DEERWOOD
BANK
Nice & Simple

Introducing

Treasury management business conversion guide

Retain for easy reference

Welcome to Deerwood Bank!

DEERWOOD BANK EST. 1910

Our Treasury team is working to ensure Community Development Bank customers will have little to no disruption. This document details the upcoming changes and how they may affect you. We are very excited about the positive impact this transition will be for Community Development Bank, and we look forward to serving you as a Deerwood Bank customer.

Contents

Preparing for Conversion Weekend

This guide is here to help answer your most critical questions and help you swiftly navigate through the transition to an even better business banking experience. This guide contains timelines, important dates and information, and action items regarding the conversion. To make this transition as smooth as possible, we ask that you thoroughly read each section as there may be pre-and post-conversion action items for you to complete. Not all sections of this guide may apply to you.

Important Dates

The conversion of our core and Cash Manager business online banking will affect the availability of certain services beginning Friday, September 20. We expect Cash Manager services to be restored and fully functional the morning of Monday, September 23. All times listed in this guide are Central Standard Time.

	Friday, September 20 Community Development Bank Systems	Saturday, September 21 & Sunday September 22	Monday, September 23 Deerwood Bank Systems
Ogema and St. Michael Branch Offices	Closes at 4pm	Closed Includes all Deerwood Bank locations	Open Normal Business Hours
Cash Manager Online Banking	Available Until 4pm	Unavailable	Available in the Morning
ACH Origination	Available Until 2pm	Unavailable	Available in the Morning
Bill Pay	Unavailable	Unavailable	Available in the Morning
Remote Deposit Capture	Available Until 4pm	Unavailable	Available in the Morning
Positive Pay	N/A	Unavailable	New
Mobile Banking	Available Until 4pm	Unavailable	Available in the Morning
Mobile Deposit	Available Until 4pm	Unavailable	Available in the Morning
ATMS	Available	Available	Available
Debit Cards	Available Until 4pm	Deerwood Bank Debit Cards Available	Available
Night Deposit	Available	Available	Available
Website	Available	Available	Available

Information

Our primary goal in preparing for our new core and Cash Manager online banking system is to ensure a smooth transition with minimal disruption to our services. Here is what will remain the same after our conversion.

Location and Hours
All fourteen of our branch locations will remain open to serve you before and after our conversion weekend. Locations and hours are referenced in the Welcome Guide.

Employees
Our dedicated employees will continue to deliver the consistent, quality customer experience that you expect, but with more options and ease.

Phone Numbers
All phone numbers for our branches and employees will remain the same and our phone system will not change.

Account Numbers and Routing Numbers
Your account number will remain the same. You can continue to use this information and your checks after conversion. For future reference the Deerwood Bank routing number is **091907125.**

Debit Cards and PINs
If you currently have an active Community Development Bank Debit Card, you should have received your custom-designed Deerwood Bank Debit Card by September 20th. If your card has not arrived, contact Deerwood Bank at 800-291-6597.

Deerwood Bank Processing Times

ACH Origination Only Federal Reserve processing days	
Future Dated	Approved and submitted files will be processed hourly from 9am to 4pm. No changes can be made to a file once processed by Deerwood Bank.
Same Day	Approve and submit by 1pm; exceptions may apply.

Wire Origination Only Federal Reserve processing days	
Outgoing	Processed between 8:30am and 3:30pm. Wires initiated through Deerwood Bank's Cash Manager must be initiated and approved by 3:30pm. Wires received after 3:30pm will be processed the next business day.
Incoming	Processed between 8:30am and 3:30pm.

Positive Pay Processing must be done on all Deerwood Bank business days even if the Federal reserve is closed.	
Decisioning	All items must be decisioned and submitted by 10am or the default payment method will apply.

Remote Deposit Capture and Mobile Deposit	
Cut Off	Submit by 6pm for current business day credit.

Getting Started

CASH MANAGER ONLINE BANKING

Our business online banking is called Cash Manager. The Cash Manager online banking platform securely allows you to access and manage your deposit, loan accounts and treasury management services in one convenient portal. Enjoy the benefits of Cash Manager by downloading the Deerwood Bank business app on your mobile device!

New for you
- Enhanced security features for treasury management services
- Expanded account and security alerts
- Create stop payments for checks
- Mobile deposit
- Transfer funds templates
- Loan payment templates

Important Details
- Community Development Bank's online banking will be unavailable beginning Friday, September 20 at 4:00pm. Services will be transferred throughout the weekend and Deerwood Bank's Cash Manager will be available on Monday, September 23, 2024.
- If you previously held an administrator role, this role will carry over to the Cash Manager. As an administrator, you control the access and entitlements for each user.
- The administrator is not able to add or change their own entitlements. It is recommended the administrator create at least one other administrator.
- If you are the only user, you will need to contact the Treasury Management team to make changes to your own entitlements.

