



Banking Services Proposal prepared for



February 11, 2025

Northeast Bank. Here to Help.

MEMBER
FDIC

February 11, 2025

Cheryl Pinkham, Treasurer
Town of Damariscotta
21 School Street
Damariscotta, Maine 04543

Dear Treasurer Pinkham:

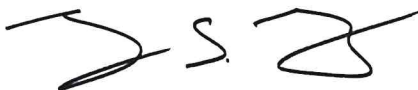
Thank you for the opportunity to submit the following proposal for banking services to the Town of Damariscotta! At Northeast Bank, we strive to deliver solutions to meet and exceed your required cash management needs with our user-friendly, safe banking technology. We currently support banking relationships 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 to our operations center at the historic Bates Mill 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.

Northeast Bank aims 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 happy to waive the cost of our banking products and services to the Town.

The Bank is excited at the possibility of serving the town. Please let me know if you have any questions regarding our proposal. Thank you again for this opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Colpitts', with a stylized flourish at the end.

Matthew Colpitts

SVP, Director of Government Banking

A LEGACY OF SERVING MAINE

Northeast Bank was founded in 1872 in Bethel, Maine, with a mission to provide reliable banking services to the local community. Over the years, we have grown and evolved, expanding our reach while maintaining a strong focus on our core values of integrity, community, and customer service. Today, we operate seven full-service banking centers across Maine, including locations in Brunswick, Portland, and Augusta, providing convenient access to a wide range of banking services for individuals, businesses, and government entities.

Our operations center, located in the historic Bates Mill in Lewiston, serves as the hub for our customer service and operational functions. This local presence allows us to stay closely connected to the communities we serve and respond quickly to their needs. Our deep understanding of the local market and the unique challenges faced by Maine residents enables us to offer tailored financial solutions that truly make a difference.

WHY NORTHEAST BANK?

Northeast Bank stands out as the ideal financial partner for the Town of Damariscotta due to our:

- **Local Expertise and Commitment:** As a Maine-based bank, we have a deep understanding of the unique needs of Maine's municipalities and a strong commitment to supporting our communities.
- **Rich History and Proven Reliability:** With over 150 years of service, we have a proven track record of providing reliable and innovative financial solutions.
- **Innovative Solutions:** Our state-of-the-art platforms, Escrow Manager and ICS, streamline financial management and provide unparalleled security.
- **Exceptional Support:** Comprehensive training and ongoing support ensure seamless operations
- **Maximize Rate:** Top-of-market rates with zero fees.

Commitment to Community and Service Excellence

Northeast Bank's commitment to the community goes beyond providing financial services. We are deeply involved in local initiatives, financial education programs, and economic development projects, all aimed at improving the quality of life for Maine residents. Our support for local organizations, such as Preble Street, Tree Street Youth, and Junior Achievement of Maine, reflects our dedication to fostering a stronger, more resilient community.

Our government banking team, which includes a former Deputy State Treasurer and a former Town Manager, brings a wealth of knowledge and experience to our partnership. This specialized expertise allows us to understand the specific needs of municipalities and offer tailored banking solutions.

COMPREHENSIVE SUPPORT AND TRAINING

We understand seamless implementation and ongoing support are crucial to the success of our partnership. Northeast Bank provides comprehensive training for personnel, ensuring they are fully equipped to utilize our platforms and services effectively. Our dedicated support team is always available to assist with any questions or technical issues, ensuring smooth and efficient operations.

Northeast Bank is ready to provide the Town of Damariscotta with the highest level of service, ensuring efficient, secure, and innovative financial solutions that meet the Town's needs.

PART 1 - PROPOSAL REQUIREMENTS

The Town of Damariscotta (Town) is seeking proposals from financial institutions able to deliver a wide array of products and services to meet the Town's cash, business transaction, depository, and investment needs. The Town's annual tax commitment is approximately \$7,600,000. Our average monthly balance for calendar year 2024 was \$5,505,000 and our end of year cash balance was approximately \$5,250,000.

VOLUME

1. General Operating Accounts	1
2. Number of Deposits	223
3. Average number of items per deposit	17
4. Number of Checks Issued	1,178
5. Number of ACH payments/Direct Deposits	454

I. GENERAL

The Town is seeking competitive proposals for various depository, finance management and investment services. It is the Town's goal to receive accurate, timely depository and account maintenance services, maximize the utilization of idle funds, receive sound investment and financial service advice, and to accomplish these goals at the lowest possible cost.

A financial institution, hereafter referred to as "institution," submitting a proposal must:

- be a Federal or Maine chartered Bank or Credit Union,
- operate a branch in the Damariscotta/Midcoast area,
- be capable of servicing the Town's multiple accounts, and
- be a member of the FDIC or NCUA.

