



Inside This Issue

- ▶ Letter From the CEO
- ▶ Announcements
- ▶ Industry Insights
- ▶ Product Spotlight
- ▶ Customer Focus
- ▶ Tips & Tricks
- ▶ Employee Spotlight
- ▶ Welcome Aboard
- ▶ Webinars
- ▶ Banking Supplies
- ▶ Featured Recipe

Letter From the CEO



Colleagues, fellow professionals, and friends,

“...do not imitate what is evil but what is good.” The Apostle John.¹

“You will find it less easy to uproot faults, than to choke them by gaining virtues. Do not think of your faults; still less of others' faults; in every person who comes near you look for what is good and strong: honor that; rejoice in it; and, as you can, try to imitate it; and your faults will drop off, like dead leaves, when their time comes.”²

– John Ruskin, English philosopher

The Virtue of Imitation. I have been thinking a lot about imitation, mainly as a way of making wise choices. Each day brings a myriad of choices between virtues and vices. Imitating those who choose the good and virtuous way has been the focus of my thinking, but Ruskin has helped refine my thoughts on imitation as a way to overcome my faults.

A Better Way. Often, we approach faults like New Year's resolutions: “I'm going to stop doing such and such.” But what happens to most resolutions like that? We start off strong, but soon lapse back into our old ways. “The spirit is willing, but the flesh is weak.” Ruskin's encouragement is a different approach: focus not on the fault but on a desired virtue that will overtake the fault in time.

Picking your Heroes. We can look up (I date myself there... I should have said, Google) the definition of various virtues like prudence, self-control, courage, generosity, industry, but at the definitional level these virtues remain only “ideals” – we know what they mean, but we need examples to put “flesh and blood” on them. Hence, Ruskin's encouragement to look for what is good and strong in others that we can imitate. Apart from the one perfect Man to ever live (and who is our prime Person to imitate), we will not find in any single person an example of every virtue. So, we look for many to imitate. Personally, I have in mind a specific, and different, person for each of the following virtues: loyalty, enthusiasm, decisiveness, generosity, cooperation, just to name a few. I hope you can think of people you admire for various traits that you try to imitate.

Seeing “Faults” in Others in a Different Light. Take Ruskin's advice to heart about not looking at the faults in others. That is hard not to do, as we are quick to see other's faults. When we do see faults in others, we should look for an underlying virtue (that may be askew in how it is displayed) and honor that. For example, someone once re-characterized my slow decision-making as perhaps the virtue of “keeping my options open” (that sounds a lot better). In others, we may see what we think is a lack of ambition, but that may really be the hidden virtue of contentment in their role. Or we might see what we would term domineering, but that may be the virtue of decisiveness that just needs to be exercised in a better way. Be quick to give people the benefit of the doubt regarding their intentions, which are more often than not well-meaning.

Bringing the Message Home. We all have faults that we would like to cast into the waters of forgetfulness. We all see faults in others we wish they would cast into the same waters. But let's resolve to look for role models of virtues we would like to have and imitate their strengths with the desired outcome that our faults will drop as leaves will soon do as we enter this Fall Season of the year.

I hope this edition of *BankLine* has many items of interest for you.

Sincerely,

James W. Bruce, III
President/CEO and General Counsel
American Bank Systems

¹ 3 John 1:

² As quoted in Daily Strength for Daily Needs by Mary Tileston

405B

Congrats to our CEO for being recognized by 405 Business Magazine among its inaugural class of Most Influential Leaders in the Greater Oklahoma City Metropolitan Area. Here is his profile as included in the Magazine's 2023 Issue:



James W. Bruce, III

AMERICAN BANK
SYSTEMS, INC.
CHIEF EXECUTIVE
OFFICER

AS YOU ENTER YOUR OFFICE, WHAT WOULD BE YOUR WALK-UP OR THEME SONG? The theme from *Rocky*. People may think of our company as an underdog against the heavyweights in our industry, but I know we have a fighting chance to win away their customers.

FAVORITE OKC RESTAURANT? The Metro Wine Bar & Bistro. I usually order the salmon, sometimes the filet mignon, but always their bread pudding. Definitely the bread pudding.

DINNER WITH ANY TWO OKC BUSINESS LEADERS? My friend, David Greenwell, a current city council member, to hear his perspectives on the challenges facing OKC and possible solutions. Also, Matthew Williamson, CEO and co-founder of Clevyr, to share ideas about best practices for running a tech business and to get Matt's insights on new and emerging technology trends.

ADVICE THAT MOST SIGNIFICANTLY IMPACTED YOUR CAREER? Take care of your company, and your company will take care of you. Taking care of your company means, primarily, taking care of the people who work there.

