the FDIC. The Federal

Reserve has no authority to regulate the activities of the parent company, which—unlike traditional charters—is not limited to activities that are substantially related to banking.

However attractive this charter may seem, it has not been a popular option in recent years. No ILC applications were filed between 2009 and SoFi’s application in June 2017—a timeframe which includes a three-year moratorium imposed by the Dodd-Frank Act (lifted in 2013). The last company to garner attention for its ILC application was Walmart in the mid-2000s. Fearing the retail juggernaut’s entry into retail banking, the banking industry successfully lobbied for laws in several states (including Wisconsin) prohibiting ILCs from having a banking facility within 1.5 miles of a retail location owned by the same parent company. At the time, it was considered a great success. However, today’s applicants

“One of the biggest attractions of an ILC is the federal pre-emption it offers. Instead of 50 state regulators examining your consumer finance company, there’s one state and the FDIC.”

aren’t interested in physical retail locations. “Before, the goal was to bring consumers into the store in order to win their banking business,” Sheriff explained. “Today, the brick-and-mortar isn’t important, but rather wanting to expand financial products and services. It’s a different threat.”

Renewed Appeal

The current financial services landscape is ripe for renewed interest in ILCs. Technological advances have made brick-and-mortar branches unnecessary and nation-wide reach attainable.

(continued on p. 23)

COMPARISON OF POWERS

Powers	Commercial Bank	Industrial Loan Company
Examination, supervision and regulation by federal banking agency.	Yes	Yes
Parent subject to umbrella federal oversight.	Yes	No
Ability to accept demand deposits.	Yes	Yes (in most states)
Ability to offer full range of deposits and loans.	Yes	Yes
Ability to branch interstate.	Yes	Yes
CRA, Regulation O apply.	Yes	Yes
Parent company activities generally limited to banking and financial activities.	Yes	No
Parent company could be prohibited from commencing new activities if a subsidiary depository institution has a CRA rating that falls below satisfactory.	Yes	No
Federal banking agency could order Parent company to divest of a depository institution subsidiary if the subsidiary becomes under-capitalized.	Yes	No

Source: FDIC – For the comprehensive comparison, see: www.fdic.gov/regulations/examinations/supervisory/insights/sisum04/industrial_loans.html.

ILCs: Fad or Future?

(continued from p. 22)

However, banking's regulatory structure has not kept pace with the change. "Right now, in order to be a financier these companies need to get licensed in all states they do business in," Sheriff explained. One of the biggest attractions of an ILC is the federal pre-emption it offers. "Instead of 50 state regulators examining your consumer finance company, there's one state and the FDIC," he said.

Another major draw of an ILC is that it allows the parent company to retain the flexibility to experiment that fintech startups are known for. "SoFi is a tech company and doesn't want to be hamstrung by the Bank Holding Company Act," said Neuman. "ILCs are not subject to consolidated supervision at the holding company level. That's a big advantage."

Operationally, fintech companies like SoFi and Square would receive another important benefit from obtaining an ILC: a stable funding source. "Both companies make loans, and if they get an industrial loan charter they get access to federally insured deposits. Deposits are a significantly less expensive source of funding than investment capital or bonds," Neuman explained. The availability of government-backed deposits as a funding source would alleviate concerns over whether institutional funding is stable enough to weather an economic downturn or significant market fluctuation.

What Happens If...

FDIC's approval of either pending ILC application would have profound implications for the future of the financial services industry. "If the FDIC decides to approve one of those applications, it could be a

"If either application is approved, there will be a flood of new applications. If SoFi or Square *does* receive an ILC, the banking industry will need to prepare for several long-term effects."

game-changer," said Neuman. "If either application is approved, there will be a flood of new applications." If SoFi or Square *does* receive an ILC, the banking industry will need to prepare for several long-term effects.

First is a new, aggressive source of competition. "The most often-cited concern with ILCs is that they could lead to a concentration of economic power in banking," said Neuman. With ILC charters, giant technology retail companies like Apple, Amazon, and Google could offer the same products to consumers as banks. "They'd be behemoths to deal with in a consumer or small business banking sector," said Sheriff. In addition, those companies' data collection activities would not be restricted by the BHCA, enabling them to obtain and analyze consumer data that is not available to most banks. "That could seriously undermine a bank's ability to compete," said Neuman. One area where the competition could be especially fierce is in small business lending. "If the ILC option becomes more popular, and if small fintech lenders like Prosper get these charters, it would create a lot more competition for community banks in small business lending," said Sheriff. "It has some real potential detriments for community banks."