The institution must be in compliance with all laws, rules, regulations, and ordinances of the United States, the State of Maine, and the Town at the time of submittal of a proposal for financial services and, if its proposal is accepted, remain in compliance for its duration.

The institution also must have adequate organization, facilities, equipment, technology, and personnel to insure prompt and efficient service to the Town.

RESPONSE: Northeast Bank understands and meets requirements as listed above.

A. CHANGES TO PROPOSAL

The institution MUST indicate any variances from these specifications, terms and/or conditions, no matter how slight. If variations are not stated or referenced in writing prior to the final proposal, it will be assumed that the proposal fully complies with the terms, conditions, and specifications.

RESPONSE: Northeast Bank agrees to this requirement.

B. AGREEMENT PERIOD

The agreement will be for a period of three (3) years and may be extended at the discretion of the Town. The agreement's starting date will be on or before March 24, 2025, unless another date is determined by the Town to be more practical.

RESPONSE: Northeast Bank understands and agrees to this period.

C. MODIFICATIONS AND AMENDMENTS

During the period of the contract, or any extension thereof, the Town reserves the right to renegotiate with the institution such additions, deletions, or modifications as may be required by law or

circumstance. However, no increase in quoted prices will be permitted and no additional charges shall be added to items or services in the original proposal that remain unchanged.

A person legally authorized to bind the institution to a contract shall sign each proposal.

RESPONSE: Northeast Bank understands and meets requirements as listed above.

D. CANCELLATION OF CONTRACT

By notification: Either party may terminate the contract upon giving written notice of at least six (6) months.

For cause: In the event of breach of the contract by the institution or unsatisfactory performance as determined by the Town Manager or his/her designee, or if the institution performs in a manner that precludes the Town from administering its functions in an effective manner and if, after thirty (30) days following written notice thereof, the institution has been unable to remedy such breach, or provide satisfactory performance, then the Town, with approval of the Town Manager, or his/her designee shall upon written notice to the institution, be authorized to cancel this contract by giving a maximum of thirty (30) days as the final termination date of the contract. Under extraordinary circumstances the Town may terminate the contract within less than thirty (30) days.

RESPONSE: Northeast Bank understands and meets requirements as listed above.

II. SCOPE OF SERVICES

A. ACCOUNTS

1. **General Fund** - The account in which all daily deposits will flow. The institution will assist the Town in transacting general banking services using computers located in Town offices. At a minimum these services should include ACH, balance inquiry, transaction inquiry, wire transfers, transfer of payroll for direct deposit to other financial institutions, internal transfers between accounts, stop payments, transfers between the Town and other financial institutions, and credit and debit search capability. The wire transfer function will allow both pre-formatted (repetitive) and free-form (non-repetitive) wire transfers. Only authorized personnel, assigned by the Town Manager or his/her designee(s) will have access to on-line banking services. The Town will not accept proposals that require fees for maintenance, processing of transactions, statements, wire transfers, stop payments, bounced checks, or other services related to this account.

2. **Enterprise Accounts** – The Town has multiple Enterprise Accounts which are generally used less frequently and have been designated for specific purposes. The same services available for the General Fund Account will also be expected for the Enterprise Accounts.

3. **Short-Term Investments** –

a. The institution will invest all funds in excess of the target balance in an automatic overnight Sweep Investment Account. Investments may be collateralized through a repurchase agreement or other instrument that shall include treasury bills, variable market rate accounts or other investments, subject to the Town's approval, to earn the highest available interest. The institution will provide the Town with periodic reports on the amount of funds transferred each day at intervals specified in the proposal narrative. Investment returns and applicable rates or fees related to the investment services must be specified in the proposal narrative and clearly identified on the Proposal form. Investment returns must be based on an easily recognizable and published index such as the Secured Overnight Financing Rate (SOFR) plus or minus _X_ percent.

RESPONSE: Northeast Bank understands and will meet the requirements as listed above. Please see information regarding these services detailed on page 10.

b. Activity or club accounts may be established by the Town to manage funds that are outside of general Town operations. These are interest-bearing or overnight investment accounts for which the maximum possible return is expected.

RESPONSE: Northeast Bank understands and will meet the requirements as listed above. Please see information regarding these services detailed on page 10.

c. Certificate of Deposits – The Town may wish to utilize this short-term investment option and would seek to secure the maximum in returns on funds maintained in reserves, trusts, endowments, and/or other assets under the Town's jurisdiction. Terms should be based on 6-, 12-, and 18-month terms.

RESPONSE: Northeast Bank understands and will meet the requirements as listed above. Please see information regarding these services detailed on page 21.

