



Northeast
BANK

RFP Response Prepared for:

Belgrade Maine
— Est. 1796

July 14, 2023



July 14, 2023

Ms. Lorna Dee Nichols, Town Manager
Town of Belgrade
990 Augusta Road
Belgrade, Maine 04917

Dear Lorna:

Thank you for the opportunity to submit the following proposal for banking services to the Town of Belgrade. At Northeast Bank, we strive to deliver solutions to meet and exceed your required cash management needs combined with our user-friendly, safe banking technology. We currently support banking relationships with government clients at every level in Maine including local, regional and state.

Northeast Bank offers local, personal, and government banking services across the state from our seven full-service banking centers and from our operations center at the historic Bates Mills in Lewiston, Maine. With our robust online cash management services, remote banking technology and dedicated government banking team, we deliver best-in-class treasury services to our government clients, regardless of our client's physical location.

As a Maine Chartered bank since 1872, and with a current asset size of over \$2.5 billion, our purpose at Northeast Bank is to provide quality banking solutions that help Maine residents and organizations succeed. In addition to meeting your treasury service needs, we are pleased to provide the Town with safe and secure deposit services and the ability to maximize the rate of return on deposits. With towns facing tighter budgets every year, Northeast Bank is also happy to waive the cost for our banking products and services to the Town of Belgrade.

I enjoyed working with Nick, Mary and others for many years in my previous position and would be excited to work with the Town again! Please let me know if you have any questions regarding our proposal.

Sincerely,

A handwritten signature in black ink that reads "Jason Simcock". The signature is fluid and cursive, with the first name "Jason" being more prominent than the last name "Simcock".

Jason Simcock
SVP, Senior Government Banking Officer

REQUEST FOR PROPOSALS FOR BANKING SERVICES

I. INTRODUCTION

The Town of BELGRADE is seeking competitive proposals for banking services. It is the Town's goal to receive accurate, timely depository and account maintenance services, maximize the utilization of idle funds, minimize risk of loss, receive sound investment and banking service advice, utilize electronic and automated banking options at the lowest reasonable cost.

The Town wishes to examine the marketplace, make improvements where possible, and take advantage of appropriate and applicable technologies. It is the Town's intent to maintain all depository banking services with one financial institution to maximize cash flow and minimize administration fees.

II. THE TOWN OF BELGRADE, ME

The Town of Belgrade was incorporated in 1796 and is located in Kennebec County. The population from the 2020 census lists the Town at 3,250 residents. The Town has a five-member Board of Selectpersons/Town Meeting/Town Manager form of government.

The adopted municipal budget for 2023 is \$4,579,603. This does not include County or RSU 18 appropriations.

A copy of the audit for the years 2020, 2021 and 2022 are available upon request.

III. SCOPE OF BANK SERVICES REQUESTED

Northeast Bank is pleased to provide our response to the Town's banking services RFP as noted in blue font. The Bank is also pleased to commit to our proposal for a minimum period of five years, or a mutually agreed period, and is open to extending the term at any point during this initial period.

A. Account Structure

The Town makes weekly deposits directly into the General Operating Account at the selected financial institution. Please provide your branch locations and branch business hours so that the Town may determine the most convenient location to make its deposits. If a courier service is available, please provide that information along with the fee for services.

Town of Belgrade, Maine

RESPONSE: Northeast Bank's nearest retail branch office, or Banking Center, is located at **235 Western Ave, Augusta, Maine**. This location offers ATM, night deposit drop box, and drive thru services.

Manager: Courtney Luce

Phone: 207.623.0603

Lobby and Drive Thru Hours: Mon - Th: 8:30am - 4:00pm, Fri: 8:30am - 5:00pm

In addition to our Augusta Banking Center's services, the Bank is pleased to provide the courier services at no charge to the Town. It is understood that the Town has one courier pick-up a week and may need additional pick-ups during the property tax collection season. The Bank has several courier provider options and will work with the Town to select the one that best meets the Town's needs.

The Town has a number of Capital Reserve and Trust Fund accounts that need sub-accounting with individual monthly reports showing activity and interest allocation for each individual account.

RESPONSE: The Bank will provide our sub-accounting service at no cost to the Town. With our secure online sub-accounting platform, clients can easily track interest accrual for specific accounts, transfer allocations to/from the primary account, and generate/export various monthly account activity and reconciliation reports. With sub-accounting, clients no longer need to maintain separate checking or sweep accounts to manage, or track accounts, such as reserves, escrow, and/or project accounts.

The screenshot displays the Northeast Bank ESCROW MANAGER interface. At the top, the header includes the bank logo, 'ESCROW MANAGER', and the current date '6/30/2023'. Below the header, there are navigation tabs for 'Administration', 'Master Accounts', 'Escrow Accounts', 'Transactions', and 'Sign Off'. The main content area is divided into two sections. The first section, 'Escrow Account Summary', contains three summary tables. The second section, 'Select Escrow Account', shows a list of accounts and a detailed view for a specific account.

Pending		Escrow Accounts			Escrow Balance	
Allocations	Transfers	Total	Closed	Open	Current	Available
0	0	2	0	2	\$7.50	\$7.50

NEB LEWISTON	
Account Number: ****000002	Reference #:
JOHN SMITH	Account Number: ****000010
	Reference #: 198576

Account Information		Balance Information	
Short Name	NEB LEWISTON	Escrow #1	Escrow
Reference		Balance #1	\$4.00
Item ID			
OFAC Flag	Y		
W9 Flag	Y		

Town of Belgrade, Maine

The Town reserves the right to open additional accounts, either zero-balance or regular, and to add sweep accounts as required, during the contract period at the price proposed. Other accounts, either subsidiary to the General Account or stand-alone, may be established according to the needs of the Town's finances.

RESPONSE: The Bank will provide the Town as many checking and sweep accounts as requested, without any cost to the Town.

The Town reserves the right to separately invest excess funds through the depository Bank or other institutions.

RESPONSE: The Bank agrees to the above requirement.