Another concern directly relates to SoFi's business model, which is driven by a focus on HENRY customers

(High Earner Not Rich Yet). "Much of their business is student loan financing for professionals such as doctors and lawyers. There's concern in the industry that fintech lenders won't adequately serve the working class household or be able to meet CRA requirements," Neuman explained. "This type of business model could lead to a disproportionate allocation of credit." Banks can only speculate how the state regulators and FDIC will address CRA concerns with ILCs.

Increased popularity of ILCs may also dampen partnerships between banks and fintech companies—partnerships that currently expand product and service offerings for many bank customers. "If FDIC starts approving these charters, there will be fewer partnerships between fintechs and banks," said Sheriff. "The fintech companies will no longer need to partner in order to get data and deposits." This is not conjecture. Former SoFi CEO **Michael Cagney** told *TechCrunch**** the company plans to offer checking, deposit, and credit card services through a regional banking partner if the ILC application is not approved.

Finally, ILC opponents see increased risk to the industry as a whole if these charters have a resurgence among technology companies. "What happens if one of these goes through and becomes huge, but then the parent company makes some wild bet and goes under? That could be a huge hit to the FDIC and the banking industry in general," Sheriff said. "Bank regulators aren't familiar with how to evaluate some of those widespread risks. We've separated banking and commerce for 85 years for a reason." The same concern applies to the potential for further increasing the market

power of the "Big Five" (Amazon, Apple, Facebook, Google, and Microsoft) by adding banking services to their already diverse lines of business.

What if the FDIC denies the pending applications? Will community banks be able to breathe a sigh of relief and go back to business-as-usual?

"Banks are going to see fintech as a real competitor in the lending space, and sooner rather than later."

"The bottom line is that there is activity in this area right now. This isn't hypothetical."

Probably not. "If these fintech companies don't get approval for an ILC, I believe they'll pursue other avenues, such as an OCC fintech charter," said Neuman. "Banks are going to see fintech as a real competitor in the lending space, and sooner rather than later." Influencer companies in the technology sector have set their sights on banking products, and they won't be easily deterred. "The bottom line is that there is activity in this area right now," said Sheriff. "This isn't hypothetical."

Seitz is WBA operations manager – senior writer.

Boardman & Clark LLP is a WBA Gold Associate Member.

Reinhart Boerner Van Deuren, s.c. is a WBA Associate Member.

**On October 13, SoFi withdrew its application for an ILC charter as it undergoes a leadership transition, but says "a bank charter remains an attractive option."*

*** Square's ILC will be named Square Financial Services, Inc., according to a Wall Street Journal report.*

**** <https://techcrunch.com/2017/05/10/sofi-ilc-plans>.*

Who is the 2017 WBA Banker of the Year? You Tell Us!

A History of Service Commemorating Past Award Winners

In the midst of celebrating its 125th anniversary this year, WBA would like to recognize some of the individual bankers who have contributed to the success of Wisconsin's banking industry in an extraordinary way: the recipients of the Wisconsin Community Banker of the Year award.

These individuals have dedicated countless hours of their time to serving their communities and are true examples of the best of our industry.

Congratulations!

Wisconsin Community Bankers of the Year:

1986 – Jess Levin
 1987 – Ron Isaacson
 1988 – Gil Homstad
 1989 – Lee Swanson
 1990 – Robert Gorsuch
 1991 – Richard Pamerin
 1992 – David Ballweg
 1993 – Michael Murry
 1994 – Steve Hamilton
 1995 – Merlin Zitzner
 1996 – Howard Turk
 1997 – A. Tom Wittkopf
 1998 – Gary Weirauch
 1999 – John G. Thomson
 2000 – Thomas J. Sheehan
 2001 – Earle R. Edwards
 2002 – Dirk L. Gasterland
 2003 – Paul C. Adamski
 2004 – Philip Holland
 2005 – Charles L. Saeman
 2006 – E. David Locke
 2007 – Karl J. Ostby
 2008 – H. B. Pomeroy
 2009 – Carl M. Axness
 2010 – Toby J. Steivang
 2011 – Robert L. Fait
 2012 – James K. Caldwell
 2013 – Richard G. Busch
 2014 – Frederick F. Schwertfeger
 2015 – Steve Schowalter
 2016 – Randy Bobholz
 2017 – TBD

Nominations are due by November 22

WBA is now accepting nominations for the 2017 Banker of the Year Award! This award recognizes someone who has made an outstanding effort in service to his or her bank, to their community, and to the banking profession.