B. INVESTMENT AGREEMENT

The institution's accepted response to this RFP shall become the operating agreement for all investments, both short and long term. The proposal narrative will describe the form and frequency of reports documenting compliance with the agreement.

RESPONSE: Northeast Bank understands and meets requirements as listed above.

C. DEPOSITS

The institution will provide the Town a wide variety of options for depository services including, but not limited to, branch locations, night deposits, ACH deposits, electronic check capture and other forms of manual and electronic deposits that are available to ensure that Town receipts are received and credited on a timely basis. Deposits of both cash and checks will originate from a location indicated on page 1 of the Request for Proposal. The specific forms of depository services available, a description of policies and procedures for verifying night deposits, limitations such as cut-off times for electronic capture, etc. as well as any fees associated with each of the services will be specified in the proposal narrative and clearly identified on the proposal form.

RESPONSE: Most of your banking and daily cash management services are satisfied through online banking, remote deposit, and courier services. Today's remote services allow organizations to spend less time driving to a bank and more time on the things that matter. Northeast Bank's team of bankers will work with the town to identify and implement best practices to ensure all deposit services are quick and efficient. We offer several solutions that will eliminate the need for any trips to a branch.

Courier Services: The Bank is pleased to provide the courier services via our courier vendor at no charge to the Town. Based on your location, the Bank can offer same-day credit deposits with service availability Monday through Friday. Our selected courier provider carries \$250,000 in bonded liability coverage to safely cover your cash deposits. Our courier vendor is a Maine-based and Maine-owned company that has been in operation since 1983 and currently has more than 50 employees and a fleet of over 40 vehicles. Drivers are trained and uniformed which means you can expect professionalism, skill, safety, trust and accountability. Our courier vendor is easily accessible to handle change in pick-up schedule needs. The Town will be required to execute a Courier Agreement with the bank and/or its Courier Vendor. Courier services are available Monday through Friday (excluding Federal Reserve recognized holidays).

Remote Deposit Capture: In addition to using our courier 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.

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 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 until 7:00pm EST.

ACH Services: If the town needs to move funds to or from other financial institutions, 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 4:00pm EST 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>.
- 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.

Banking Center Deposits: In the unlikely event you need to drive to a retail location, such as cash handling or in-person check deposits, Northeast Bank has a fully staffed Banking Center near your town office. Northeast Bank's nearest retail branch office, or Banking Center, is located at **186 Maine Street, Brunswick, ME**. This location offers ATM, night deposit drop box, and drive-thru services.

Manager: Tim Cole, Banking Center Manager | **Phone:** 207-729-8711

Lobby & Drive Thru Hours: Mon. – Th.: 8:30am – 4:00pm, Fri.: 8:30am – 5:00pm, Sat: 9:00am-12:00pm

We also have another location at **235 Western Ave, Augusta**. This location offers ATM, night drop deposit drop box and drive-thru services.

Manager: Courtney Luce, Banking Center Manager | **Phone:** 207-623-0603

Lobby & Drive Thru Hours: Mon. – Th.: 8:30am – 4:00pm, Fri.: 8:30am – 5:00pm

Deposit Rate Proposal:

Northeast Bank believes that yield is an essential 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 4.35% with 4.45% APY (APY=Annual Percentage Yield), tied to the Effective Fed Funds Rate (EFFR). The rate is determined by adding 0.02% to the EFFR. After the first six months, the rate for the town will be no less than the EFFR for the remainder of the term of contract.

Assuming the Federal Reserve maintains the same rate over the next 12 months, the town could anticipate the following in annual interest earnings (example only, the Federal Reserve is likely to change).

AVERAGE BALANCE	INTEREST RATE	ESTIMATED INTEREST EARNINGS
\$5,505,000	4.35%	\$244,973

As an indexed rate, this rate will adjust when the Fed makes rate adjustments. For example, if the Fed increases the EFFR by 0.25%, the Town's new rate will be 4.60% and go into effect immediately after the Fed's updated rate.

D. ON-LINE BANKING

The institution will provide the Town with the capacity to manage accounts, make deposits, transfer funds, trace transactions, determine balances, and other services more fully described in General Fund above. The proposal narrative will describe the institutions electronic banking capabilities, how it will provide the Town with the required hardware and software, and security capabilities including establishing multiple security levels.

RESPONSE: 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 multi-factor 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 clients 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 security features in place to protect our clients' sensitive information and balances.

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

On the next page 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.

- **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

1. Login Portal

2. Two-Step Verification

3. Convenience with Optimal Security

4. Simple Setup, Strong Security

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.

- **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.