Industry Insights

REGULATORY FOCUS ON OVERDRAFT PROGRAMS AND PRACTICES

by Elva M. Coffey-Sears, CRCM, EVP & Chief Compliance Officer



Over the past year, we have seen numerous regulatory agency issuances relating to overdraft programs and practices. Unlike the interagency guidance on this topic issued in 2005, these recent guidance documents come from each agency. While these recent publications are agency-specific, each agency primarily focuses on representment fees and fees associated with point of sale (POS) transactions that authorize positive and settle negative (APSN). Similarly, each agency's issuance indicates that the manner in which institutions disclose and assess fees relating to these transactions may result in violation of the Dodd-Frank prohibition from engaging in unfair, deceptive, or abusive acts or practices for consumer products and services (UDAAP) and/or the prohibitions under Section 5 of the Federal Trade Commission (FTC) Act regarding unfair or deceptive acts or practices (UDAP).

Under Dodd-Frank UDAAP [12 USC 5531], an act or practice is unfair when: (1) it causes or is likely to cause substantial injury to consumers; (2) the injury is not reasonably avoidable by consumers; and (3) the injury is not outweighed by countervailing benefits to consumers or to competition. According to the CFPB's Supervisory Highlights in March 2023 (Issue 29, Winter 2023):

- Regarding ASPN fees, "Supervision has already identified at least tens of millions of dollars of consumer injury ..." and "Consumers could not reasonably avoid the substantial injury, irrespective of account-opening disclosures."
- Regarding Representment Fees, "Supervision found that institutions engaged in unfair acts or practices by charging consumers multiple NSF fees when the same transaction was presented multiple times for payment against an insufficient balance in the consumer's accounts, potentially as soon as the next day. The assessment of multiple NSF fees for the same transaction caused substantial monetary harm to consumers, totaling millions of dollars. These injuries were not reasonably avoidable by consumers, regardless of account opening disclosures. And the injuries were not outweighed by countervailing benefits to consumers or competition."

In addition to formal consent orders published by the agencies, many institutions have confirmed an increase in examiner scrutiny of their overdraft programs and practices. Some institutions have reported that despite revising their disclosures and practices in response to published guidance (and prior to examination), examiners have required look-back reviews and fee reimbursements to impacted consumers.

Have you reviewed your institution's overdraft programs and practices? The following links to various agency issuances on these topics, many of which include a number of risk mitigation options, are provided to assist you in evaluating your institution's overdraft programs and practices.

OCC:

[Overdraft Protection Programs: Risk Management Practices \(OCC Bulletin 2023-12\)](#)

FDIC:

[Supervisory Guidance on Multiple Re-Presentment NSF Fees \(FIL-40-2022\)](#)

[Clarifying Supervisory Approach Regarding Supervisory Guidance on Multiple Re-Presentment Fees \(FIL-32-2023\)](#)

[Supervisory Guidance on Charging Overdraft Fees for Authorize Positive, Settle Negative Transactions \(FIL-19-2023\)](#)

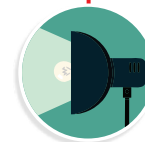
[Consumer Compliance Supervisory Highlights \(June 2019\)](#)

CFPB:

[Circular 2022-06 Unanticipated overdraft fee assessment practices](#)

[CFPB Bulletin 2022-06 Unfair Returned Deposit Item Fee Assessment Practices](#)

[CFPB Supervisory Highlights Junk Fees Special Edition Issue 29, Winter 2023](#)



CoPilot[®] Loan Origination & Documentation Solution for Community Banks



SIMPLE, SOLID, SUPERIOR

ABS's CoPilot Loans Origination & Documentation Solution is designed to provide community banks with a simple, solid, and superior solution for managing their loan origination. With our solution, community banks can streamline their operations, reduce costs, and improve customer satisfaction. CoPilot is easy to use, reliable, and scalable, making it the perfect choice for community banks of all sizes.

CoPilot is an innovative software solution that easily documents all types of new loans with easy-to-read compliant documents backed by personal 24/7 customer care. Other exciting features include:

- Intuitive workflow to gather just the data needed for the transaction type.
- Robust processing that allows you to make fields required, provides compliance validation at the completion of each screen and includes field-level system help with the ability to add custom field-level help.
- Integrated workflow with optional third-party system interfaces for pulling credit bureau reports, flood determinations, core systems and many others.
- Seamless platform of documentation, exception tracking and document imaging with an interface to our BankManager[®] Elite software solution and electronic signature via digital authentication.
- Optional Copilot Deposit module available.
- CoPilot Software is available in Alabama, Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Minnesota, Mississippi, Missouri, Nebraska, Oklahoma, Tennessee, and Texas.
- Best of all, it is supported 24/7 by the ABS Customer Care department, providing outstanding support that our customers have come to expect for more than 40 years.