To qualify, nominees must be a bank president/CEO (or have held this role in the recent past) and a member of the Wisconsin Bankers Association. Nominations may be submitted by any person who is able to describe the banker's civic and professional accomplishments.

The award will be presented at the WBA Bank Executives Conference on February 6, 2018 at the Monona Terrace in Madison.

Contact WBA's **Debbie Nabholz** (dnabholz@wisbank.com) for the nomination forms.

These forms must be returned to Nabholz by **Wednesday, Nov. 22, 2017**. Questions about the award or the nomination and selection process may be directed to WBA's **Patty Rogers** at progers@wisbank.com or 608/441-1209.



Randy Bobholz, president and CEO of the Farmers & Merchants Union Bank in Columbus, was honored as the Wisconsin Bankers Association Community Banker of the Year for 2016. Bobholz (pictured, left) was recognized as being respected by both bankers and his community as a leader who is caring and involved both inside and outside the bank. He celebrated his award with family and friends. The award was presented at the Tuesday evening program during the 2017 Bank Executives Conference.

Mergers of three (continued from p. 21)

the combination of two \$50 million banks likely would not produce the same efficiencies as the combination of two \$250 million banks.)

A three-way merger can potentially solve for these MOE challenges and be another option for community banks to pursue. If three similarly sized banks merge in a single transaction, each bank's shareholders could control approximately 1/3 of the voting power for all matters post-closing (depending on deal valuations). In addition, each bank's shareholders could receive a separate class of stock with the right to elect their own directors to the resulting board. This way, each group of shareholders has its own local voice in the



A three-way merger of community banks can be a creative solution for small community banks wishing to retain some independence but also looking to address various strategic challenges.

boardroom, and no single institution's shareholders retain control. The banks could even continue to have their own brand and local management teams if desired. Plus, significant efficiencies would be more likely even if the merger involves three relatively small institutions.

Overcoming Challenges

As with all mergers, many challenges would need to be overcome before a three-way

MOE could happen. These challenges include finding three banks interested in combining, determining the makeup of the board and executive management team, and solving for a myriad of other political and cultural issues. However, as evidenced by the recent three-way credit union and farm credit mergers referenced above, these issues are surmountable if discussions involve the right parties with the right motivations.

As your board continues to evaluate your bank's strategic path, know that there are many options available to you, some of which may not be readily apparent. A three-way merger of community banks is one such option.

Wilder is an attorney and shareholder at Godfrey & Kahn, S.C., a WBA Bronze Associate Member.

Presenting the 2018 WBA Associate Member Packages

Updates, streamlined process for associate members to leverage industry connection

By Daryll J. Lund

In 2016, the Wisconsin Bankers Association revamped its Associate Membership to create better promotional opportunities for its non-bank Associate Members. The **2018 WBA Associate Member Packages** continue to offer enhanced value to all members who choose to upgrade to a Gold, Silver, or Bronze package level. The tangible benefits offered at each level provide these companies with priority access to different event sponsorships, advertising, and other membership benefits depending on the level, all at a single purchase price.



Association Update

Daryll J. Lund

In addition, each package can be customized with discounted à la carte options and advertising to meet each member's unique marketing needs.

The package structure allows WBA Associate Members—organizations that work closely with Wisconsin's banks—to streamline their outreach to the banking industry as a whole and

WBA members in particular. For example, the annual payment allows for streamlined budgeting calculations. It also provides Associate Members with a birds' eye view of the association's event calendar (including sponsorship and vending opportunities), making it possible to plan special deals and releases to coordinate with events that member banks will attend.

Gold, Silver, and Bronze Associate Members receive increased visibility with the WBA's bank members, providing invaluable connections and opportunities.