Technological advancements within the banking industry are happening 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.

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.

- 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 4:00pm EST 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 acknowledgment 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>.
- 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.

Positive Pay: Using the Bank's 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 11:45am EST 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 checks are issued from.

ACH Filter/Block: 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.

Sweep Account Services

Insured Cash Sweep (ICS): To secure the Town's deposits above the \$250,000 FDIC limit, Northeast Bank proposes the town use our Insured Cash Sweep (ICS) product. With ICS, deposits are insured up to \$180 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. ICS clients are able to access the ICS online portal, including monthly statements, via single sign-on (SSO) directly through our online banking website, saving users from having to sign in to another site to see ICS accounts.

Wire Transfer Services: 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.
- Extended Window – For convenience, if advanced notification is received and acknowledged by 4:00 pm EST Northeast Bank can transmit a wire beyond the 4:30 pm EST 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 EST 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.

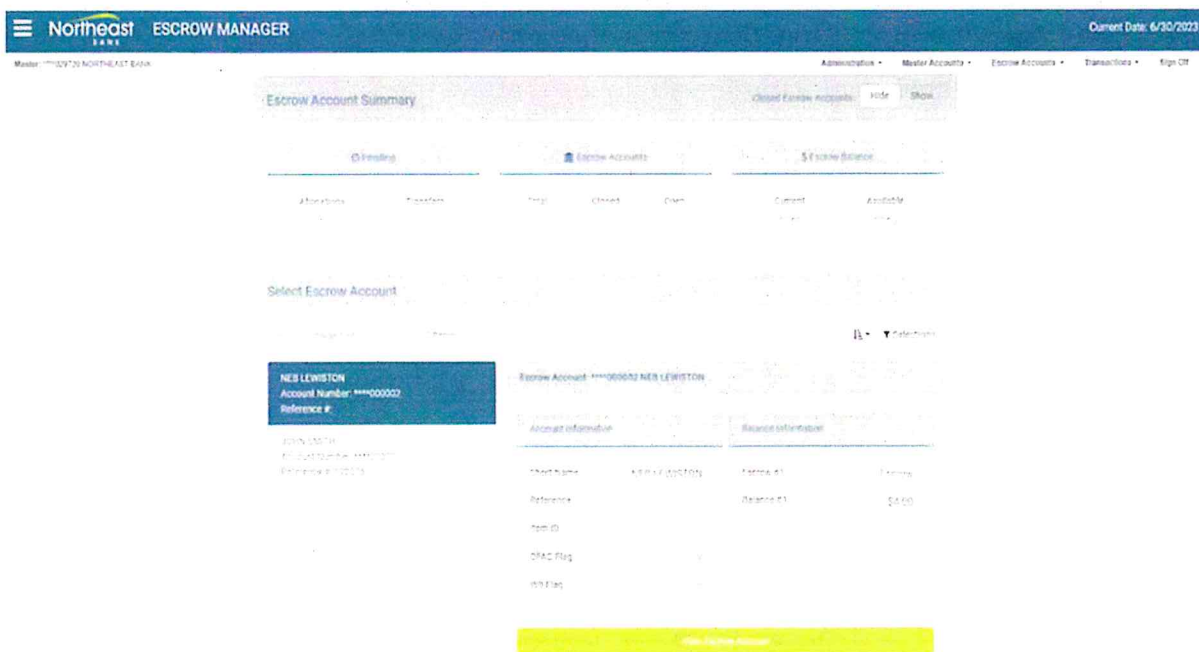
**The Town may request to opt-out of dual-approval requirement. All account signers must execute the opt-out form.*

Reporting: Balance reporting, including previous day and historical ledger and collected balances; previous day's debits and credits and ability to customize reports

Reporting features 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.

Sub-Accounting: 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.



E. CASH FLOW MANAGEMENT SERVICES

1. Line of Credit Cash Advance – *The Town may require a line of credit to meet short-term cash needs from time to time. Interest rates, a description of how rates are calculated, and applicable fees, if any, must be specified in the proposal narrative and clearly identified on the proposal form.*

RESPONSE: Northeast Bank is pleased to offer a line of credit to meet short-term cash needs. Interest rates are generally based on the Wall Street Prime rate. Each request will be reviewed on a case-by-case basis to understand the towns needs and timeline. Fees will be minimal and will be mutually agreed upon based on the timeline, risk and expected size.

