



South Dakota Bankers Association

Serving the Financial Services Industry of South Dakota



MEMBERSHIP SERVICES GUIDE



The South Dakota Bankers Association (SDBA) is the professional and trade association for South Dakota's financial services industry. Established in 1884, the SDBA has helped provide the opportunity for banks to be the preeminent providers of financial services in South Dakota.



The SDBA's mission is to enhance the ability of our members to compete effectively and profitably in the financial services industry.

The Association is empowered to proactively recognize and respond to changes in the financial services marketplace. We respond by providing products and services that directly or indirectly enhance the collective ability of our members to be the leading providers of financial services to their customers. To achieve that vision, the SDBA focuses its efforts to provide the highest quality services in several key areas.

- Government Relations
- Banker Education & Training
- South Dakota Bankers Insurance & Services
- Endorsed Products & Services
- Associate Members
- Crime Prevention
- Legal & Compliance Support
- Publications & Web Site
- Public Relations
- South Dakota Bankers Foundation
- SDBA Events
- Member Involvement





Government Relations

Advocacy is the SDBA's primary purpose. We "plead the cause" of our member banks to ensure favorable legislation. SDBA members and staff are the primary source of input and feedback on legislative and regulatory

proposals affecting the financial services industry, both at the state and national levels. The SDBA actively seeks the involvement, accountability and proactive engagement of its member banks.



Lobbying: The SDBA assertively represents South Dakota banks of all sizes and serves as the voice for the industry in the South Dakota Legislature and with the state's congressional delegation. The SDBA's legislative efforts include drafting, monitoring and supporting legislation beneficial to banks or opposing that which is detrimental, both in South Dakota and in Washington, D.C. SDBA staff and legal counsel are involved in the ongoing review of regulatory issues, both on the state and national level, which may affect the commercial banking industry in South Dakota. To help bankers stay current on banking issues during the State Legislative Session, the SDBA produces two weekly publications - *Legislative Update* and *Legislative Bill Watch*.

Washington Visits: The SDBA's Federal Legislative Conference, held in conjunction with the North Dakota Bankers Association, is an important factor in the SDBA's management of legislative and regulatory issues at the federal level. This annual visit to Washington, D.C., provides bankers with an opportunity to meet with and influence decisions made by the nation's top financial services regulators and our congressional delegation. Bankers also receive an extensive briefing on issues from the American Bankers Association (ABA)

SDBankPAC: SDBankPAC is the federal Public Affairs Committee of the SDBA. SDBankPAC gives every banker a stronger voice in the legislative process by pooling the contributions made by individual bankers across South Dakota. These contributions are primarily allocated to South Dakota candidates for the U.S. House and Senate. Some contributions are also allocated to our affiliated federal PAC - ABA BankPac. In either case, it's about the banking industry speaking with one voice.



Banker Education & Training

The SDBA is the premier educational resource for financial institutions. The SDBA identifies needed banker education and training programs by staying abreast of current industry trends, best available course materials and alternative delivery methods. SDBA educational opportunities include seminars and workshops, specialty conferences, banking schools, online training, webinars and more.



SDBA One-Day Training: The SDBA offers several one-day live seminars and workshops to ensure that all bank employees have the skills and information they need. The SDBA offers training for all employees, from entry level to bank directors and officers. For a full list of events, visit the SDBA's online Calendar of Events at www.sdba.com.

SDBA Specialty Conferences: The SDBA annually hosts several two-day specialty conferences which target specific segments of the financial services industry: agricultural credit, human resources/operations, and technology.

SDBA Schools for Ag Lenders: The SDBA provides two schools for ag lenders at Black Hills State University in Spearfish, S.D. **Fundamentals of Ag Lending:** A School for the Beginning Ag Lender is an extensive school designed to train in all facets of ag lending with an emphasis on credit scoring, risk rating, problem loans and group case study. **Beyond the Fundamentals:** A School for Experienced Ag Lenders is designed for those with experience in credit servicing, credit analysis and risk rating. This school provides course material primarily by case study and supported by lectures and intensive analysis. The schools are offered on a rotational basis in June.