I'd like to thank our current Associate Members who have

demonstrated their dedication to Wisconsin's banking industry with their purchase of a 2017 WBA Associate Member Package:

Thank you, and thanks to all of our 2017 Associate Members, for your commitment to Wisconsin's banks.

If you are interested in learning more about the WBA Associate Member Packages, please contact WBA's **Nick Loppnow** at 608/441-1208 or sales@wisbank.com. Visit www.wisbank.com/packages to view a full list of package benefits.

Lund is WBA executive vice president – chief of staff.

GOLD ASSOCIATE	{ Gold }	Bankers' Bank Bell Bank Boardman & Clark LLP BOK Financial Institutional Advisors Federal Home Loan Bank of Chicago FIPCO ICBA Services Network SHAZAM WBA Insurance Services (MBIS and EBC)
SILVER ASSOCIATE	{ Silver }	Baker Tilly Virchow Krause, LLP Eide Bailly LLP Plante Moran WIPFLI LLP
BRONZE ASSOCIATE	{ Bronze }	The Baker Group Bank Compensation Consulting CliftonLarsonAllen Executive Benefits Network FTN Financial Group Godfrey & Kahn, s.c. Inlanta Mortgage, Inc. Northland Securities Quad City Bank & Trust RSM US LLP SBC CyberSecurity Spectrum Investment Advisors VGM Forbin von Briesen & Roper, s.c. West Bend Mutual Insurance Company
ASSOCIATE MEMBER		

WBA Associate Members

Exceptional Resources for Wisconsin Banks

As an Associate Member of the WBA, you are a top-tier resource for Wisconsin banks. Your organization offers products and services that are vital to the success of financial institutions in this state, and—perhaps more importantly—your staff have the experience and expertise to help guide the industry.

Did you know all WBA Associate Members are eligible

to submit informational articles for publication online and/or in the *Wisconsin Banker*?

The *Wisconsin Banker* features industry news and information about Wisconsin's financial institutions. The publication is mailed to 2,500 locations, including all WBA member banks and branch offices, with an estimated readership of more than 10,000 bankers. WBA's new

content-driven website sees over 500 visitor sessions daily, and is still growing!

As experts in the financial services industry, WBA's Associate Members are welcome to send articles for possible publication (space permitting). Articles should be informative (not promotional) and timely. Due to the space constraints of print, pieces between

450-550 words have the best opportunity for publication in the *Wisconsin Banker*.

Contact WBA's **Amber Seitz** at aseitz@wisbank.com, 608/441-1237 with questions and to submit your articles.

The association reserves the right to reject any content deemed unsuitable for publication for any reason, in accordance with the policies and standards of the WBA.

WBA Perspective *Industry briefings for Wisconsin bankers*

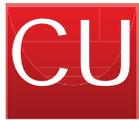


There's certainly no shortage of information channels in this day and age. You can find out news from around the globe in newspapers, online and even on your smartphone. If you don't have time to sift through hundreds of articles and news bytes, here's what you need to know about what's going on in the banking industry this month:

Rose Oswald Poels is WBA president and CEO
ropoels@wisbank.com | 608/441-1200
Twitter: @RoseOswaldPoels

Credit Unions

WBA Weighs in on Credit Union Membership Growth



The *Milwaukee Journal Sentinel* recently asked WBA's **Rose Oswald Poels** to comment on the growth of Wisconsin's credit unions to over three million members. "To me, the dramatic growth over 10 years in the field of membership of credit unions really begs the question of why are they allowed to continue to have a tax exemption when they are no different from a bank," she said. "They serve and can serve virtually anyone in the state because the field of membership has no substantive meaning anymore, and yet they get a tax break that no other individual in Wisconsin gets — much less other for-profit businesses get. You can read the entire article as well as Oswald Poels' additional comments on WBA's website at www.wisbank.com/articles/2017/10/wba-weighs-in-on-credit-union-membership-growth.

Member Resources

Equifax Data Breach Resource Center



The WBA has created an Equifax Data Breach Resource Center for its members. The resources range from consumer tips to precautionary steps banks should consider taking. Additionally, WBA Associate Members submitted a list of services and/or products meant to assist your financial institution with all necessary follow-up activities. No password is required in order to access these materials on the WBA website, found here: www.wisbank.com/equifax-data-breach-resource-center.