2. Tax Anticipation Financing - *The Town may issue Tax Anticipation Notes to finance operations or fund capital improvements. The proposal narrative will explain how the financing would be arranged and structured and if the services of external bond counsel will be required. Interest rates, terms, and applicable fees, if any, must be specified in the proposal narrative and clearly identified on the proposal form.*

RESPONSE: The Bank is pleased to offer short-term financing quotes to government customers including Tax Anticipation Notes, Revenue Anticipation Notes and general obligation bonds (up to a 5-year term). External bond counsel will be required for all tax-exempt bonds. This protects both the bank and the town from potential penalties.

3. Electronic Banking Services - *The Town anticipates that it will be making significant use of electronic banking services including electronic direct deposit of payroll, ACH payments, and wire transfers. The proposal narrative will describe the institution's capability of transferring payroll deposits to several institutions, the cut-off day and time of the deposit data to transfer funds to employee accounts, and the fees, if any, that will be charged by the institution to provide this service. The same information is required regarding any electronic wire or ACH transfer.*

RESPONSE: Northeast Bank has robust experience in the use of electronic banking services, to include making direct deposit of payroll, ACH payments and Wire transfers. Most of these payments can be made with a file extract provided from TRIO or MUNIS systems.

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.

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Wire Transfer Services: 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.
- Extended Window – For convenience and as long as the advanced notification is received and acknowledged by 4:00 pm EST Northeast Bank can transmit a wire beyond the 4:30 pm EST 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 EST 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.*

F. OTHER REQUIRED SERVICES

1. Fraud Prevention – Describe the institution's capacity to provide fraud prevention products including but not limited to ACH block or filtering, electronic debit block, and other technology and services to protect Town funds.

RESPONSE: In addition to the several security features built into our online cash management system, the Bank highly recommends using our positive pay and ACH Filter/Block services. Please see previous section for more information on multi-factor authentication, other built-in security features, as well as our positive pay and ACH Filter services. By combining best practices, such as dual control for ACH

payments, with our fraud prevention products, the Town will proactively reduce the risk of fraudulent activity on the Town's accounts.

Positive Pay: Using the Bank's 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 EST 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 checks are issued from.

ACH Filter/Block: 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.

2. Stop Payments – *Stop payments will be issued to the institution by telephone or electronically. Upon receipt of the order by telephone, the institution will immediately examine their records and inform the Town as to whether the check has been cashed. The institution will forward a written confirmation of the Stop Payment order signed and dated by an authorized official within three (3) working days. If the institution finds that the check has been cashed, the institution will immediately forward the Town a copy of the cashed instrument. The cancellation of a Stop Payment order will be processed as above. The institution shall be responsible for any item cashed if said item was confirmed as a Stop Payment on an as-of-day basis and is subsequently cashed by the institution.*

RESPONSE: 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.

3. Deposit Return Items – *The institution will make three attempts to present again any deposited checks returned because of insufficient or un-cleared funds. Checks that are still "un-collectible" after this attempt will be returned to the Town for processing.*

RESPONSE: Returned deposit items are processed daily, and a notice of the returned item and a copy of the original item is mailed the same day. ACH returns and correction notifications are also mailed same day. Any other miscellaneous deposit adjustments that may occur will be processed and notice mailed the following business day. Sweep transfer notices are processed next-day by our third party processor

and would be mailed to the Town directly. Generally, the initial amount, adjusted amount, date of original transaction and any copies of original documentation will be provided in all circumstances.

Items returned for NSF are automatically re-deposited once, for a total of two deposits per item. After a second return, the depositing account is debited and a Return Item Notification will be mailed. The letter contains information regarding the banking center that received the deposit (if applicable), the account number that received the deposit, the date and total of the initial deposit and the total debited back. If a deposit ticket was submitted with the NSF item, the ticket information may be available upon request. NSF items are reported daily, and a return item notification is mailed the same day as the item is reported.

ACH returns are handled differently than paper check returns. Notifications are the same as check returns, but clients can make corrections to complete the ACH for resubmittal.

With check returns, copies are mailed to the client and have access to electronic images. Images are available as soon as the Bank receives the information about the return. The Bank will waive fees for all returned items.

4. Overdraft Protection – *The Town makes every effort to assure that collected funds in the Institution are equal to or exceed the amount of checks issued. However, if an unintentional overdraft condition occurs, all checks presented for payment shall be paid with no overdraft fee/fine imposed.*

RESPONSE: Northeast Bank will provide overdraft protection on all of the Town's disbursement accounts, including both daylight and overnight overdrafts. Overnight overdraft notifications will be processed the following business day and a bank representative will provide notification of overdraft items paid. You may request setup of an automatic transfer from another account with us to cover your overdrafts. You may choose at any time to not participate in Overdraft Privilege by notifying the Town's Relationship Manager or one of our Customer Service Representatives.

With the Town's relationship, The Bank will waive our overdraft fee. Please note that the bank reserves the right to follow its schedule of fees with advance notice to the town.