The Farmers & Merchants Bank

Waterloo, Alabama

Many banks in small towns reflect ideals of the community they reside in and serve. Bank employees know pretty much everyone in town. That is the case for Farmers & Merchants Bank located in Waterloo, Alabama.

It all starts with Tom Ray and his daughter, Beth Ray. Tom is the Chairman of Farmers & Merchants Bank and Beth is President & CEO. They believe, "We treat our neighbors the way our parents taught us. Be friendly and polite. Don't rush people. Take time to get to know them, and always be there to help them." For Tom, he believes the customers come first. Tom says that is just the way they do things around the bank. He knows many people in Waterloo, including their parents and grandparents. Tom takes great joy knowing people he can help and providing solutions for them when things are tight.



A.D. Ray, Tom's father and former bank President

A great example of that is told by Beth. A customer came into the bank and asked to see either Tom or Beth. He came to Beth's office with a payment for the note he had with the bank. The customer told Beth that he wanted to hand the payment to the people that gave him the loan. He just wanted to let Beth know how much he appreciated the money they lent him when he needed it.

Farmers & Merchants Bank was established in 1914. Tom's father, A. D. Ray, began working at the bank in 1927. He was brought in because the bank was in trouble and needed someone to help.



Tom Ray, sitting in front of the bank

In 1965, Tom Ray joined the service and later began his career at the bank. He would do whatever was needed. One day he would be a teller, another day he would be the janitor. Basically, whatever was needed he would do. As time progressed, he would take over more responsibilities. Tom is not sure what year he began as President of the bank, but it may have been about a decade before his father, A. D. Ray, had passed away in 1992. Tom is also a farmer raising cattle.



Tom and Beth Ray pictured in front of bank

Beth began working at the bank immediately after she received her college degree in management and entrepreneurship. Beth was also a star softball player. When Beth began working at the bank, the total assets of the bank were a little more than 1 million dollars. As of June, of this year, the bank has just under 100 million dollars in assets.

An interesting tidbit about Tom is he is seen wearing overalls to the bank almost every day. Some may say that his dress code may be a little lax but his commitment to his customers and his job is top-notch.

Beth has a great story to tell about Tom. "One day, we had someone pull up in a big, fancy long car, a Cadillac, maybe. He got out wearing a big, nice suit, all fixed up, and walked right past Daddy. Daddy spoke to him, and he gave Daddy the stink eye. He walked in the bank and asked to see the president, and we said, 'You probably walked right past him.' He walked right past him on the way back out, too. He didn't even stop to say anything. He was too embarrassed."

CoPilot: Title/Description Editor

By Jessie Nikkel, Director of Customer Experience/Training



(CoPilot is a loan and deposit account origination system with a user-friendly interface putting you in control. CoPilot Loans helps banks save money and time. Not every loan needs an expensive legal review. Copilot Loans does it for you, providing you with documents and processes that are designed to ensure compliance. CoPilot Deposits is a sophisticated deposit origination system which improves efficiency, accuracy, and compliance.)

Did you know that a few sections of certain documents can be edited directly from the document checklist? This allows the ability to change the account title and/or descriptions on documents without having to go back into the CoPilot phase in which the document was generated. For example, the short account title, property description, and loan purpose can be edited on a promissory note. To access the Title/Description Editor simply click “title/description editor” in the form option window on the document checklist screen.

To find out more about CoPilot, please contact our ABS Customer Care Team at 405-607-7000 or visit our website at www.americanbanksystems.com.

Employee Spotlight



Andrenae Wilson / *Customer Care Team Member*

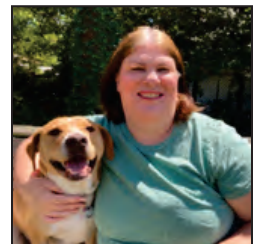
Andrenae Wilson is a member of our Customer Care team and has been with American Bank System for almost 2 years. The best thing Andrenae likes about her job is developing great relationships with clients that call in regularly. She loves being able to connect with the banks calling in for assistance with the products she supports.

Andrenae is originally from Orlando, FL and currently has 2 sisters and 3 brothers still living there. Her hobbies include photography, working out, and watching movies (especially Marvel movies). In fact, everyone in the office knows that she is a huge Marvel fan!

Welcome Aboard

Jenny Knox / *CoPilot Team Member*

Jenny's primary duties are organizing tickets to be processed and project planning for our CoPilot program. She lives in Martinez, GA with her husband Brandon and has 3 children, Mary, Emma, and Ron as well as 2 dogs. In her spare time she likes to travel, bake, take walks, and visit state parks.