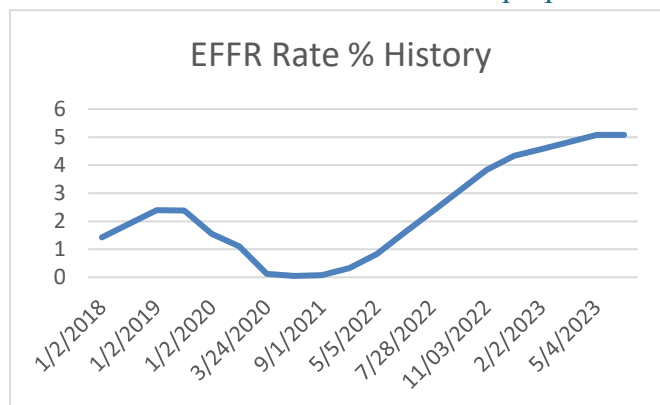
Please provide interest rates to be paid for accounts and the Bank's policy for adjusting these (upward or downward) in response to changing market conditions. **It is important for the selected institution to take a pro-active approach to ensuring the Town is made aware of available products or interest rate increases that will enhance these funds.**

RESPONSE: The Bank believes that yield is an important part of any banking relationship, but especially within local government. To help our municipal clients maintain a competitive rate, in today's changing rate environment, **Northeast Bank is pleased to offer the Town an ICS Demand Sweep rate of 5.08% (5.21% APY)**, tied to the Effective Federal Funds Rate (EFFR). As an indexed rate, the Town's rate will adjust when the Fed makes rate adjustments. For example, if the Fed increases the EFFR by 25 bps, the Town's new rate will be 5.33 % and go into effect immediately after the Fed's update rate.

In addition to following a rate index system, the Bank will commit to a base floor ICS rate of .75% (.75% APY). In other words, should EFFR decrease in the future, the Town's ICS rate will not go below .75% during the five-year term of our proposal. For more details on ICS, please go to the "other services" section included in our proposal.

Should EFFR's APY rate average 5.21% over a period of 12 months, on a \$5 million average deposit, the projected interest income is \$260,500 to the Town.

The charts to the right and on the next page show EFFR rate history, to help put in perspective both pre and post-pandemic rates:



Town of Belgrade, Maine

For more background, go here:

<https://www.newyorkfed.org/markets/reference-rates/effr>

For additional deposit rate options on less liquid funds, the Bank offers our internal CD's and CDARS. Similar to ICS, CDARS provides FDIC coverage well above \$250,000. With CDARS, clients have up to \$50 million in FDIC coverage. Both options provide clients the ability to maximize deposit interest on idle funds. During property tax season, many towns find short-term CDARS to provide a nice boost to interest revenue.

Here are our current CDARS rates:

1,3, 6 months 5.15% (5.27% APY)
12 months 5.25% (5.38% APY)

Additional CDARS terms available upon request.



EFFR Effective Date	Rate %
1/2/2018	1.42
6/29/2018	1.91
1/2/2019	2.4
6/3/2019	2.38
1/2/2020	1.55
3/13/2020	1.1
3/24/2020	0.12
4/30/2020	0.05
9/1/2021	0.08
3/17/2022	0.33
5/5/2022	0.83
6/16/2022	1.58
7/28/2022	2.33
9/22/2022	3.08
11/03/2022	3.83
12/15/2022	4.33
2/2/2023	4.58
3/23/2023	4.83
5/4/2023	5.08
5/11/2023	5.08

B. Availability of Funds

Awarded Bank agrees to credit the Town's **General Account** for selected items according to the following schedule:

1. Incoming Wire Transfers-same day credit regardless of time of receipt during the day. Wires received after the 6:00 p.m. cutoff will be treated as collected funds for that day and will be considered part of the overnight investment program.
2. Incoming Wire Transfers from any bank-initiated repurchase agreement shall be credited to the Town's **General Account** by 9:00 a.m.

All other checks will be based on the awarded bank's "availability schedule". Please attach a copy of your current "availability schedule" to the proposal. Awarded bank agrees to notify the Town, in writing, of any changes to the schedule.

RESPONSE: The Bank agrees to meet the above requirements.

The Bank's Funds Availability policy does not differ from the Federal Reserve Bank availability schedule. All electronic payments, such as direct deposits and wire transfers, checks drawn on Northeast Bank and cash deposits will be made available on the day of deposit. Please see the attached "Funds Availability Disclosure" for a summary on our Funds Availability policy. Checks deposited to

Town of Belgrade, Maine

any one of our branch locations or scanned via remote capture on a business day before 7:00pm, receive credit on the day of deposit and availability on the next business day.

ACH payments received in your account by 4 PM EST will also receive same day credit. With this feature, our clients can earn sweep account interest on deposits more quickly than banks that follow the standard ACH posting window.

C. Account Reporting and Reconciliation

Monthly account statements reflecting business through the last day of the month will be sent to the Town no later than the 10th day of the following month. The monthly statements shall include analysis reports for each account (including sub accounts) showing all activity, deposits, paid items and fee items. Paid checks or facsimile and debit/credit memos or facsimile shall be returned with the statements.

RESPONSE: The Bank agrees to meet the above requirements. Reconciliation services currently available in Business Online Banking include:

- Convenient access 24/7 for all deposit accounts.
- Real-time intra-day and previous day activity for 18 months.
- View images of paid items and positive pay exception items.
- Opt-in eStatement access for deposit and loan accounts for 18 months.
- Download account activity in CSV, TXT, OFS, Quickbooks and Quicken formats.
- Create and manage unique report templates by user for ease of reference.
- Multiple customizable alerts available to monitor account activity.

In addition, the Bank offers an optional recon module as part of our cash management online services. Our recon module provides several report options, including full, partial, deposit, range, positive pay and reverse positive pay.

Northeast Bank does not typically provide account analysis statements since it waives fees for our government clients. By not charging fees to the Town, there is no need to track an earnings credit rate, ECR balance or monthly and transaction fees.