FHLB Elections

Platform for FHLBC Board Candidates



Wisconsin banks received letters from the Federal Home Loan Bank of Chicago (FHLBC) in mid-June soliciting bankers for nominations for the 2017 Election of FHLBC Member Directors.

There is once again an open seat this year as the current Wisconsin Director, **E. David Locke** of McFarland State Bank, is term-limited. In the past, WBA has endorsed a specific individual for the membership's consideration; however, the WBA Board decided to go a different direction this year and instead provide a central location to serve as a resource for bankers during the voting process. The nominees submitted their photos, biographies, and statements about their interest in serving on the FHLB Board to WBA, all of which are compiled at www.wisbank.com/FHLBelection.



For more industry updates like these, sign up to receive the *WBA Executive Letter* ePublication by visiting your profile on www.wisbank.com (located in the upper-right corner of the screen).



Association News

Under Construction!

WBA Updating Front Entrance to Headquarters

Watch your step! Construction is underway at WBA's offices in Madison. The association is updating the front entrance to the building as a way to add value to the property and make a modern, open first impression with visitors. The next time you visit the office, you'll see brand-new steps leading up to the front doors, as well as new support pillars and handrails. At the time of this writing, the work isn't quite finished, but we expect the project will be completed by early November.

Bankers Marketplace

HELP WANTED

Universal Banker

Johnson Bank and Johnson Insurance are a part of Johnson Financial Group, a privately held, full service financial services company, based in Racine, Wis. We offer expertise in banking, wealth, and insurance. We use a team approach to provide our personal and business customers with the most responsive and comprehensive custom solutions available. Universal Banker #8672: Job Description: The Universal Banker is a dual purpose role (teller and banker) that is responsible for advising clients in their selection of financial service products and services, and processing transactions. The Universal Banker will expand existing client relationships and develop new ones by being viewed as a trusted advisor with clients and follow sound, ethical banking practices and adhere to regulations and procedures. Job Requirements: Customer service skills with sales experience and cash handling; Demonstrated ability to meet or exceed goals; High school diploma required; college preferred; National Mortgage Licensing System (NMLS) registration required (preferred upon employment). Candidates must have excellent oral/written communication skills, solid problem solving and decision making ability, and learning on the fly. Job Location: Madison, Wisconsin, United States. Equal Opportunity Employer of Minorities, Females, Protected Veterans, and Individuals with Disabilities. Please visit www.johnsonbank.com/careers to apply!

Mortgage Loan Officer

Park Bank (La Crosse, Sparta, and Holmen) is looking for a Mortgage Loan Officer for our Sparta branch. Family history or personal experience in Sparta and/or Monroe County is desirable. A mortgage banking background is preferred with particular emphasis on the secondary market. We specialize in two things: SBA financing and residential mortgage lending (owner-occupied and investment property). Our mortgage loan officers are responsible for the entire credit process – from underwriting and preapprovals to closing and disbursing loans to monitoring loan portfolio and managing accounts. In-house loans for residential real estate, vehicle, consumer loans, etc. are meant to complement secondary market lending activity. This position will have additional roles and responsibilities that might include managing vendor relationships, etc. All officers are notary publics. Full-time status. Monday through Friday from 9:00 am to 5:00 pm and occasional Saturdays from 9:00 to 12:00 pm. Overall competitive package – reasonable base salary, incentive compensation, and generous retirement plan. Employer pays 75 percent of health insurance premiums. Access to both Gundersen and Mayo Clinic health networks. EOE/M/F/V/D. Send emails to **Morgan Farmer** at morgan.farmer@helooparkbank.com with "Mortgage Loan Officer" in the subject line. Phone calls to 608/793-5510.

Available for Hire – Private Consultant

Have an Executive Emergency? President or CEO pass away and are not quite ready with an internal transfer of authority? Need time to decide on whether to replace senior management who left unexpectedly or possibly sell the bank? Need that outside, impartial advice regarding interconnected pieces of Strategic Planning, IT security, Risk Management advice, Business Continuity Planning, Vendor Management, Talent Development and Internal training recommendations? Why might our bank need this service? As temporary help during a one-time project, in lieu of hiring a

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permanent employee. To gain external and objective impartial recommendations. A Private Consultant who will only commit to your specific project and not be part of a large consulting group with large overhead consulting fees attached. I will focus on the Relationship: Understanding the personality and expectations of our client. Clearly Defined Roles: of the client and consultant. Visualized Success Together: Helping the client see the end at the beginning. All terms written and agreed to prior to start. Former bank CEO with over 35 years of senior bank management experience, having worked with regulators of both the FDIC and the OCC. I can help you work on a specific area or several areas of your concern. Inquiries, please email bankersmarketplace@wisbank.com with Blind Box H928 in the subject line.