Other Banking Schools: Through cooperative agreements with the Graduate School of Banking at the University of Wisconsin-Madison and other state banking associations, bankers can attend a variety of specialized schools for the financial services industry.

Online Training: Top quality training is available anytime, anywhere online. The SDBA has agreements with several different vendors that

provide financial services employees with state-of-the art online training opportunities. Discover the advantages of Internet-based professional education at your convenience and at your own pace. Vendors include the American Institute of Banking (offering both eLearning and online courses), Graduate School of Banking at Wisconsin online seminars, Compliance International, Bankers Training and Consulting Company, Total Training Solutions and Awareness.

Webinars: Webinars provide immediate information to a broad audience with specific time for questions. A webinar is an enhanced telephone seminar. The audio portion is delivered by speaker phone; however, you may view a corresponding PowerPoint presentation using a PC or PC connected to an A/V projector. You may still participate by phone only. The program consists of an 1½ hour presentation and approximately 30 minutes of live questions and answers.

Banking Certification: The ABA Institute of Certified Bankers (ICB), a national association of certified professionals in the financial services industry, was established to meet industry needs for programs that would help banking professionals improve proficiency. The Institute of Certified Bankers offers 12 professional certification programs in the areas of wealth management and trust, regulatory compliance, lending, retail and security, and an Associate Member Program for those beginning to chart their professional course in financial services.

For detailed information on education and training opportunities, visit the SDBA's Education and Training Web page at www.sdba.com.





Insurance & Services

South Dakota Bankers Insurance and Services, Inc. (SDBIS) is a subsidiary of the SDBA. Through SDBIS, SDBA member financial institutions have access to a variety of competitively-priced products and services. Due to SDBA’s status as a nonprofit corporation, SDBIS is able to broaden the range of products the SDBA can offer. SDBIS is constantly searching for new opportunities to broaden the definition of “core banking services” bringing new, complementary products and services to SDBA’s members. These products and services provide bottom-line value to member banks, bank customers and to the SDBA.



SDBA Large Group Health Insurance Plan: The SDBA Large Group Health Insurance Plan provides five deductible options from Wellmark Blue Cross and Blue Shield of South Dakota. Single, family, employee and spouse, or employee and children selections are available. Other benefits include life insurance and accidental death and dismemberment, vision care, out-of-state coverage and an early retirement option.



Endorsed Products & Services

Many companies offer services specially tailored to the banking industry. The SDBA endorses and promotes products and services that have been thoroughly reviewed and were selected based on their ability to meet the SDBA’s high expectations for quality and service. The SDBA provides its members access to quality products and services that will improve their competitive standing and/or increase their profitability, while providing a source of non-dues income to the SDBA and enhancing the value of SDBA membership.



Associate Members

SDBA associate members are Board-approved organizations that provide significant and ongoing services to the South Dakota banking industry. The SDBA appreciates the assistance and support it receives from its associate members. The SDBA encourages member banks to utilize the products and services offered by these companies who support the Association through associate membership, sponsorships and participation in various SDBA events. See the SDBA’s Web site for a complete list of endorsed vendors and associate members.



Crime Prevention

The SDBA offers services and products to help financial institutions combat financial crimes.

Protective Alerts: As a member service, the SDBA distributes protective alerts via broadcast fax to member banks and branches. If you feel that your bank has been the subject of a financial crime or an attempted scam, contact the SDBA, and we will send a protective alert to minimize our members' losses. Information for protective alerts can be sent via email to ademers@sdba.com or by fax to (605) 224-7835.

FinCrime: Members can post their incidents online via the Financial Crimes Network (FinCrime). FinCrime is an online database and clearinghouse that allows banks to share information regarding financial crimes with other banks across the country and law enforcement officers. FinCrime is a free service to all SDBA members. To register, visit www.sdba.com and click on the FinCrime link. It's easy to register and takes under five minutes.

Thumbprint Signature Program: The Thumbprint Signature Program is a simple, low-cost way banks can reduce losses from stolen, counterfeit and fraudulent checks. People wanting to cash a check are asked to place an impression of their thumbprint on the face of the check. A small "inkless" touch pad facilitates the process. The process is quick, simple and clean. To place an order, email thansonn@sdba.com or call (800) 726-7322.