All regular monthly statements, including our checking and ICS sweep statements are available online via a secure login and are made available the first business day of the month and mailed monthly. ICS statements are housed in IntraFi's online portal.

The Town can opt in for online access to e-statements. This can be done by an admin level online banking user or other user if eStatement access is requested. An authorized Town representative may also request that the Bank manually enroll the accounts in eStatement services. eStatement enrollment typically disables paper statements, but the Bank will continue to provide paper statements in addition to eStatements if requested.

D. Other Banking Services and Conditions

Ongoing, but periodic, advice and consultation concerning the Town's banking needs as requested (Personal Banker).

All checks returned due to insufficient funds will be automatically deposited a second time. Please include your charge (if any) for this. Checks that are still "uncollectible" after this second attempt will be returned to the Town for processing.

The Town validates checks received with self-inking "For Deposit Only" stamps that contain the required information about the Bank. Awarded Bank shall provide two such stamps, upon request.

The Bank shall supply the Town with various supplies, such as courier service, coin wrappers, bill bands, coin envelopes and deposit bags, and night deposit bags, if so required, at no cost to the Town.

Duplicate deposit slips will be provided to the Town by the Bank, pre-printed with account name and number(s) at no cost to the Town.

No debit or credit memos required to adjust errors caused by the bank will be charged to the organization. All Bank errors must be corrected within three (3) business days of notification by the organization and be listed separately from any other transactions.

RESPONSE: The Bank agrees to meet all of the above-listed banking requirements. In addition to providing the supplies requested above, the Bank will supply the first year's supply of check stock up to a total of \$750, to support any transition costs.

The Town requests that the proposed Bank provide the names of a designated account executive, as well as an alternate. The designated account executives must have the authority to make timely decisions in the normal course of business on their own. Resumes must be provided for all key account executives designated to service this account.

RESPONSE: Northeast Bank values our government banking relationships throughout Maine, from schools, municipalities, counties, state agencies to water and wastewater districts. The Bank supports these relationships through our dedicated government banking and treasury services team. Northeast Bank is the only bank in Maine that has a former Deputy State of Maine Treasurer and a former Maine Town Manager on their government banking team. With our previous professional government experience, our team understands your banking needs like no other bank in Maine!

Jason Simcock is pleased to work with the Town as its dedicated Relationship Manager (RM). As your RM, Jason will be your primary contact for meeting your treasury service and cash management needs. In addition to providing overall relationship

Town of Belgrade, Maine

support, Jason will conduct account reviews to ensure the Bank meets the needs of the Town as well as keeps the Town informed on new opportunities and services.



Jason Simcock, Senior Vice President, Senior Government Banker, started working in government banking in April 2011 and brings over 17 years of local government experience to his position. Previously, he worked at Androscoggin Bank as their Director of Government Banking for many years before joining Northeast Bank in 2023.

Before starting his career in government banking, Jason worked for three municipalities in Maine and one in Vermont. He brings an extensive background in town management, economic development, municipal budgeting, and community development to the Bank. He has held municipal manager, treasurer, tax collector and planning and development positions. Jason is a graduate of the University of Maine, where he earned his master's degree in public administration and his bachelor's degree in public management.

Jason is a graduate of the Leadership Maine (XI Class), has a strong commitment to the State of Maine and serves on the Town of Manchester's Budget Committee. He currently serves on the Board of Directors for the Economic Development Council of Maine and Maine Rural Water Association.

Phone: 207-514-1609 | Email: jsimcock@northeastbank.com



Matthew Colpitts is Senior Vice President and Director of Government Banking at Northeast Bank where he manages the Government Banking team and works closely with government entities throughout the State of Maine and New England to provide efficient and secure cash management services.

Prior to working at Northeast Bank, Matthew served as the State of Maine Deputy State Treasurer where he was responsible for the management of \$2 billion in cash assets, the state debt program and many other essential financial services for the state. He also served in the private sector supporting programs for the Department of Defense and spent 6 years in the U.S. Navy as a Surface Warfare Officer.

Matthew enjoys spending time with his wife and two kids hiking, swimming and exploring all Maine has to offer. He currently serves as a board member of the Maine Retirement Savings Board.

Phone: 207-514-1712 | Email: mcolpitts@northeastbank.com

In addition to Jason and Matt, the Relationship Team for the Town will include our business support team, local branch staff and our Customer Success Center. **Andrea Andrews** and **Owen Maguire** are available for any time sensitive and technical treasury

Town of Belgrade, Maine

and online banking service needs.



Andrea Andrews joined Northeast Bank in 2020 as the Government Banking Relationship Coordinator. Andrea works in tandem with our Relationship Managers to seamlessly onboard new clients and ensures that each relationship has the suite of accounts, services, and security to best suit a client's individual needs. Andrea also provides support for Northeast Bank's current family of clients by assisting them with ongoing cash management service needs, banking resources, and instruction.

Phone: 207-514-1713 | aandrews@northeastbank.com



Owen Maguire joined Northeast Bank in 2022 as an **Assistant Vice President, Team Leader, Business Services Support**. Owen brings over six years of business and government banking sales, service, and operations experience working for Maine based Bar Harbor Bank & Trust and Norway Savings Bank. He has a strong background helping customers find the best solutions to manage their business operations and cash flow while ensuring clients have the best experience possible. Owen graduated in 2017 with his MBA from the University of Maine.

Phone: 207-440-2401 | Email: omaguire@northeastbank.com

Describe your Banks capacity to coordinate the transfer/opening of the accounts the Town needs. Detail the timeline and costs (if any) of the transition.

RESPONSE: Jason will work closely with the Town to establish an implementation schedule that works best for the Town's timeline. Please see the attached Draft Plan which helps identify the various transition steps involved. Depending on the number of treasury services needed, it could take approximately one month to get the Town's full banking relationship up and running, including training. The Bank offers our clients the option to sign documents and agreements electronically via DocuSign, as well as on-site training, to help streamline the process.