FIRST TIME LOGIN EXPERIENCE

On Monday, September 23, log into Deerwood Bank's Cash Manager online banking platform at www.deerwoodbank.com on your computer. Here's how:
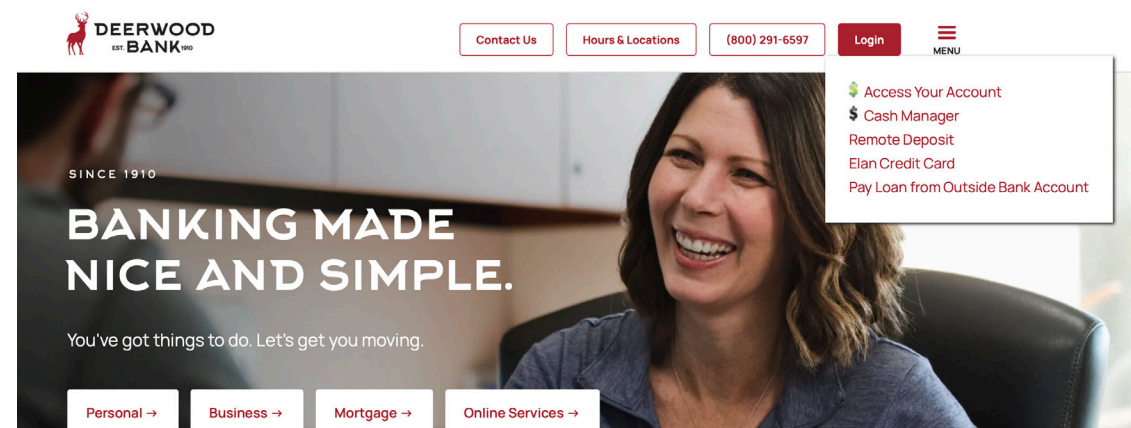
Web Application

1. Visit www.deerwoodbank.com, click **Login**, then **Cash Manager**

2. Enter your Company ID, User ID and Password
- Your Company ID is the last 5 of the EIN/TIN associated with your business and is shared among all users
- Your User ID is your previous username, that you used to log into Community Development Bank's business online banking
- The Temporary password is set to **Bank 1234!**

3. Change your password according to the password requirements

4. Review and accept Terms and Conditions, if applicable

5. Admins – verify user entitlements and limits. See Create and Manage Users section in this guide

Important Details

Logins will require the user to receive an HRT (high risk transaction) security validation code as part of additional user security. To receive this code, the user's **contact information must be up-to-date**. Contact information can be updated by an administrator under Manage Users located on the left sidebar. HRT information entered will allow the user to choose which notification method they prefer when presented with the HRT verification. For further instructions, see "Create and Manage Users" section of this guide.

MOBILE APP

1. Download the Deerwood Mobile Business app from your app store
2. Enter your Company ID, User ID and Password
- Your Company ID is the last 5 of the EIN/TIN associated with your business and is shared among all users
- Your User ID is what you previously used to login to Business Online Banking
- The temporary password is set to **Bank1234!**

3. Change your password according to the password requirements listed
4. Review and accept Terms and Conditions, if applicable

MOBILE DEPOSIT

Have you received a random check to deposit? We would love for you to stop at one of our branch locations but understand that time and resources can be limited. Deposit that check via mobile deposit using the Deerwood Mobile Business app. Default Mobile Deposit Limits are $2,500 per deposit per day and $6,000 30-day limit, please contact your Treasury Management team to request a limit increase if needed.

Important Details
- Mobile deposits must contain a restrictive endorsement, or the deposit will be rejected. Endorse your check and clearly print **"FOR MOBILE DEPOSIT DEERWOOD BANK"**
- Deposits made PRIOR to 6pm will post to your account on the current business day after end-of-day processing
- Deposits made AFTER 6pm will post the following business day after end-of-day processing

QUICKBOOKS INTEGRATION

Our Cash Manager platform has the ability to Direct Connect to your QuickBooks Accounting Software.

Important Details
To Sync your QuickBooks to Cash Manager online banking follow these steps:
- Log into your QuickBooks Online
- Click on the Banking tab on the left side of the page
- From the Banking page, choose "Add Account" from the right side of the page
- From the Connect an account page, type in Deerwood Bank Cash Manager
  Note: Make sure to select the Deerwood Bank Cash Manager option. The "Deerwood Bank" option is the access for the consumer banking platform and will not sync with your business online banking platform.
- From the Sign In to Account page, enter your Deerwood Bank Online Banking Company ID, User ID, and Password.
- The system will then ask you what accounts you would like to sync with your QuickBooks setup. Choose all the accounts that apply and type of account. Hit Continue.
- The system will send it back to the original "Banking" page. When the accounts are successfully sync'd with your QuickBooks, you will see the accounts listed on the top of the page.

ACH ORIGINATION

If enabled, ACH origination allows you to process your payroll, vendor payments, recurring payments and tax payments easily and securely saving you time and money. If you previously had ACH origination services, you will see all your payees and batch information located in Cash Management under the Business Features sidebar menu. If you are interested in ACH origination and how it can help your business, contact one of our Treasury Management staff.

