



DREAM FIRST



First
National Bank



First National Bank - Dream First

Our best days are ahead. At First National Bank we are optimistic about the future of Maine and also about your future plans. You have dreams, and we want to help you fulfill those dreams. It might be buying a house, running a business, or starting a family. We get it. Having someone all in for you as you follow your spark can make all the difference.

First National Bank is a Maine community bank committed to serving individuals, families, municipalities, non-profits and businesses throughout our region.

Operating in eighteen branch offices from Wiscasset to Calais along the coast, and inland in Bangor and Brewer, we offer a wide variety of traditional bank products, along with a full suite of digital banking products for your convenience. Through First National Wealth Management we also offer trust and investment advisory services.

We are not like other banks. When you do business with First National Bank, we go all in for you. You get our passion, our time and our optimism. Your dreams are our dreams. Let's work together to make them happen.

Our History

1852

Initially incorporated as The People's Bank in 1852, our institution was established by several prominent business owners in the twin villages of Damariscotta and Newcastle. On May 30, 1864 the Bank was chartered by the US Treasury as The First National Bank of Damariscotta. By 2004, the Bank had seven branches in Lincoln and Knox Counties.

1888

The First National Bank of Bar Harbor was organized in 1888, also by a group of notable business leaders. By 1991, the bank recorded nearly \$96,000,000 in total assets; and by 2004, First National had seven branches, from Blue Hill to Calais.

2005

On January 14, 2005, The First National Bank of Damariscotta and First National Bank of Bar Harbor combined their strong deposit and lending forces into one financial institution, becoming the third largest bank headquartered in Maine, with combined assets of more than \$675 million.



Today, First National Bank has assets exceeding \$2.7 billion. We are an independent community bank committed to our core values of customer service and community involvement.

We are a publicly traded company, through our holding company The First Bancorp (Nasdaq: FNLC). We are also an Equal Opportunity Employer and Equal Housing Lender.

We welcome you to visit any of our locations, meet some of our 270 employees, and discover all the ways First National Bank can help you to Dream First.



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July 9, 2023

Town of Belgrade, Maine
Attention: Selectboard Members

Re: Banking Services Proposal

Greetings:

At First National Bank, we pride ourselves on our consistent ability to work with customers to build solid relationships, and to help them achieve their financial goals. You will find our responses brief and direct, as our experience tells us that our clients want information quickly and they want our opinion of the best product/service we can provide.

In times of consolidation, increased regulation, and heightened cost awareness, you need a partner who can navigate the financial waters making your professional duties easier and more productive. We believe we are that partner. Our hope is that based on our responses, you will agree.

General Information

- A.** First National Bank is a nationally chartered bank, a member of the FDIC, and in compliance with all the laws, rules, regulations, and ordinances of the United States, the state of Maine, and the communities in which we serve.
- B.** First National Bank will assign Barbara Dangler and Courtney Brehaut as primary contacts for your relationship. They are well versed in all banking products and services, and will stand ready to assist in any way possible.
- C.** First National Bank will also be prepared to offer onsite demonstrations of any of our products/services at your request.



Banking Services

We would propose that the The Town of Belgrade use our NOW Account for any operating accounts or reserve funds that the organization wants to keep liquid. This type of account structure is an alternative to zero-balance sweep accounts. We find our customers value the simplicity of having a single NOW account structure to manage the various accounts they need. Using our NOW account instead of a traditional sweep account is an excellent choice for what we believe you are seeking to accomplish with your organization's funds.

The benefits of using the NOW Account are as follows:

- No minimum or target balance to be concerned about. The full balance in your account earns interest.
- The statement is clear, concise, and exceptionally easy to reconcile as the "ins/outs" of the daily sweep transactions are eliminated.
- Deposits would be fully collateralized via a tri-party agreement with FHLBB, the bank's collateral, or insured via CDARS/ICS.
- **No monthly maintenance fees or service fees on any of the accounts.**
- The current rate for the Town of Belgrade would be **4.50%** on all liquid funds. We will review this rate on an annual basis.

On reserve funds we recommend using a **9 month Certificate of Deposit with a rate of 4.85%**.

Online Banking

First Online offers twenty-four hour access to your accounts. This level of access allows you to move funds and pay bills with ease and convenience. This service is free of charge. Our online banking and ACH services will meet all the needs specified in the RFP. We will also provide an onsite demonstration and training of these services.