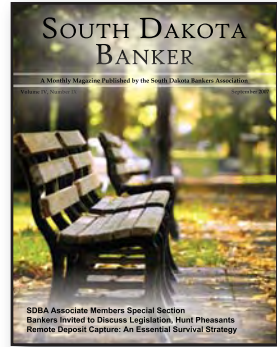
Legal & Compliance Support

The SDBA's legal counsel is available to respond to questions from bankers on legal, legislative, operational and regulatory matters. SDBA legal counsel also prepares and files amicus curiae briefs in litigation involving matters of importance to the banking industry and provides notice of court decisions of interest to bankers. If you have a legal question, contact May, Adam, Gerdes & Thompson LLP at (605) 224-8803.

Tom Adam, of counsel at May Adam Gerdes and Thompson, has written *Record Retention Requirements for Banking Institutions*. This manual is a guide to South Dakota's record retention requirements for banking institutions. In addition, the SDBA provides the monthly *SDBA Regulatory Report* – a brief summary of both proposed and final regulations affecting the banking industry.

Publications & Web Site

The SDBA produces a variety of publications for its members. Some of the SDBA's publications, such as *South Dakota Banker* and the *South Dakota Banking Code*, can be viewed for free online. To view the publications available online or to order an SDBA publication, visit www.sdba.com and click on "About SDBA" or call (800) 726-7322.



South Dakota Banker Magazine: A monthly magazine published by the SDBA that is dedicated to enhancing the banking profession by providing useful and timely information on important events and trends in the banking industry. *South Dakota Banker* also provides information on Association news, state and national legislation, education opportunities, and other state and national banking news.

SDBA E-News: A weekly email newsletter distributed on Thursdays containing brief articles on industry news, SDBA news and upcoming events. The *SDBA E-News* is also posted on the SDBA Web site.

South Dakota Bank Directory: Informative resource guide printed annually that provides detailed information on all South Dakota banks, including addresses, telephone and fax numbers, important contact names and additional pertinent information. It also contains information on the SDBA, banking associations, regulatory agencies, endorsed vendors, associate members and South Dakota officials. All SDBA member banks, branches and associate members receive a complimentary copy. Additional copies are available for purchase.

Legislative Update and Legislative Bill Watch: Two publications produced weekly to help bankers stay current on banking issues during the State Legislative Session. The *Legislative Update* is a one or two-page recap of weekly key legislative action. The *Legislative Bill Watch* tracks the status of bills which the SDBA is monitoring. Both publications are posted on the SDBA's Web site on Fridays during session.

South Dakota Banking Code: Published annually and includes current state laws specific to banking: Title 51A (Banks and Banking), Title 54 (Debtor and Creditor), Chapter 4-6A (Insurance on Public Deposits), Chapter 10-43 (Income Tax on Banks), and Chapter 43-41B (Unclaimed Property: Uniform Act). This publication is available online.

South Dakota Bank Salary & Fringe Benefit Survey: An annual survey of South Dakota banks conducted by Eide Bailly LLP to obtain valuable information on compensation and fringe benefit programs in banking. The survey provides banks with reliable information to compare their compensation and fringe benefits programs with other banks.

Record Retention Requirements for Banking Institutions: A guide to South Dakota’s record retention requirements for banking institutions. The manual was written by Tom Adam, May Adam Gerdes and Thompson LLP, Pierre, S.D. It is available on the SDBA’s Web site.

Regulatory Report: A monthly publication providing a brief summary of both proposed and final regulations affecting the banking industry. This publication is posted monthly on the SDBA’s Web site.

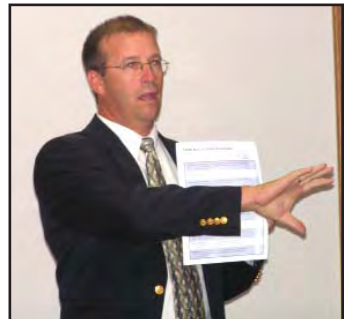
SDBA Web Site: The SDBA’s Web site provides information on the SDBA, banking news, government relations, education and training, endorsed vendors, associate members, regulations and compliance, and SDBA publications. The SDBA’s online Calendar of Events provides a complete list of conferences, seminars and other events of interest to bankers. The Web site also provides details about each event and allows bankers to register online. Visit www.sdba.com.