Features
- Mobile access to perform ACH origination functions on-the-go
- High Risk Transaction (HRT) Codes for user security, sent via text or email
- One-time payment options
- Recurring batch payment options
- Restriction options for payroll batches that require confidentiality
- User transaction limits for added security
- Option to have dual control with ACH initiations and approvals
- Same-day ACH origination for those times when the day gets the best of you! *Additional fees may apply.*

Differences that may affect you:
- Initiating and approving ACH payments will require multi-factor verification with a HRT code. Hard tokens are no longer needed and can be thrown away.
- ACH Funds Transfer templates are now called Recipients
- Prenotes are no longer automatically created
- Over the limit file exceptions will have to be approved by the bank before an ACH file can be initiated.
- ACH files will be processed hourly from 9am to 4pm. No changes can be made to a file once processed by Deerwood Bank.

Important Details
- The last ACH file submission to Community Development Bank is at 2pm on Friday, September 20, 2024. *You will not be able to access ACH origination after this time.*

→ Action Items
- ☐ Create a spreadsheet or printout of all your ACH Batches and Funds Transfer templates information
- ☐ Admins should verify current user entitlements and templates. We will provide a separate ACH Guide for all you need to know about ACH origination, creating recipients, creating batches, uploading files and approvals.
- ☐ Re-initiate any reoccurring ACH transfers after Monday, September 23
- ☐ If you upload ACH Files, please reach out to a Treasury Management staff member and provide the Company Name and Company Id number from your uploaded ACH files

BILL PAY

Eliminate the hassle of writing checks and paying postage. Pay bills electronically through Cash Manager online banking. Set up one-time or recurring payments – up to a year in advance. Bill pay will have the same great features you had before but with a new look.

Features
- Pay bills using your mobile device
- Pay with Picture
- A2A (Account to Account) and P2P (Person to Person) transfers available

Differences that may affect you:
- Payments sent via check will now start at check number 9500 but can be adjusted in user preferences

→ Action Items
- ☐ Print or save any payee details and recurring bill payments to set up again after conversion weekend
- ☐ Download payment history if needed for reference
- ☐ After conversion, set up your payees, any recurring payments and you can begin using bill pay

DOMESTIC WIRE ORIGINATION

If enabled, wire origination is a fast and efficient way to transfer payments from one bank to another. To access, navigate to Cash Management under the Business Features sidebar menu.

Features
- Mobile access to perform wire transfer functions on the go
- Additional user transaction limits for added security
- Adding recipients, creating and initiating wires will require verification with an HRT code
- Option to have dual control with Wire and ACH initiations and approvals
- Recurring wire payment options
- Ability to create wire templates for those recipients you pay frequently

Differences that may affect you
- Initiating and approving wires will require multi-factor verification with a HRT code.
- Over the limit exceptions will have to be approved by the bank before a wire can be initiated.

Remote Deposit Capture

Deposit checks on your own schedule and eliminate tying up company time and resources. Scan and transmit checks for deposit directly to your Deerwood Bank account in minutes and save a trip to the bank. If entitled for your business, you will have a separate login for Remote Deposit Capture. The link is located on Deerwood Bank home page at www.deerwoodbank.com. If you currently do not have this service and are interested in how it can help your business, contact one of our Treasury Management staff.

First Time Login Experience
On Monday, September 23, log onto our Remote Deposit Capture platform at www.deerwoodbank.com on your computer. Here's how:
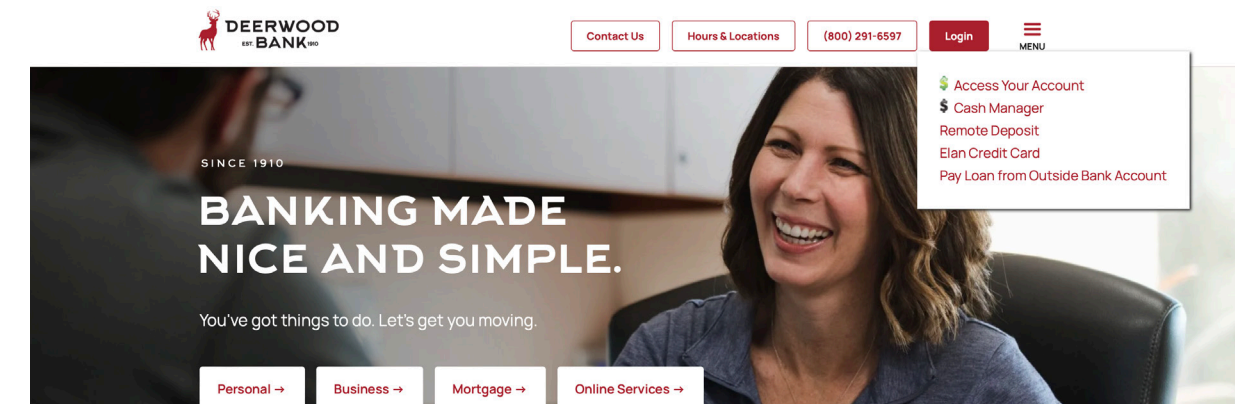
Web Application
1. Visit www.deerwoodbank.com, click Login, then Remote Deposit
2. Enter your Company ID, User ID and Password
- Your Company ID is the last 5 of the EIN/TIN associated with your business and is shared among all users
- Your User ID is your previous username, that you used to log into Business Online Banking
- The temporary password is set to **Bank1234!**