Our government banking team will provide training on our cash management and treasury services, including ACH and other online banking services. We prefer to train clients in-person, but are happy to offer training virtually, if best for the Town. Our team is also available to provide training in the future, should there be any further needs. The Bank's business banking support team is available during the week from 8 AM to 4:30 PM for any other assistance needed, such as assistance with general account assistance, transfers, and user password resets.

Town of Belgrade, Maine

Please describe other services and benefits your Bank provides that are not mentioned in this RFP and would add value to the Town's relationship with you.

RESPONSE: To help the Town maximize rate of return on deposits, create cash management efficiencies and maximize protection of public funds, **the Bank is pleased to offer the following banking services, at no cost to the Town:**

- **Insured Cash Sweep (ICS):** To secure the Town's deposits above the \$250,000 FDIC limit, Northeast Bank proposes Belgrade use our Insured Cash Sweep (ICS) product. With ICS, deposits are insured up to \$135 million per client Tax ID number. As an overnight sweep, daily transactions (including ACH or check payments) will move automatically overnight to/from the Town's \$ 0 transaction account that is paired with the sweep, without any need for managing collateral, letters of credit, or repurchasing agreements to secure funds.

Authorized users can access a secure online portal to view and monitor ICS account details, including official monthly statements in PDF format. In addition to securing balances with FDIC coverage up to \$135 million, the Town will earn interest on all deposits in ICS based on the current Effective Federal Funds Rate (EFFR). See page 3 for more info on the EFFR rate (currently 5.08% with an APY of 5.21%).

- **Automated Clearing House (ACH) Services:** Northeast Bank's Business Online Banking provides a secure, internet-based transmission method to originate and collect ACH/EFT transactions. Our ACH module supports ad-hoc entries, the uploading of NACHA formatted batches, and provides templates for repetitive origination.

ACH Service Overview:

- Daily Timeline - batch processing for ACH transactions through 4:00pm ET.
- All uploads for future dated ACH files (**up to 10 days in advance**) are required to be initiated and authorized by 4:00PM EST per entry date. For Same Day ACH, the cut-off is also 4 PM but the maximum dollar amount is \$1 million. Funds are debited on the settlement date, as we do not currently request clients to pre-fund ACH transactions.
- File Confirmation Upon Transmission - Automatic file receipt acknowledgement immediately following file approval is available online, as well as an email confirmation.
- Daily Support - Dedicated support is available to assist with electronic payment services and troubleshooting issues. Northeast Bank also has extensive digital library of online banking features and cash management service tutorials at <https://www.northeastbank.com/learning-center>.

Town of Belgrade, Maine

- Returns & Notification of Change: Business Digital Banking team communicates ACH returns and NOCs (notifications of changes) by phone and notices are mailed via US mail for customer convenience.
 - File Types Available: Supported SEC codes include CCD, PPD, CTX.
 - Files are securely transmitted to/from the Federal Reserve. Online access is password protected with dual authentication (Symantec VIP) and an additional virtual token requirement to access Cash Management functions. ACH origination is a dual control process with system and specific user limits on the amount that can be transmitted per day.
 - **For clients that prefer to not use IP restrictions, or ACH dual control for security purposes, there are opt-out options.**
- **Business Online Banking:** Northeast Bank's Business Online Banking is an easy-to-use, secure window to your account's balances, images, transactions and statements while providing the ability to customize access and security levels to meet your needs.

The Bank is committed to providing technology that meets your growing needs, creates efficiencies and enhanced reporting, while utilizing the best security features available. These security features begin at establishing users and continue to the transaction level.

In addition to standard security protocols, like multifactor authentication, unique virtual tokens for cash management users, and dual approval to originate ACH and wire transactions, Northeast Bank's standard security features include the following:

- Bank Managed User Access - The bank builds each user based on their access needs as requested through a maintenance form signed by a designated authorized employee. Northeast Bank utilizes DocuSign with a built-in secure signer authentication service to allow for electronic signatures and convenience to our clients.
- Trusted IP Security Management* - allows client to designate which computers and web browsers that online banking can be accessed from. Client will provide all IP (Internet Protocol) addresses for approved device(s). A member of the government banking support team can assist in helping client identify the IP address and how to manage this additional security feature.
- User Lockout - More than 3 incorrect password attempts will lock a user and render them unable to access online banking until the user contacts Northeast Bank and the user is verified. Upon proper authentication, Northeast Bank will unlock the account.
- For customers that originate ACH or wire payments, Northeast has additional

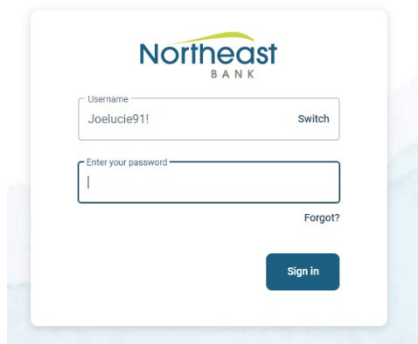
Town of Belgrade, Maine

security features in place to protect our clients' sensitive information and balances.

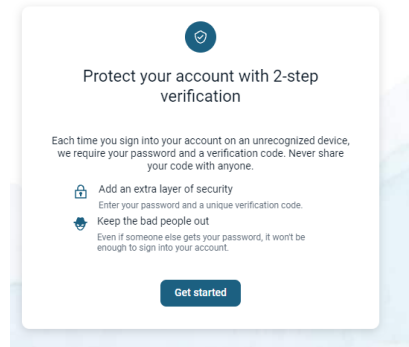
*You may request to opt-out of the IP restriction requirement.

Below are screenshots of a user's first login process. After the first login, screenshot #1 will appear each time and screenshot #4 appears each time unless the "Don't ask for codes again while using this browser" checkbox is selected.