If a member institution has a job opening or something to sell, the SDBA will post the listing on its Web site and in the *South Dakota Banker* magazine. This service is free to member banks.



Public Relations

South Dakota banks have an excellent story to tell, and the SDBA is here to assist in telling that story. The SDBA is often called upon to respond to banking-related topics in the media. The SDBA is available to focus on the positive impact the banking industry has on the state’s communities and to explain banking’s side of the story to ensure that the public has a balanced picture.



Under the direction of the SDBA Board of Directors, the staff at the SDBA works on special messages and public relations projects that promote and help tell the banking industry’s story.



SD Bankers Foundation

Established in 1992, the South Dakota Bankers Foundation was endowed by the SDBA to provide financial support for a Chair in Banking at the University of South Dakota School of Business in Vermillion. In 1992, the SDBA undertook a major fund drive to

further capitalize the Foundation in order to provide financial assistance for the Institute for the Study of Rural Banking. In 2000, the Foundation refocused its mission to provide an opportunity for even more visible consumer programming by earmarking a major portion of its annual payout to provide scholarships and special educational programs and awards at both the secondary and post-secondary levels. Another major capital fund drive in 2003 provided an additional \$900,000 endowment earmarked for expansion of its High School Scholarship Program.



The Foundation continues to support many excellent consumer programs, including the Economics Seminar for Young Adults held annually in October, the Business Plan Competition for high school students, the FFA regional and state awards, personal economics program materials for “banker in the classroom” presentations, Future Business Leaders of America and Ag in the Classroom, to name a few. The Foundation also provides a variety of banking scholarships for colleges, universities and vo-tech schools and scholarships for high school seniors.

Contributions and donations are always welcome. Contact Foundation Executive Director Deb Gates at (800) 726-7322.



SDBA Events

The SDBA hosts several annual events which provide bankers an opportunity to network with others in the financial services industry from throughout South Dakota. SDBA events include the Annual Convention held jointly with the North Dakota Bankers Association each June, Group Meetings held each fall in four locations throughout South Dakota, Legislative Town Hall Meeting and Pheasant Hunt, and the State Legislative Conference, Reception and Dinner held each February in Pierre. The SDBA also organizes the Federal Legislative Conference held jointly with the North Dakota Bankers Association in Washington, D.C., each spring.



Member Involvement

Membership in the SDBA signifies a financial institution's commitment to the principles of banking and the belief that more can be accomplished collectively than individually. Any national bank, state bank, private bank, stock savings bank, mutual savings bank, savings association or any regulated depository institution owned by a bank holding company in South Dakota can become a member of the SDBA upon payment of annual dues. Branches with homes offices in other states can also become members of the SDBA.



An association draws its strength from its membership. Bankers from across South Dakota are actively involved in the management and direction of the SDBA and in contributing to a stronger banking industry. Volunteers donate their time and talents to the SDBA's grassroots efforts, Board of Directors, committees and users groups.

SDBA Board of Directors: The SDBA's Board of Directors is comprised of four officers (chair, chair-elect, vice chair and immediate past chair) and nine directors. Directors represent five geographic regions and four banking categories (Country Bank Category, Large Community Bank Category, Large Commercial Bank Category and Credit Card Bank Category). The makeup of the Board assures that the diversity of the Association's membership is fairly represented.

SDBA Committees: The SDBA has five standing committees that assist in directing Association activities in various areas of banking: agricultural credit, credit card, education, legislative and trust. Committee terms are one year beginning May 1 and ending April 30 of each year, with the exception of Legislative Committee members who serve three-year terms. Committees generally meet one to two times a year to initiate activities and to recommend policy.

SDBA Users Groups: The SDBA provides administrative support for several users groups in the areas of compliance, human resources/training, and security. The users groups allow those in a particular segment of banking to share ideas and network with other financial institutions.



More Information

For more information about the South Dakota Bankers Association or the services that the SDBA provides, call the office in Pierre at (605) 224-1653 or (800) 726-7322. Or visit the SDBA's Web site at www.sdba.com.

South Dakota Bankers Association

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