3. Change your password according to the password requirements
4. Review and accept Terms and Conditions, if applicable
5. Admins – verify user entitlements and limits
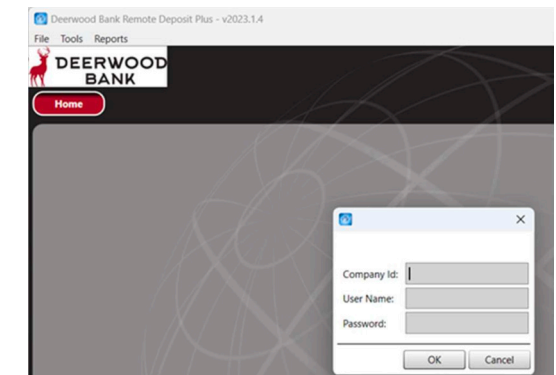
Important Details
Process all deposits by 4pm on Friday, September 20. You will not be able to access Deerwood Bank's remote deposit capture until the morning of Monday, September 23. Post conversion the cut off for daily deposits will be 6:00pm.

→ Action Items
- ☐ Printout any copies of Deposit Reports you may need for reference information
- ☐ Admins should verify current user entitlements
- ☐ We will provide a separate Remote Deposit Capture Guide for making deposit and report capabilities

Online Banking Admin Controls

CREATE AND MANAGE USERS

The business administrator controls the access and entitlements of individual users. The administrator is also responsible for resetting passwords for users.

Important Details

- The administrator is not able to add or change their own entitlements. It is recommended the administrator create at least one other administrator. If you are the only user, you will need to contact the Treasury Management team to make changes to your own entitlements.
- Creating and managing users on a mobile device is limited to locking and unlocking users

Creating a User

1. Log in
2. On the left sidebar menu, click on Manage Users under Business Features
3. Click on Add New User button
4. Complete
   - **User Information**
     - User First Name, Last Name & Email
   - **Login Information**
     - User ID–enter a User ID the user will use to login
     - Password – enter a temporary password. The user will be required to change at initial login.
     - Confirm Password
   - **Contact Information**

Important Details

- The HRT acronym stands for High Risk Transaction. As part of additional security measures, when a function is performed with a required HRT verification, the user will be required to receive a security validation code. The HRT information entered will allow the user to choose which notification method they prefer when presented with the HRT verification.
  - **Phone Number** – add primary phone number of user
  - **Verification Method** – select preferred verification method
  - **HRT SMS Number** – add phone number to be used for HRT via text
  - **HRT Email Address** – add email to be used for HRT via email
  - **HRT Voice Number** – add phone number to be used for HRT via voice
  - **Address Information**
    - **Address** – enter address information
5. Scroll to bottom and click Create User before adding any user entitlements

Managing Users

1. Log in
2. On the left sidebar menu, click on Manage Users under Business Features
3. Find the user

Retrieve User ID
- The User ID for the user is located under Login Information

Reset Password
- Click **Reset Password** under **Login Information**
- Enter a new temporary password according to the requirements listed
- Click Update Password
- User will be prompted to change temporary password at next login

Disable User (Enable User)
- Click the three dots for the user and select Disable/Enable from the options.
- Click Confirm
- Note: This should be done anytime a user leaves the business or should no longer have access to Cash Manager.

Add/Change User Information
- See Creating a User for more information on each user information section

Add/Change User Entitlements
- See Add or Change User Entitlements section

ADD OR CHANGE USER ENTITLEMENTS

Important Details
- Not all services and entitlements will be available. Certain services require a separate agreement to be established between the business and the bank.
- Any account or entitlement on the left 'hidden' side is not enabled for the user
- Select the account or entitlement to the right 'visible' side to enable or vice versa to disable
- An entitlement with a gear expands additional entitlements to enable or disable
- We recommend SAVING after each section is completed so if you get pulled away and the system times out, your work is not lost

Accounts
- What accounts do you want your user to be able to view?
- *Note: If an account is not entitled at this level, then it will not be available for entitlement in transaction history, ACH, wire, e-Statements and/or money movement options.*

Account Options
- View History
  - Should your user be able to view the transaction history of any of the accounts?

ACH
This section allows you to choose ACH entitlements for your user. Select each entitlement as desired remembering to click the gear to expand the selection.
- ACH
  - Choose which offset accounts can be used by the user when initiating ACH transactions.
  - Credit and debit limits can be set but cannot exceed limits set at the business level.
- Payee Management
  - Should the user have the ability to create and edit ACH recipients?
  - Note: If Payee Management is entitled at the ACH level, it is also enabled at the wire level and vice versa.
- ACH Initiate
  - Should the user be allowed to initiate ACH files?
- ACH Approve
  - Should the user be allowed to approve ACH files?
  - *Note: This may be a business decision where you may not allow a user to approve an ACH file but will allow the user to initiate an ACH file.*
  - *Note: A user with ACH Approve can approve other users' ACH files but will not be able to approve their own unless ACH Approval Override is entitled.*