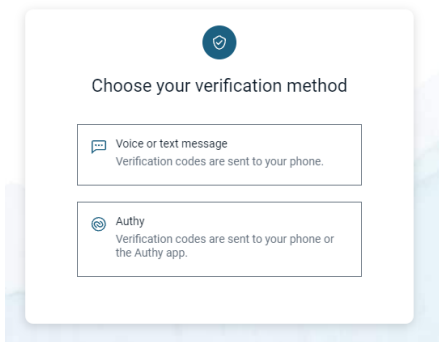
1) Login Portal



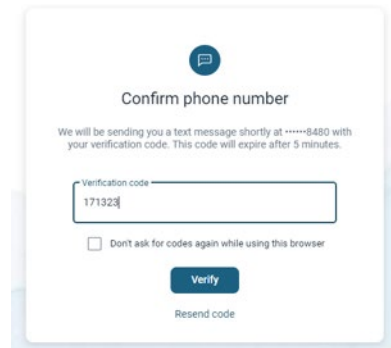
2) Two Step Verification



3) Convenience with Optimal Security



4) Simple Setup, Strong Security



- **Password Requirements**

The Online Banking password must contain a minimum of 8 characters - containing at least: one upper-case letter, one lower-case letter, one number (0-9), and one symbol (i.e., @, \$, %, *).

- **Multi-Factor Authentication**

Once you have created an Access ID (Username) and password, each user will be asked to complete Multi-Factor Authentication setup. In this section you will link your account to a phone number to receive single-use verification codes via text or voice. You will be asked to provide these codes when the system detects abnormal user activity, such as logging on from a new device.

Town of Belgrade, Maine

- **Virtual Tokens for CM Users**

All users enrolled with cash management service permissions, such as access to online wires or ACH, will be required to link a virtual security token to their account. Currently, Northeast Bank utilizes VIP Access by Symantec.

- **Session Timeout**

The Online Banking portal will log a user out automatically after a period of 10 minutes of inactivity.

- **Wire Security**

All online wire transfer requests must be approved by two online wire users who have been authorized to approve outgoing wires.* Wire approvers will be required to enter a unique, 4-digit wire PIN provided to them at the time of enrollment by Northeast Bank via secure email.

*The Town may request to opt-out of dual-approval requirement. All account signers must execute the opt-out form.

- **Stop Payments**

Stop payments may be placed quickly and conveniently through the Town's online banking account view at any time of day, and by contacting your cash management team or any of our banking centers. Options include both a single item stop payment or a stop payment order on a consecutive range of checks. If a stop payment order is submitted using the online banking service, a confirmation message will appear, and in all cases a confirmation notice will be mailed. A stop payment fee may be assessed per Northeast Bank's schedule of fees, depending on the volume of stop payments.

Please note if the Town chooses to utilize our Positive Pay system, Stop Payments are no longer necessary. By deleting a check from an issue file, it creates a permanent and cost-effective alternative.

- **Technological Advancements & Updates**

Technology within the banking industry is advancing rapidly. As new systems and products for deposit services become available, Northeast Bank's IT team and Deposit Operations management will review novel tech for ease of use and overall security. Any applicable new technologies adopted by Northeast Bank will be presented to the Town in detail either immediately or during the Town's regular review, as appropriate.

- **Fraud Protection Tools (recommended):** To ensure best practices are offered, and to protect the Town's funds, the Bank recommends the Town use our Positive Pay and ACH Block & Filter services. **With both services, any items presented that do not match the entered fields are sent for decision to pay or return.**

- **Positive Pay (check fraud protection)**

Using positive pay will significantly reduce the risks surrounding check fraud. The following info describes our positive pay set-up process for our clients:

Once we have discussed the parameters with the client, set-up is handled during training where we also test the file format. As part of the onboarding process, we will work with the Town's team to ensure the import file is properly formatted. We have experience with municipal clients who use Trio for positive pay services.

In terms of the process, each time the Town processes a check (or batch of checks), the Town uploads a check issued file to your cash management online. Northeast Bank's Positive Pay Service compares the following fields on checks issued as they are presented to the bank for payment: check number, dollar amount, payee field and date. Any items presented that do not match these fields, as they attempt to clear the Town's account, are sent for decision to pay or return.

An email will be sent to the designated address when an item has been flagged for review. Exception items will appear in the View/Work ARP Items for one day and are actionable until 11:45 AM by the client.

If no action is taken, Northeast Bank will default to not pay the item. As an additional benefit of the service, stale dated checks can be reported as exception items in our positive pay module.

While Positive Pay is not required for all accounts, the service is highly recommended for any accounts where checks are issued from.

- **ACH Debit Block & Filtering (electronic fraud protection)**

To further protect against unauthorized ACH transactions, the Bank recommends using our ACH Block and Filter services. As electronic items are presented for payment from your account, ACH Filter services verify the originator of the payment is on the preapproved list. If the originator and payment amount has been authorized, payment is made. Exception debits to the "payment rules" are notified to the authorized individuals at the Town for approval or return instructions. New payment rules can be added and adjusted at any time.

- **Remote Deposit Capture (optional):** In addition to using our courier and Augusta banking center services, Northeast Bank recommends the Town consider our Remote Check Capture Services for daily deposits of checks received. Included in our proposal is a free remote check scanner, which will allow your staff a safe and easy method to complete deposits from the convenience of your office.

Town of Belgrade, Maine

This affordable and alternative option to deposit checks provides the Town the following:

- Ability to scan and transmit check images for deposit.
 - Access to images for archival purposes which eliminates the need to photocopy items.
 - Eliminate the risk and cost of checks waiting to be deposited.
 - Mobile application available.
 - Reduce expense associated with delivering deposits to the bank.
 - Improve employee productivity.
 - Gain extended hours for deposit posting beyond banking center hours, until 7:00pm EST.
- **Wire Transfer Services (optional):** For security and convenience purposes Northeast Bank offers a full-service wire module available through our Business Online Banking platform to allow for secure transfer of large dollar amounts. Our team will discuss the wire needs of the Town upon onboarding and set the daily limits based on the organization needs. Wire limits can be adjusted at any point based on need and activity.