ACH Services

First Online ACH allows any business customer to create electronic payments and deposits. Transactions can be either debits or credits. Examples of debit transactions include utility payments, account drafts, membership fees, dues, insurance premiums, etc. Credit transactions are usually for Direct Deposit of payroll, electronically crediting a deposit account for the net payroll amount. First Online ACH is accessed through your commercial online banking.

Merchant Services

First National Bank would also like to propose a merchant account to allow Town of Belgrade to utilize credit cards from its patrons in order to increase the efficiency of payment and reduce any fees related to NSF's. Our partner **FiServ** would need to do an analysis of projected average sales and gross sales to price a discount rate.

Remote Check Deposit

This product allows you to scan your checks right at the office. It automatically creates an electronic deposit file to send to the bank and upon sending to the bank, is credited to the appropriate account. Improved efficiency, increased availability in your cash balances, and saving time out of the office are all advantages of this product.

Additional Services:

1. Positive pay services – Here are the four options available in ARP/Positive Pay:
 - Positive Pay – customer sends us an "Issued" file, and as items are cleared, they are validated against that file. If there are exceptions, there will be up-front fraud detection so that an item presented at the teller line would give the teller a message through polices defined in our teller system. Customer would work exceptions in our on-line banking product, meaning they determine if it should be paid or returned. Items that match the issued file would not be presented as exceptions.
 - Full Recon – basically the same as Positive Pay except there would be no up-front fraud detection and the customer could not work their exceptions. They would just be notified of them.



- Partial Recon – No issued file sent by the customer. Only thing they can do is download the cleared items file in our on-line banking product.
- Deposit Recon – limited usage. Basically a way for a customer with multiple locations with deposits all into the same account to identify which location the deposit came from.
- Reverse Positive Pay – limited usage. Each item would be an exception that the town would need to decision.

2. Credit Card – First National Bank partners with **ELAN** to make credit cards available to our clients. Town of Belgrade would be subject to **ELAN** underwriting and fees.

Cybercrime Security Procedures

First National Bank has developed a comprehensive program to protect the security, integrity, and confidentiality of our customers' information, and to protect against unauthorized use of that information which could result in harm or inconvenience to you. Our program is reviewed and updated as technology changes, and the staff of the Bank is trained to respect and comply with our security procedures. Keeping our systems and your financial information secure is of paramount importance to us, and we will be diligent in achieving this end.

In addition, we can provide a handout and DVD to assist businesses in making sure they are taking the appropriate measures.

Disaster Recovery

It is the policy of First National Bank to maintain a comprehensive Disaster Response, Recovery and Business Continuity Plan for all critical and high priority business functions.

The Disaster Response and Business Continuity Plan in its entirety has been authorized and adopted by First National Bank Board of Directors. It is the responsibility of the board of directors to ensure that contingency plans have been established and to annually review and approve the adequacy of these plans.

This policy was adopted for the purpose of delineating viable guidelines and procedures to be followed in the event of an emergency or a disaster and for the purpose of providing a plan of action to protect company personnel, customers, and others, as well as company and customer information. The plan of action would also enable the financial institution to continue to operate as closely as possible to a "business as usual" manner following an emergency or disaster.



References

Town of Rockport
Megan A Brackett
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City of Waterville
Christina Therrien
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Town of Orono
Sophia Wilson
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Primary Contact:

Assistant Vice President & Bangor/Brewer
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Senior Regional Vice President & Branch -
Sales Officer

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Your assigned banking officers will pro-actively review all accounts to ensure Town of Belgrade is fully aware of available products and services as well as interest rate fluctuations. We recommend account review meetings a minimum of once annually.



First National Bank is a full service bank that offers investment products through First National Investment Services, as well as trust and wealth services through First National Wealth Management. Barbara would be happy to connect you to the right person in those divisions to work with The Town of Belgrade when the time is right.

We are prepared to make this account opening process as seamless as possible for your organization, and look forward to doing business together. Please feel free to reach out to me directly, should you have any questions regarding this proposal.

Sincerely,

Handwritten signature of Sarah Tolman in blue ink.

Sarah Tolman
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A Division of The First Bancorp

800.564.3195

TheFirst.com

Member FDIC

Equal Housing Lender