- ACH Approval Override
  - This entitlement will allow a user to initiate (if entitled) an ACH file and self-approve ACH files without approval from another user.
- ACH Payroll
  - Should the user have access to view batch information when the batch is set as "restricted" when created?
- ACH Batch
  - Should the user be entitled to create ACH batches and edit those batches?
  - *Note: If Payee Management is NOT ENABLED, you must choose which batches the user is allowed to initiate (if entitled) ACH files on. If Payee Management is ENABLED, the user will have access to initiate on all batches.*
- ACH Upload
  - This entitlement will allow the user to upload NACHA-formatted ACH files.
- ACH Import
  - This entitlement allows the user to import ACH recipients using file formats such as .csv or .txt files. It will also create an ACH batch template of the recipients which can be edited or deleted as needed.
- ACH Same Day - Credit
  - If enabled, the user will be able to initiate a same day credit file
  - *Note: Additional fees may apply*
- ACH Same Day – Debit
  - If enabled, the user will be able to initiate a same day debit file
  - *Note: Additional fees may apply*

Check Management
- Check Image
  - Should the user have access to view images of checks on entitled accounts?

Statements
- eStatements
  - Should the user have access to receive eStatements on entitled accounts?

Money Movement
- Transfers
  - This enables the user to transfer funds within entitled accounts.
  - *Note: When the Transfers entitlement is enabled, the Transfer To and Transfer From entitlements are also enabled. The administrator needs to determine which accounts the user has the ability to transfer to and from.*
  - *Note: Maximum transfer amounts and number of items can be set but cannot exceed limits set at the business level.*
  - *Note: Recurring transfers will not transfer over and will need to be set up again.*
- Mobile Deposit
  - Should the user have access on the Deerwood Bank business app to deposit a check or checks to entitled deposit accounts?
- Bill Pay
  - Do you want the user to have access to bill pay for entitled accounts?

Other
- Financial Manager
  - Allows the user to view and track spending, cash flow, net worth and other various financial tools.
- Check Reorder
  - This entitlement places the Harland Clarke Check Reorder link on the left sidebar menu. It is a redirect link only. Additional information such as the account number is needed to place the order.
- Debit Card Manager
  - This entitlement places the Brella Card Manager link on the left sidebar menu. It is a redirect link only. If the user does not have a debit card for the business, this entitlement is not needed.
- Alerts
  - Allows the user to set up security and account alerts.
- User Administration
  - Should the user be entitled to set up other users and user admins?
  - Any user with this entitlement can adjust other users' entitlements, limits, reset passwords and lock/unlock users
  - *Note: The administrator is not able to add or change their own entitlements. It is recommended the administrator create at least one other administrator for the business. If you are the only user, you will need to contact the Treasury Management team to make changes to your own entitlements.*
- Stop Payment
  - Should the user have the ability to create a stop payment?
  - Note: Stop payments are limited to checks only and additional fees may apply.

Wires
- Wire
  - Choose which offset accounts can be used by the user when initiating wire transactions.
  - Note: Additional transaction limits can be set but cannot exceed limits set at the business level.
- Payee Management
  - Should the user have the ability to create and edit wire recipients?
  - *Note: If Payee Management is entitled at the wire level, it is also enabled at the ACH level and vice versa.*
- Wire Initiate
  - Should the user be allowed to initiate wire transactions?
  - *Note: This may be a business decision where you may not allow a user to initiate a wire transfer but will allow the user to approve a wire transfer.*
- Wires Approve
  - Should the user be allowed to approve wire transfers?
  - *Note: This may be a business decision where you may not allow a user to approve a wire transfer but will allow the user to initiate a wire transfer.*
  - *Note: A user with Wires Approve can approve other users' wire transfers but will not be able to approve their own unless Wires Approval Override is entitled.*
- Wires Approval Override
  - This entitlement will allow a user to initiate a wire transfer and self-approve wire transfers without approval from another user.

ACH Origination Services

Direct Deposit

Save your business a great deal of time and money by electronically processing your payroll through Deerwood Bank's Online Business Platform, called "Cash Management". It can also be used for expense reimbursements, refunds, pensions, dividends, and bonuses. This service not only eliminates the cost associated with stocking, processing, and mailing checks, it also offers your employees the convenience of direct deposit. No more trips to the bank!

Direct Deposit benefits:

- Reduces reconciliation time
- Reduces fraud
- Saves time and money
- Great benefit for employees

Direct Debit

Direct Debit allows you to electronically debit accounts, collect rent payments, association's dues, donations and church contributions.

Who can benefit from Direct Debit:

- Companies with a large number of receivables
- Companies with recurring billings
- Saves time and money
- Improve funds availability

Treasury Management Services Available →

DEERWOOD BANK

800.291.6597 | info@deerwoodbank.com

deerwoodbank.com   Member FDIC

Deerwood Bank NMLS #408174

Your Treasury Management experts are just a call away.

Tammy Koop | Central Market
tammy.koop@deerwoodbank.com
131 6th Avenue South | P.O. Box 337
Waite Park, MN 56387
320-257-3327

Nikoli Saehr | Metro Market
nikoli.saehr@deerwoodbank.com
1060 Dakota Drive
Mendota Heights, MN 55120
651-634-6415

Matt Cousino | Northern Market
matt.cousino@deerwoodbank.com
14986 Lynwood Drive
Baxter, MN 56425
218-316-3503

Merchant Services

Enjoy the convenience of being able to accept credit cards offered through the Visa, Mastercard, American Express or Discover networks. Deerwood Bank provides options for processing your credit cards ranging from traditional counter top processing to point-of-sale operations and more advanced electronic data capture.