Wire Service Overview:

- Funds need to be available for requests to be processed.
- Cutoff time for same-day outgoing domestic wire transfer requests is 4:30 pm EST Monday through Friday, excluding holidays.
- The cutoff time for international outgoing wires is 2:30 pm EST. Though International wires are not currently supported by Northeast Bank's online wire module we have a process in place to assist customers who need to submit an international wire.
- Extended Window – For convenience and as long as the advanced notification is received and acknowledged by 4:00 pm Northeast Bank can transmit a wire beyond the 4:30 PM cutoff. If such advanced notification is provided, the Town may submit a wire for processing up to an extended cut-off time of 5:30 pm for same-day processing.
- Enhanced security/Dual Control - all wires require two approvers to transmit* as well as requires each user to enter a unique 4-digit PIN number provided by the bank. Northeast Bank requires and does callback verification for all wires.

*The Town may request to opt-out of dual-approval requirement. All account signers must execute the opt-out form.

- **Miscellaneous:**

Elan Community Credit Card: In partnership with our credit card provider, Elan, Northeast Bank's Community Card can help your team establish a program or enhance how you manage your current credit card program. The Community Card is

Town of Belgrade, Maine

designed specifically to work for government and nonprofit clients. With the Community Card, Elan does not require a personal guarantee or to run a personal credit check on card holders. There are zero fees if the balance is paid each statement cycle. There is a \$99 annual fee for the rewards program.

Elan offers government clients an online portal to manage their credit card program. Online services include: updating card users; changing card limits, changing overall limits, creating account alerts, setting transaction categories, and accepting credit card payments among other options. Any of our Bank's branches are also available to accept "same day" card payments, should an Elan customer prefer to make a payment in person.

Although the Town currently has a Community Card account with their current bank, Elan requires a new application, should the Town decide to open a similar card account at Northeast Bank. We will assist the Town to complete a credit card application for Elan's review as well as help answer any questions that occur once an account has been opened. Elan requires one person be established as the Authorized Officer, as their primary contact on the account.

The Town is required to obtain written assurance from the Bank selected stating that the Bank is an Equal Opportunity Employer and Lender.

RESPONSE: This statement is to certify that the Bank is an Equal Opportunity Employer and Lender.

All proposals received shall become a public record upon their opening.

Please provide at least three (3) references that are reflective of the scope of services proposed.

Reference #1

Customer Name: **Town of Poland**
Customer Address: 1231 Maine St
Poland, ME 04274-7328

Primary Contact Name: Derek Theborge, Finance Director
Contact Phone Number: 207-998-4601
Contact Email Address: dtheborge@polandtownoffice.org

Reference #2

Customer Name: **Town of Lovell**
Customer Address: 1069 Main Street
Lovell, ME 04051

Primary Contact Name: Laura Williams, Treasurer
Contact Phone Number: 207-925-6272

Town of Belgrade, Maine

Contact Email Address: TOWNCLERK@LOVELLMAINE.ORG

Reference #3

Customer Name: **Regional School Unit 16**
Customer Address: 3 Aggregate Road
Poland, ME 04274

Primary Contact Name: Stacie Field, Business Manager
Contact Phone Number: 207-998-2727
Contact Email Address: sfield@rsu16.org

More references are available upon request.

E. Costs to the Town

The Town currently pays fees for some services through earnings credits on compensating balances maintained. Some fees are “waived”. The Town is interested in comparing this method with paying direct fees for services provided as well as what services could be provided without fees.

- What method is used to calculate the compensating balance and earnings credit? Please provide details of the cost of each service, as well as the earnings credit to be applied. What is the minimum balance for an account and the rate of return on the minimum balance?
- Please provide a schedule of all fees, including the basis/method for their charge.
- Please indicate what service fees and charges will be waived.

RESPONSE: The Bank is pleased to waive all fees for services as outlined above, as well as fees for optional courier services. To offset the banking transition costs, the Bank will cover the Town’s costs for the first year’s supply of checks (up to \$750). With all fees being waived, we do not require a compensating balance or account analysis to offset fees.

To detail the \$ value of the service costs being waived, please view the following table. Some of the following services are optional, but are listed so that the Town has as full a picture as possible for available services (**see next page**).

Town of Belgrade, Maine

Monthly Services	Standard Pricing	Town Pricing
Remote Deposit (optional)	\$ 50.00	Waived
Positive Pay, per account (optional)	\$ 25.00	Waived
ACH Debit Block, per account (optional)	\$ 10.00	Waived
Business Online Banking	\$ 30.00	Waived
ACH	\$ 30.00	Waived
Total Monthly Services	\$ 145.00	Waived
Unit Pricing		
Courier, per pick-up (optional)	\$ 30.00	Waived
Remote Deposit Scanner, per unit (optional)	\$ 600.00	Waived
Remote Deposit Install (optional)	\$ 75.00	Waived
Per Item charge, Debit	\$ 0.15	Waived
Per Item charge, Credit	\$ 0.10	Waived
Online Stop Payments	\$ 15.00	Waived
Returned Item Fee	\$ 27.00	Waived
Overdraft Fee	\$ 27.00	Waived
Online Wire Origination Fee (optional)	\$ 20.00	Waived
Online Wire Receipt Fee	\$ 10.00	Waived
ACH, per originated item	\$ 0.06	Waived
Other Banking Fees		
Banking Supplies (deposit bags, slips)		Provided by Bank
Check Stock (first year supply)		Provided by Bank

Town of Belgrade, Maine

IV. PROPOSAL SUBMISSION: PROCEDURES & REQUIREMENTS

Sealed Proposals: Responses to this Request will be submitted in a sealed envelope, clearly identified, mailed or delivered as follows; electronic submissions are also accepted:

“Response to RFP for Banking Services” by 12 noon on Friday, July 14, 2023:

Lorna Dee Nichols, Town Manager
990 Augusta Road
Belgrade, Maine 04917
(207) 495-2258
townmanager@townofbelgrade.com

Proposals will be publicly opened on Monday, July 17, 2023 by the Town Manager and will be available for inspection by interested parties.