G. STATEMENTS

Monthly account statements will be processed on the last business day of the month and sent to the Town no later than the 10th day of the following month. The monthly statements shall include analysis reports for each account showing all activity. Paid checks shall be listed on the statement in numerical order. Check images must be provided with the statement. A check reconciliation file must be available for download in a format suitable for Town purposes each month. The file format must meet the requirements of our check reconciliation software.

RESPONSE: Statements will reflect the last business day of the month. The statements will include reports for all activity and paid checks. Check images will also be provided. The statements will be mailed to the town prior to the 10th day of the following month. The town may opt-in to electronic statements and see the statements online on the first business day of the following month.

H. ACCOUNT SERVICES

- 1. The institution will provide the Town with a monthly analysis of each account showing:*
- a. The number of checks processed.*
 - b. The number of checks paid.*
 - c. The number of deposits (cash and checks).*
 - d. The average monthly collection balance.*
 - e. All other charges and credits.*

RESPONSE: Each monthly statement will contain the above information. This can also be found online within its reporting capabilities.

The Town may from time to time ask for special reports or changes to these reports as outlined above to conform with the needs of the Town.

RESPONSE: Northeast Bank is pleased to offer ad hoc reporting as required by the town. Our team of specialists are happy to provide customer reports as needed.

III. MISCELLANEOUS SERVICES

1. The institution shall supply the Town with various supplies such as deposit tickets, coin wrappers, bill bands, coin bag seals, coin envelopes, rubber deposit stamps and disposable deposit bags (not clear ones) at no cost.

RESPONSE: The Bank agrees to the above requirement. The Bank will reimburse the Town's costs for the first year's supply of checks (or up to a total of \$750 over the life of the contract).

2. An institution may submit optional proposals for other services that the institution feels would be in the best interest of the Town. Any optional service proposal will be considered separately from the basic service proposal.

RESPONSE: In addition to traditional online banking and banking services, Northeast Bank offers several services in partnership with various vendors. A list of those additional services are below and a formal demonstration of each service is available upon request.

Credit and Purchasing Cards: The Bank is providing two options to help the Town manage their credit card program through our credit card provider Elan: the Community Card and the One Card. Elan's Community Card is a popular choice for many municipalities, schools and other public entities who require a card for periodic use and minimal monthly spend volume. Elan's One Card is a true purchasing card service that can be incorporated into a more robust accounts payable program and higher monthly spend. For more information on both options, please read below and see brochures attached in the Appendix.

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 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 banking centers are also available to accept "same day" card payments, should an Elan customer prefer to make a payment in person.

Elan requires existing government clients to submit a new application, should a Town decide to open a new Community 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.

Elan One Card (Purchasing Card): The One Card is a great option for government entities looking to incorporate card payments to vendors and streamline their account payables process. This option includes more features for card management than the Community Card and can be integrated with various accounting and financial systems. Here's a partial list of features and benefits that are available with the One Card: no annual fee; liability protection program; flexible authorization system and cardholder spending controls; easy integration with accounting and financial systems; detailed transaction data and full reporting for complete expense management; experienced implementation project managers and relationship managers to help with end-to-end program management strategies and supply management solutions. For more information, please see the attached brochure in the Appendix section.

Lockbox: For municipalities and utilities, Lockbox Services provide a convenient, secure, automated solution to process a variety of payments, including property tax and utility payments. By partnering with Lighthouse Payment Services, Northeast Bank delivers a full-service, image-based suite of lockbox services. We are happy to set up a demo presentation for this service and help determine costs for the service. The Bank will offer this service without marking up any vendor charges to the Bank, which significantly reduces the cost for this service when compared to other financial institutions.

Online Payments/Merchant Services: Northeast Bank offers merchant services in partnership with Heartland and would be happy to discuss your needs for these services. Through Heartland, clients are able to take payments anywhere – at the sales counter, at events, on your website, and on the go.

- Securely accept any method of payment – Chip cards. Digital Wallet. Gift Cards.
- Process payments over any device – Web. Terminal. Point of Sale. Mobile.
- Receive Fair & Transparent Pricing.
- Provide the highest credit card security.
- Award winning customer service based in the US – average time to answer your call is under 30 seconds.

3. The institution shall assign a **designated account representative** of sufficient rank at the institution that is available to the Town Manager or his/her designee by **direct telephone line and/or e-mail access** to discuss account problems and offer financial and investment advice.