Ways to Accept Payments

- Point-of-Sale Systems
- Mobile
- Virtual Terminals
- E-Commerce
- Online Shopping Carts and Stores
- Omni-Channel
- Online Payment links
- Donate-Now Links

Additional Features

- Quickbooks® Integration
- Accept ACH / Electronic Checks
- Electronic Billing and Invoicing
- Recurring Payments
- Level 2 / Level 3 Processing
- Surcharge / Cash Discount
- Integrate with 100+ Applications
- Gift Card Programs

Why choose Deerwood Bank?

- Service with a provider you trust
- Trusted advisors at the local bank
- 24/7 live customer support
- Next-day funding options
- Competitive processing rates

DEERWOOD BANK

deerwoodbank.com

800.291.6597 | info@deerwoodbank.com

Remote Deposit Capture

Depositing checks into your Deerwood Bank business accounts is secure, fast, and simple with Remote Deposit Capture.

- Consolidate funds from multiple locations
- Save time preparing deposits
- Cut costly courier fees or trips to the bank
- Reduce risk of fraud
- Access cash faster

Deposits Made Simple

Deerwood Bank's Remote Deposit Capture allows you to deposit your business checks without leaving the office. Submit deposits 24 hours a day, seven days a week.

Does your business...

- Mail deposits to the bank?
- Deposit large dollar amount checks?
- Make frequent deposits?

If you answered yes to any of those questions, you could be saving time, maximizing productivity, and reducing costs with Remote Deposit Capture.

How Does Remote Deposit Capture Work?

- Scan your checks from the convenience of your office
- Review images of the scanned check from your computer and verify your deposit
- Electronically submit deposit through a secure internet connection
- Funds are deposited in your Deerwood Bank account up to 6:00 p.m. each day
- Comprehensive reports (including check images) are available for review

DEERWOOD BANK
Nice & Simple

800.291.6597
info@deerwoodbank.com

deerwoodbank.com

Your Treasury Management experts are just a call away.

Tammy Koop | Central Market
tammy.koop@deerwoodbank.com
131 6th Avenue South | P.O. Box 337
Waite Park, MN 56387
320-257-3327

Nikoli Saehr | Metro Market
nikoli.saehr@deerwoodbank.com
1060 Dakota Drive
Mendota Heights, MN 55120
651-634-6415

Matt Cousino | Northern Market
matt.cousino@deerwoodbank.com
14986 Lynwood Drive
Baxter, MN 56425
218-316-3503

Your Treasury Management experts are just a call away.

Tammy Koop | Central Market
tammy.koop@deerwoodbank.com
131 6th Avenue South | P.O. Box 337
Waite Park, MN 56387
320-257-3327

Nikoli Saehr | Metro Market
nikoli.saehr@deerwoodbank.com
1060 Dakota Drive
Mendota Heights, MN 55120
651-634-6415

Matt Cousino | Northern Market
matt.cousino@deerwoodbank.com
14986 Lynwood Drive
Baxter, MN 56425
218-316-3503

Check Positive Pay

Protect Yourself Against Fraudulent Checks

Check Positive Pay saves you from the hassle that arises when forged or altered checks clear against your bank account. Deerwood Bank's Check Positive Pay makes it easy for you to protect your account against check fraud. No matter how big or small your business is, if you use checks, you'll benefit from the security that Check Positive Pay brings.

How Check Positive Pay Works

- Direct upload of your company's issued check data
- Issued check information can also be manually entered
- Email notification of unauthorized items
- Review check items and approve or return before bank deadline
- View check images conveniently from your desktop

Benefits of Check Positive Pay

Improved Control Over Check Payments

- Detect fraudulent checks before payment is processed
- Review any suspicious checks and determine action
- Ensure only valid checks are paid

Cost Savings & Increased Efficiency

- Reduce potential losses
- Reduce time and labor with an automated process
- Reduce expenses of canceled checks

Greater Security

- Monitor and protect against fraud
- Return checks if deadline is missed
- Enhance protection with payee name verification
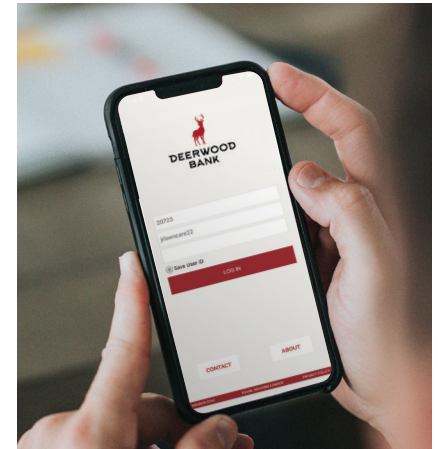

ACH Fraud Alert

Electronic payment fraud is becoming increasingly prevalent.

If you're authorizing debits to your account via ACH, you need to ensure those debits are correct. Fortunately, Deerwood Bank ACH Fraud Alert can put the power of prevention in your hands. Which is a good thing, since businesses have just 24 hours to identify and report fraudulent withdrawals.