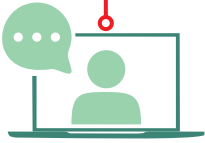
Harry Le / *Customer Care Team Member*

Harry Le started his role in the Customer Care Department in August 2023. Harry graduated from Southwestern Oklahoma State University in 2017 with two degrees in Finance and Management. Harry began his banking career during his senior year of college as a Loan Documentation Intern and continued working in banking for about seven years in various positions on both the deposit and loan sides. Harry currently resides in Weatherford, OK, with his wife and daughter. In addition to his position at American Bank Systems, he enjoys learning new things, practicing musical instruments, and spending time with his family.

Daniel Williams / *Customer Care Team Member*

We welcome Daniel to our Customer Care department. He is from Tulsa, OK. Daniel received his Political Science degree from Rose State College located in Midwest City, OK. His banking experience includes working at Communication Federal Credit Union for 4½ years as a Senior Member Service Representative. While Daniel is not working, he enjoys spending time with his family, watching sports (University of Oklahoma and Dallas Cowboys), art, and history.





ABS is offering free webinars on our software solutions. Please see below for our offerings:

CoPilot Loans and Deposits Systems Webinars

To Register: email Burt Samples at bsamples@abs-ok.com
 *All are Central Time

Every Friday at 10:00am, 1:30pm, and 3:30pm

If you are unable to attend a webinar, please contact your Territory Manager to schedule a demonstration of CoPilot:

Jim Pennington – Arkansas, Oklahoma, Texas | jpennington@abs-ok.com | 214-354-8487

Lori Ellis – Iowa, Kansas, Minnesota, Western & Central Missouri, Nebraska | lellis@abs-ok.com | 402-515-2382

Eric Johnson – Alabama, Florida, Georgia, Illinois, Mississippi, Eastern Missouri, Tennessee | ejohnson@abs-ok.com | 859-312-5212

Banking Supplies

As we move toward a more digital age, we will be shifting away from paper format and will instead be offering our forms in electronic format. We have also downsized many of our stock tabs. If you would like to know more about electronic forms or would like information about stock tabs still available, contact us at orders@abs-ok.com.



Featured Recipe



Pumpkin Sheet Cake

from Seth Keeton



INGREDIENTS

FOR THE CAKE:

- ▶ 2 sticks salted butter
- ▶ 2 c. pumpkin puree
(not pumpkin pie filling!)
- ▶ 2 tsp. pumpkin pie spice
- ▶ 1/2 c. boiling water
- ▶ 2 c. all-purpose flour
- ▶ 2 c. granulated sugar
- ▶ 1/4 tsp. salt
- ▶ 1/2 c. buttermilk
- ▶ 2 eggs
- ▶ 2 tsp. baking soda
- ▶ 2 tsp. vanilla extract
- ▶ 1/2 tsp. maple extract (optional)

FOR THE FROSTING:

- ▶ 8 oz. cream cheese, softened
- ▶ 1 stick unsalted butter, softened
- ▶ 1 lb. powdered sugar
- ▶ Dash of salt
- ▶ 1 tbsp. half and half or whole milk,
plus more if needed for thinning

DIRECTIONS

For the cake: Preheat the oven to 350 degrees. Spray a sheet pan (11-inches by 17-inches) with baking spray and set aside.

In a medium saucepan, melt the butter. Whisk in the pumpkin puree and pumpkin pie spice until it's totally combined. Whisk in the boiling water until the mixture is smooth and combined. Set aside.

In a large bowl, combine the flour, sugar and salt. Whisk and set aside.

In a liquid measuring cup, combine the buttermilk, eggs, baking soda, vanilla and maple extract, if using. Whisk and set aside.

Pour the pumpkin mixture into the flour mixture and stir until halfway combined. Pour in the buttermilk mixture and stir until combined. Pour into the sheet pan and bake the cake for 20 minutes. Remove and allow to cool.

For the frosting: In the bowl of an electric mixer, mix together the cream cheese, butter, powdered sugar, and salt until smooth. Add the half and half or milk and check the consistency. It should be somewhat thick but thin enough to spread in a thin layer.

Spread the frosting all over the surface of the cake. Cut into squares and serve. Keep leftovers in the fridge, as frosting will get soft.

www.thepioneerwoman.com/food-cooking/recipes/a11885/pumpkin-sheet-cake/

If you have a delicious recipe you would like to share in future ABS BankLine Newsletters, please forward a copy of your recipe to greed@abs-ok.com