Proposals will then be reviewed by the Town Manager and Board of Selectpersons and then may be awarded on Tuesday, July 18, 2023 at their next regularly scheduled Selectpersons’s meeting at 6:30 p.m.

V. SUMMARY

The Town, acting through the Town Manager as authorized by the Board of Selectpersons, intends to enter into a formal Banking Services Contract with the awarded bank that will incorporate all provisions of the Request for Proposal. Additional terms and conditions will not be included in the Contract unless mutually agreed upon by both parties.

The logo for Belgrade Maine is displayed on a black rectangular background. The word "Belgrade" is written in a white, elegant cursive script. To its right, the word "Maine" is written in a clean, white, sans-serif font. Below "Belgrade", the text "Est. 1796" is written in a smaller, white, sans-serif font, with a thin white horizontal line extending from the left side of the word "Belgrade" to the text.

Belgrade Maine
— Est. 1796

APPENDIX

Implementation Plan
Availability of Funds Schedule
ICS Information Brochure

The logo for Northeast Bank features a stylized green wave above the word "Northeast" in a bold, blue, sans-serif font. Below "Northeast", the word "BANK" is written in a smaller, grey, sans-serif font.

Northeast
BANK



Implementation Plan

Town of Belgrade - Deposit Accounts and Business Services

Project Start:

GO LIVE DATE:

Display Week:

TASK	ASSIGNED TO	START	END	7/24/2023							7/31/2023				8/7/2023				8/14/2023				
				24	25	26	27	28	31	1	2	3	4	7	8	9	10	11	14	15	16	17	18
				M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F
RFP Selection																							
NEB Selected and Notified	Town	7/24/23	7/24/23																				
Implementation Kickoff Scheduled	Town/NEB	7/24/23	7/24/23																				
Information Gathered																							
Kickoff Meeting	Town/NEB	7/25/23	7/25/23																				
Review information needed	Town/NEB	7/25/23	7/27/23																				
Complete questionnaire	Town/NEB	7/25/23	7/27/23																				
Submit supporting documents	Town	7/25/23	7/27/23																				
Documentation																							
Prepare Account & Business Services Agreements	NEB	7/28/23	7/28/23																				
Execute Account Opening Documents (All Authorized Signers)	Town	8/1/23	8/2/23																				
Execute Business Services Agreements (Generally One Signer)	Town	8/1/23	8/2/23																				
Return Executed Documentation	Town	8/1/23	8/2/23																				
Establish Services & Order Supplies																							
Open Deposit Accounts	NEB	8/3/23	8/3/23																				
Order and/or confirm checks, deposit tickets, bags, etc.	NEB	8/3/23	8/3/23																				
Order Check Scanner	NEB	8/3/23	8/3/23																				
Establish Business Services: Online banking, ACH, RDC, etc.	NEB	8/3/23	8/8/23																				
Fund Deposit Accounts	NEB	8/8/23	8/8/23																				
Activate Services and Training																							
Facilitate Online Login, User Access, and Training	NEB/Town	8/7/23	8/7/23																				
Schedule Remote Capture Install and Training	NEB	8/7/23	8/9/23																				
Additional Training: additional users, ACH, Positive Pay	NEB/Town	8/7/23	8/9/23																				
GO LIVE and Post Implementation																							
Town - Operating Accounts LIVE at Northeast Bank	Town	8/9/23	8/9/23																				
Schedule Post-Implementation Meeting	NEB	8/18/23	8/18/23																				

This is a sample implementation plan. Tasks, dates and roles may change as services are defined. Timeline will be changed to reflect the Town's goals to complete transition.

FUNDS AVAILABILITY DISCLOSURE

Your Ability to Withdraw Funds

The purpose of this schedule is to describe Northeast Bank's check hold policy for transaction accounts. The bank's objective is to make funds available as expeditiously as good business practices mandate. The availability of funds from your check deposits will be delayed as allowable by regulation and as described within this schedule. During the delay, you may not withdraw the funds in cash, and we reserve the right not to pay these checks that you have written against these funds.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open, we will consider that the deposit was made on the next business day we are open. The length of the delay varies depending on the type of deposit and is explained below.

Same-Day Availability

Funds from cash deposits, electronic direct deposits (ACH), checks drawn on Northeast Bank if funds are available in the account and wire transfers to your account will be available on the day we receive the deposit. If you make a cash deposit to your account in person at a staffed teller station during any business day the funds will be available on the day we receive the deposit. The first \$100.00 of a deposit made at an ATM will be available the same business day, the remaining amount of the deposit will be available the next business day.

Next-Day Availability

Funds from your deposits received in person at a staffed teller station during a business day will be available by the first (1st) business day after the day we receive the deposit. Deposits that you mail to us will be considered deposited on the day we receive the deposit. Deposits that you place in a night depository after 8:30am will be considered deposited on the next business day. Deposits placed in an ATM after 3:00pm will be considered deposited on the next business day.

Interest on Deposits

For interest bearing checking accounts, interest will begin to accrue no later than the business day we receive credit for the deposit of non-cash items (for example checks).

Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid
- You deposit checks totaling more than \$5,525 on any one day
- You redeposit a check that has been returned unpaid
- You have overdrawn your account six times or more in the last six months
- There is an emergency, such as failure of computer or communications equipment

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh (7th) business day for checks.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier, certified, teller, travelers and federal, state, and local government checks will be available on the first (1st)

FUNDS AVAILABILITY DISCLOSURE

business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second (2nd) business day after the day of your deposit. Funds from all other check deposits will be available on the ninth (9th) business day after the day of your deposit.

Hold on Other Funds

If we cash a check for you that is drawn on another bank, we may withhold the availability of corresponding amount of funds that are already in your account. Those funds in your account will be available two (2) business days after the day the check is cashed.

Checks Returned Subsequent to Funds Being Made Available

If a check you deposited to your account is returned to us unpaid after the funds have been made available to you, the amount of the check will be charged to your account. If there are not sufficient funds in your account to cover the amount of the check, we reserve the right to demand payment directly from you and to charge you a non-sufficient funds fee. This fee is listed in our Schedules of Fees.