How Does ACH Fraud Alert Work?

- Identify trusted partners and create an Approved List
- Define the conditions that will prompt an alert
- Determine whom at your business should receive early morning email notifications of Account Exception transactions
- Log into Deerwood Bank Cash Manager business online banking and decide whether to pay or return the transaction
- Easily add additional trusted partners within ACH Fraud Alert

Benefits of ACH Fraud Alert

Improved Control Over ACH

- Stay aware - protect your account against potential fraudulent transactions
- Review any suspicious ACH and determine action
- Ensure only valid items are paid

Cost Savings & Increased Efficiency

- Reduce potential losses
- Reduce time and labor with an automated process
- View and approve transactions before they post

Greater Security

- Monitor and protect against fraud
- Safeguard your account with filters and blocks
- Peace of mind

BUSINESS EMAIL IMPOSTERS

A scammer sets up an email address that looks like it's from your company.

Then the scammer sends out messages using that email address. This practice is called spoofing, and the scammer is what we call a business email imposter.

Scammers do this to get passwords and bank account numbers or to get someone to send them money. When this happens, your company has a lot to lose. Customers and partners might lose trust and take their business elsewhere — and your business could then lose money.

HOW TO **PROTECT** YOUR BUSINESS

Use email authentication

When you set up your business's email, make sure the email provider offers email authentication technology. That way, when you send an email from your company's server, the receiving servers can confirm that the email is really from you. If it's not, the receiving servers may block the email and foil a business email imposter.

Keep your security up to date

Always install the latest patches and updates. Set them to update automatically on your network. Look for additional means of protection, like intrusion prevention software, which checks your network for suspicious activity and sends you alerts if it finds any.

Train your staff

Teach them how to avoid phishing scams and show them some of the common ways attackers can infect computers and devices with malware. Include tips for spotting and protecting against cyber threats in your regular employee trainings and communications.

LEARN MORE AT:
FTC.gov/SmallBusiness

FEDERAL TRADE COMMISSION

NIST National Institute of Standards and Technology U.S. Department of Commerce

SBA U.S. Small Business Administration

Homeland Security

21

WHAT TO DO
IF SOMEONE SPOOFS YOUR COMPANY'S EMAIL

Report it

Report the scam to local law enforcement, the FBI's Internet Crime Complaint Center at IC3.gov, and the FTC at FTC.gov/Complaint. You can also forward phishing emails to spam@uce.gov (an address used by the FTC) and to reportphishing@apwg.org (an address used by the Anti-Phishing Working Group, which includes ISPs, security vendors, financial institutions, and law enforcement agencies).

Notify your customers

If you find out scammers are impersonating your business, tell your customers as soon as possible — by mail, email, or social media. If you email your customers, send an email without hyperlinks. You don't want your notification email to look like a phishing scam. Remind customers not to share any personal information through email or text. If your customers' data was stolen, direct them to IdentityTheft.gov to get a recovery plan.

Alert your staff

Use this experience to update your security practices and train your staff about cyber threats.

LEARN MORE AT:
FTC.gov/SmallBusiness

FEDERAL TRADE COMMISSION

NIST National Institute of Standards and Technology U.S. Department of Commerce

SBA U.S. Small Business Administration

Homeland Security

22

RANSOMWARE
What It Is & What To Do About It

What is Ransomware?

Ransomware is a type of malicious software, or malware, that encrypts data on a computer making it unusable. A malicious cyber criminal holds the data hostage until the ransom is paid. If the ransom is not paid, the victim's data remains unavailable. Cyber criminals may also pressure victims to pay the ransom by threatening to destroy the victim's data or to release it to the public.

Government Efforts to Combat Ransomware

While ransomware attacks impact all sectors, the federal government is particularly concerned about the impact of ransomware on the networks of state, local, tribal, and territorial governments, municipalities, police and fire departments, hospitals, and other critical infrastructure. These types of attacks can delay a police or fire department's response to an emergency or prevent a hospital from accessing lifesaving equipment. To combat this threat, the NCIJTF has convened an interagency group of subject matter experts to educate the public on ways to prevent ransomware attacks, to improve law enforcement coordination and response, and to enable and sequence whole-of-government actions that impose consequences against the criminals engaged in this malicious activity. The Cybersecurity and Infrastructure Security Agency (CISA) leads a number of efforts including —CISA Cyber Essentials—and—CISA Insights— to assist entities in protecting themselves from cyber incidents like ransomware. More about these efforts and the tools CISA offers can be found at https://www.cisa.gov/ransomware. The FBI's IC3.gov website has additional ransomware focused resources that can be found at https://ic3.gov/Home/Ransomware.

Common Infection Vectors

Although cyber criminals use a variety of techniques to infect victims with ransomware, the most common means of infection are:

■ Email phishing campaigns: The cyber criminal sends an email containing a malicious file or link, which deploys malware when clicked by a recipient. Cyber criminals historically have used generic, broad-based spamming strategies to deploy their malware, though recent ransomware campaigns have been more targeted and sophisticated. Criminals may also compromise a victim's email account by using precursor malware, which enables the cyber criminal to use a victim's email account to further spread the infection.