RELATIONSHIP MANAGEMENT TEAM



Matthew Colpitts, Senior Vice President and Director of Government Banking, is pleased to work as the Town's Relationship Manager (RM). As your RM, Matthew will be your primary contact for meeting your treasury service and cash management needs. In addition to providing overall relationship support, Matthew will conduct account reviews to ensure the Bank meets the Town's needs as well as keep the Town informed on new opportunities and services.

Before working at Northeast Bank, Matthew served as the State of Maine Deputy State Treasurer, responsible for managing \$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 where he spent six years in the U.S. Navy as a Surface Warfare Officer and as a Rifleman in the United States Marine Corps.

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

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

See next page for additional team members.



Jason Simcock, Senior Vice President and 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 Director of Government Banking 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.

He 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. In addition, he currently serves on the Board of Directors for the Maine Rural Water Association, Watershed Maine and the Viles Arboretum.

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

RELATIONSHIP SUPPORT TEAM



Jordan Lloyd joined Northeast Bank in 2020 and is the current Business & Government Service Support Coordinator. Jordan 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. Jordan 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: 207-786-3245 ext. 2405 | jlloyd@northeastbank.com



Andrea Andrews joined Northeast Bank in 2020 and serves as the AVP, Team Leader, Business & Government Services Support. Andrea works in tandem with our Relationship Managers to lead the Government Banking support team, ensuring current and prospective relationships have access to the suite of accounts, services, and security to best suit clients' individual needs. Andrea also provides support for Northeast Bank's current clients by assisting them with ongoing cash management service needs, banking resources, and instruction.

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

4. *The institution must have the ability to process payroll ACH files.*

RESPONSE: Northeast Bank has the ability to process payroll ACH files. Please review the previous sections on ACH Processing for more detail.

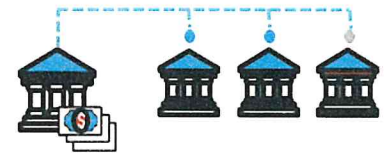
5. *The institution must have a night deposit service.*

RESPONSE: Northeast Bank has the ability to process night deposit services. Using the free courier services will eliminate the need for more night deposit services but will remain an option for additional use.

J. FEDERAL INSURANCE

All accounts and investments must be insured through FDIC or NCUA and supplemented by private deposit insurance for amounts in excess of Federal government backed insurance limits. Investments may be collateralized through a repurchase agreement backed by the securities of an appropriate government agency or other instrument of appropriate risk for investing municipal funds. Proposals must state the maximum of funds that are federally insured and provide the source and limits of private deposit insurance.

RESPONSE: Northeast Bank is a member of the FDIC. To secure the Town's deposits above the \$250,000 FDIC limit, Northeast Bank proposes Damariscotta use our Insured Cash Sweep (ICS) product. With ICS, deposits are insured up to \$180 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 \$180 million, the Town will earn interest on all deposits in ICS based on the current Effective Federal Funds Rate (EFFR). Please see the appendix section for more info on how ICS works.

K. ADDITIONAL DEPOSIT INSURANCE

If cumulative balances of the Town accounts exceed the FDIC or NCUA limits, the institution will purchase additional insurance at no cost to the Town.

RESPONSE: See response in section J for additional Deposit Insurance.

IV. PROPOSAL TERMS AND CONDITIONS

A. Institutions must provide a **Proposal Narrative** addressing all specifications, qualifications of key personnel, evidence of experience providing financial services to other institutional, municipal, or public entities. Institutions are encouraged to identify additional services that would provide the Town with added value and efficiencies. The **Proposal Form** must be filled out entirely. If items do not apply, clearly mark "N/A".

B. All quoted rates and fees, whether determined based upon the policies and discretion of the institution, or based upon market conditions, will be quoted as those in effect as of **9:00**

A.M. on, Thursday, February 6, 2025.

C. Increases in fees quoted will be limited to annual increases at the anniversary date of the contract, not to exceed the consumer price index (United States National) for the twelve-month period immediately preceding the contract anniversary date.

D. Proposals will be evaluated and selected based on the following criteria (not listed in order of priority):

- a. The ability of the institution to provide a **full range of quality services**, the background and qualifications of institution's **officers who will be servicing** the Town's accounts, references, and the overall quality of the proposal submission.
- b. The degree to which the proposal submitted **meets the above specifications** and responds to the proposal questions in a manner most favorable to the Town.
- c. Evidence of a strong **return on investments** and **minimum fee charges** relative to other institutions submitting proposals.
- d. Capacity to provide comprehensive electronic banking services with no fees.
- e. Evidence the institution is a **sound institution**.
- f. Ability to provide the Town's depository and account **service needs in an efficient and convenient manner**.

The Town reserves the right to waive all formalities and reject any and all proposals when it is in the best interest of the Town to do so. The Town reserves the right to choose the provider that best suits the interests of the Town, which may not be the provider with the lowest fees.