Checks Drawn on Financial Institution Outside of the United States

We reserve the right to send any checks drawn on a foreign financial institution (including Canadian institutions) for collection. For each item sent for collection, we will assess a collection fee (as listed in our Schedule of Fees) plus any collection charges assessed to us by the financial institution that processed the item. Funds from checks sent for collection will be available when credit is received from our correspondent bank.

Check 21 Substitute Check Policy Discloser

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." A substitute check is a reproduction (front and back) of the original check and includes all the information contained on the original check. The substitute check will be similar in size to the original check but will contain a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. A substitute check is subject to the federal and state laws that apply to the original check. Some or all the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

Customer Rights Regarding Substitute Checks

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as result of the withdrawal (for example, bounced check fees). The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws. If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within

FUNDS AVAILABILITY DISCLOSURE

10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we are later able to demonstrate that the substitute check was correctly posted to your account.

Claim of Refund

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact Customer Care at 800-284-5989, option 1 or visit your local branch. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time if you were not able to make a timely claim because of extraordinary circumstances.

Claim must be in writing and include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect).
- An estimate of the amount of your loss.
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss.
- A copy of the substitute check (and/or) the following information to help us identify the substitute check:
 - Check Number**
 - Name of person to whom you wrote the check**
 - Check Amount**
 - Check Date**

Mail the information to the address below or drop it off at your local Branch.

Northeast Bank
PO Box 2017
Lewiston, ME 04241

Peace of mind, simplicity, and returns.

IntraFi Network Deposits (formerly known as ICS® and CDARS®) is a smart, secure, and convenient way to safeguard large deposits placed into demand deposit accounts, money market deposit accounts, or CDs.

With IntraFi Network Deposits, you can access multi-million-dollar FDIC insurance and earn interest, all through a single bank relationship.

Who can use IntraFi Network Deposits?

- Businesses of all sizes
- Nonprofits
- Government finance officers
- Fiduciaries
- Other large-dollar depositors

Contact us today.



Member
FDIC

Placement of funds through IntraFi Network Deposits is subject to the terms, conditions, and disclosures in the program agreements, including the Deposit Placement Agreement ("DPA"). Limits apply, and customer eligibility criteria may apply. Program withdrawals may be limited to six per month for funds placed in MMDAs. Although funds are placed at destination banks in amounts that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA"), a depositor's balances at the relationship institution that places the funds may exceed the SMDIA (e.g., before settlement for a deposit or after settlement for a withdrawal) or be ineligible for FDIC insurance (if the relationship institution is not a bank). As stated in the DPA, the depositor is responsible for making any necessary arrangements to protect such balances consistent with applicable law. If the depositor is subject to restrictions on placement of its funds, the depositor is responsible for determining whether its use of IntraFi Network Deposits satisfies those restrictions. Network Deposits and the IntraFi hexagon are service marks, and IntraFi, the IntraFi logo, ICS, and CDARS are registered service marks, of IntraFi Network LLC.



Formerly CDARS® and ICS®



Peace of mind, flexibility, and returns.

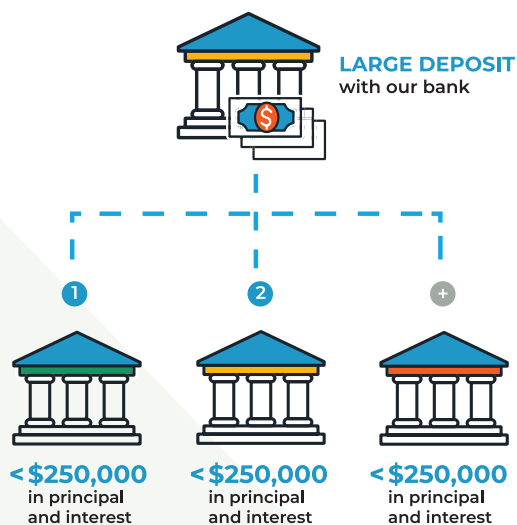
Access multi-million-dollar
FDIC insurance and earn
interest, all through a single
bank relationship.

How does it work?

We, like other institutions that offer IntraFi Network Deposits, are members of a special network. When you place a large deposit with our bank using IntraFi Network Deposits, that deposit is divided into amounts under the standard FDIC insurance maximum of \$250,000 and is placed in deposit accounts at other FDIC-insured banks that participate in the same network.

By working directly with our bank, you can access multi-million-dollar FDIC insurance from many banks and enjoy the convenience of receiving just one statement for demand and savings placements and one for CDs.

As always, your confidential information is protected.



Why IntraFi® Network DepositsSM?



PEACE OF MIND

Make funds eligible for protection that extends well beyond \$250,000 and that is backed by the full faith and credit of the federal government. No one has ever lost a penny of FDIC-insured deposits.



INTEREST

Put excess cash balances to work by placing funds into demand deposit accounts (using the demand option), money market deposit accounts (using the savings option), or CDs (using the CD option) at rates set by us.



COMMUNITY INVESTMENT

Feel good knowing that the full amount of funds placed through IntraFi Network Deposits can support local lending opportunities that build a stronger community.¹



LIQUIDITY

Maintain access to your funds placed in demand deposit accounts and money market deposit accounts. With CD placements, select from multiple term options to meet your liquidity needs.



TIME SAVINGS

Work directly with us—a bank you know and trust—to access multi-million-dollar FDIC insurance, and say goodbye to tracking collateral on an ongoing basis, managing multiple bank relationships, manually consolidating bank statements, and other time-consuming workarounds.

[1] When deposited funds are exchanged on a dollar-for-dollar basis with other banks that offer IntraFi Network Deposits, our bank can use the full amount of a deposit placed through IntraFi Network Deposits for local lending, satisfying some depositors' local investment goals or mandates. Alternatively, with a depositor's consent, our bank may choose to receive fee income instead of deposits from other banks. Under these circumstances, deposited funds would not be available for local lending.