■ Remote Desktop Protocol (RDP) vulnerabilities: RDP is a proprietary network protocol that allows individuals to control the resources and data of a computer over the internet. Cyber criminals have used both brute-force methods, a technique using trial-and-error to obtain user credentials, and credentials purchased on dark web market - places to gain unauthorized RDP access to victim systems. Once they have RDP access, criminals can deploy a range of malware—including ransomware—to victim systems.

■ Software vulnerabilities: Cyber criminals can take advantage of security weaknesses in widely used software programs to gain control of victim systems and deploy ransomware.

RANSOMWARE
What It Is & What To Do About It

Best Practices To Minimize Ransomware Risks

1. Backup your data, system images, and configurations, test your backups, and keep the backups offline
2. Utilize multi-factor authentication
3. Update and patch systems
4. Make sure your security solutions are up to date
5. Review and exercise your incident response plan

How Ransomware Has Impacted The Public Sector

The examples below may show the impacts in terms of ransom paid or service restoration cost, but it is difficult to calculate the total impact/costs of a ransomware infection. In addition, paying a ransom does not guarantee that stolen sensitive data will not be sold on the dark web.

■ A U.S. county was infected by Ryuk, taking almost all of the county's systems offline. The county had backup servers, but they were not isolated from the network, allowing them to be infected as well. The county paid a $132,000 ransom.

■ A U.S. city's systems were infected by Robbinhood with a ransom demand of 13 Bitcoins ($76,000). The attackers entered the network through old, out-of-date hardware and software. The ransom was not paid, but service restoration was estimated to cost over $9 million.

■ A U.S. county's computer systems were infected by Ryuk. The attackers demanded over $1.2 million in Bitcoin for a decryption key. Officials decided to rebuild their systems rather than pay the ransom and spent $1 million in new equipment and technical assistance. A user allegedly opened a malicious link or attachment which caused the infection.

Reporting Information

■ The FBI does not encourage paying a ransom to criminal actors. Paying a ransom may embolden adversaries to target additional organizations, encourage other criminal actors to engage in the distribution of ransomware, and/or fund illicit activities. Paying the ransom also does not guarantee that a victim's files will be recovered. Regardless of whether you or your organization have decided to pay the ransom, the FBI urges you to report ransomware incidents to your local field office or the FBI's Internet Crime Complaint Center (IC3). Doing so provides investigators with the critical information they need to track ransomware attackers, hold them accountable under U.S. law, and prevent future attacks.

Victims of ransomware can file a complaint with law enforcement or report incidents by:

■ **Contacting your local federal law enforcement field office**
■ **Filing a complaint with the Internet Crime Complaint Center (IC3)** https://ic3.gov/Home/Ransomware
■ **Contacting NCIJTF CyWatch 24/7 support at 1-855-292-3937**
■ **Reporting incidents, phishing, malware or vulnerabilities with CISA** https://us-cert.cisa.gov/report

Your
Treasury Management Relationship Team

Nikoli Saehr
Treasury Manager
Waite Park

Tammy Koop
VP Treasury
Waite Park

DEERWOOD BANK
Nice & Simple

Matt Cousino
VP Treasury
Baxter

Anita Lenneman
Personal Banker / AVP
St. Michael

Kathy Larson
TM Sales Support Analyst
Baxter

Tori Danielson
Personal Banker
St. Michael

Treasury Management Support Team:

Holly Christner
Lead Treasury Services Specialist
651-635-6436
holly.christner@deerwoodbank.com

Mary Xiong
Treasury Services Specialist
651-633-6462
mary.xiong@deerwoodbank.com

Who to Contact

We know you will have questions before and after your transition to Deerwood Bank.
Our Treasury Management team is only a phone call or email away.

Business Online Banking and Treasury Management Services.			
Holly Christner	Lead Treasury Services Specialist	651.634.6463	holly.christner@deerwoodbank.com
Mary Xiong	Treasury Services Specialist	651.634.6462	mary.xiong@deerwoodbank.com
Kathy Larson	Treasury Management Sales Support Analyst	218.316.3526	kathy.larson@deerwoodbank.com
Tammy Koop	VP Treasury Management Central Market	320.257.3327	tammy.koop@deerwoodbank.com
Matt Cousino	VP Treasury Management Northern Market	218.316.3503	matt.cousino@deerwoodbank.com
Nikoli Saehr	Treasury Management Manager	320.257.3316	nikoli.saehr@deerwoodbank.com
For General Wire Inquires			
Amanda Brenke	Treasury Services Specialist	651.634.6471	amanda.brenke@deerwoodbank.com
Jaime Fuchs	Treasury Services Specialist	320.257.3326	jaime.fuchs@deerwoodbank.com
Personal Bankers			
Anita Lenneman	AVP - Personal Banker	763.488.1205	alenneman@deerwoodbank.com
Tori Danielson	Retail Manager	763.488.1239	tdanielson@deerwoodbank.com

Important Information Regarding Treasury Management

See inside for details

Call toll-free **800-291-6597** or go to **www.deerwoodbank.com**

DEERWOOD BANK

Nice & Simple

Member **FDIC**

NMLS#408174