Loan Officer

Mitchell Bank, a 110-year-old community bank located in Milwaukee and New Berlin, Wisconsin, has an immediate opening for an entry-level Commercial and Residential Loan Officer. The primary focus of the position will be on new loan relationships and business development. We are seeking to hire an entry-level lender and we are willing to train the right candidate. The successful candidate will work directly with the bank President to learn the responsibilities of and acquire the necessary experience and skills for the position. This is a great opportunity to start a career in commercial banking. Submit your resume to: Mitchell Bank, Human Resources, 1039 W. Historic Mitchell Street, Milwaukee, WI 53204 lspidell@mitchellbank.com.

Field Manager

Johnson Financial Group is seeking a Field Manager to be located in Rice Lake, Wis. This role will be a producing manager. Responsibilities are to provide management, recruitment, training, and review of MLO's in their Region(s) and will be responsible for originating loans for their own production. Responsible for overall production volumes, quality, and other activities in their Region(s). Responsible for meeting the Mortgage production goals for the Region(s). Develop and execute a detailed business plan to include specific marketing activities designed to meet established production goals. Provide advice to clients on various loan products including private mortgage insurance, escrows, points, interest rates, and major market conditions. Analyze, calculate, and prepare loan for underwriting (income, debt-to-income ratios, collateral). Make judgment about client's ability to make payments on a mortgage. Often participates on Region(s) Leadership Teams. Execution of strategic sales management process aligned with our business strategy including introduction and cross sales of other JFG products and services. Lead and coach sales team to cross-sell. Interested candidates, please apply at <http://bit.ly/2ysn2cH>.

The Bank of New Glarus/ Sugar River Bank Branches

The Bank of New Glarus and Sugar River Bank Branches, a growing independent bank in southern Wisconsin, has the following openings:

Compliance Officer – This position is responsible for the compliance management process of the Bank, including reviewing, monitoring and maintaining a system of audit controls, keeping abreast of new regulations, prepare training materials and conducting training with employees. Responsible for board reporting and acts as a contact for external regulatory agencies.

Loan Processor-Residential/HELOC Emphasis – This position is responsible for preparing complete loan documents and system support work for new and renewed loans including but not limited to, maintenance to various systems, monitoring accuracy of loan reports, filing and perfection of Bank's collateral. Responsible for balancing to general ledger, managing flow of documentation, and completing all required secondary market loan reports to investors of the Bank.

Loan Processor-Commercial/Agriculture Emphasis – This position is responsible for preparing complete documents and system support work for new and renewed loans including but not limited to, maintenance to various systems, monitoring accuracy of loan reports and filing and perfection of Bank's collateral. Responsible for annual HMDA submission and managing flow of documentation.

We offer competitive wages and a great benefits package. Interested candidates please send your resume by email to: careers@thebankofnewglarus.bank.

Not Getting WBA's Emails? Send This to Your IT Staff...

WBA has switched to a new email service. To ensure you continue to receive WBA emails, please send the following information to your IT staff. They will need to "whitelist" WBA and our new provider, MailChimp. The IP addresses to use are: **205.201.128.0/20** and **198.2.128.0/18**

Visit <http://mailchimp.com/about/ips> for more information. Please contact WBA's **Randy Molepske** at rmolepske@wisbank.com, 608/441-1212 with additional questions.

WISCONSIN BANKER

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BANKERS' BANK

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Expand your
horizons with new
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Meet the challenges of non-conforming rural properties with Rural Residence Plus – a solution for qualified applicants who wish to purchase or refinance a property that might include minor agricultural activities such as hobby farms, small orchards, or other limited income production. Developed and serviced by Bankers' Bank, you have the option of collecting payments at your bank, maintaining your customer relationship. To learn more about this and other new products, call or visit our website.

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