V. RESPONSE PROCEDURE

Only one proposal may be submitted by any institution. Information contained in the submitted material will become a public record.

One original and six copies of complete written proposals shall be submitted in envelopes plainly marked "Proposal for Financial Services" to Treasurer at 21 School St, Damariscotta, ME 04543, no later than 3:00 P.M. on Tuesday, February 11, 2025, at which time they will be publicly opened and read.

Timely delivery is the sole responsibility of the institution. Proposals received after the date/time stated above will be returned to the sender, unopened. The Town will not pay for any costs incurred by any institution in the preparation or submission of a proposal.

It is anticipated that an institution will be selected on **February 19, 2025**. Following notification of the institution selected, it is expected that a contract will be executed between both parties **within four weeks**, unless it is mutually agreed to change this timeframe.

VI. INQUIRIES

Institutions requiring significant further information concerning the proposal, specifications, or terms, must submit specific questions in writing to the Treasurer at cpinkham@damariscottame.com no later than January 16, 2025. A written response, if provided, will be forwarded to all institutions on file as being in receipt of this proposal.

Institutions requesting a proposal package should transmit an e-mail to the above address so that they are accurately set up in a contacts file. Other inquiries concerning the request for proposals must be made to:

Cheryl Pinkham Treasurer
Town of Damariscotta 21 School St
Damariscotta, ME 04543
Telephone: 207-563-5168
cpinkham@damariscottame.com

PART II - PROPOSAL FORM

Form must be completed entirely. If requested information is not applicable, enter "N/A".

All rates and fees quoted are those in effect as of 9:00 A.M. on Tuesday, February 6, 2025.

Institution Name: Northeast Bank

Address: 35 Canal Street STE 500, Lewiston, Maine 04240

Contact Person: Matthew Colpitts Tel: 207-907-6226 ext.

E-mail: mcolpitts@northeastbank.com

Member FDIC or NCUA: FDIC: YES NCUA:

Accounts:

General Fund:

Transaction/Processing Fees? Yes X No

If yes, explain in a separate attachment.

Town Payroll and Electronic Funds Transfer ZBA Accounts:

Transaction/Processing Fees? Yes X No

If yes, explain in a separate attachment.

Sweep Investment Account:

Fee Structure: N/A, there will be no fees assessed.

Expected Return 4.35%

Index: Effective Federal Funds Reserve (EFFR)+2bps for the first six months, followed by the EFFR rate flat for the remaining term. EFFR as of 2/10/2025 is 4.33%. If no change is made to EFFR, the rate for the first six months of the relationship would be 4.35%. There is no compensating balance, all accounts receive the same interest rate.

Activity/Club Accounts:

Fee Structure: N/A, there will be no fees assessed.

Expected Return: 4.35%

Index: Effective Federal Funds Reserve (EFFR)+2bps for the first six months, followed by the EFFR rate flat for the remaining term. EFFR as of 2/10/2025 is 4.33%. If no change is made to EFFR, the rate for the first six months of the relationship would be 4.35%. There is no compensating balance, all accounts receive the same interest rate.

Certificate of Deposit:

Fee Structure: N/A, there will be no fees assessed.

Returns based on \$1 million investment.

Expected Return (6 mos): \$22,000 Rate: APY: 4.50

Expected Return (12 mos): \$40,000 Rate: APY: 4.00

Expected Return (18 mos): \$52,000 Rate: APY: 3.50

Deposits:Transaction/Processing Fees? ☐ Yes ☒ No

If yes, explain in a separate attachment.

Electronic Deposit Capture ☒ Yes ☐ NoEquipment/Software Free ☒ Yes ☐ NoEvening cut-off time 7:00pm EST**On-Line Banking:**

Transaction/Processing Fees?

If yes, explain in a separate attachment. ☐ Yes ☒ NoInstallation/Programming Fee ☐ Yes ☒ No

If yes, explain in a separate attachment.

Equipment/Software Free ☒ Yes ☐ NoMultiple Security Levels ☒ Yes ☐ No**Electronic Banking Services:**Installation/Programming Fee ☐ Yes ☒ No

If yes, explain in a separate attachment.

Transaction Processing Fee ☐ Yes ☒ No

If yes, explain in a separate attachment.

Daily Cut-off time: 4:00pm EST for ACH batch processing and 7:00pm EST for same day remote deposits.**Other Required Services:** (Check all that are provided at no charge)

- ☒ Fraud Prevention
- ☒ ACH Block
- ☒ Electronic Debit Block
- ☒ Stop payments
- ☒ Re-deposit returned items
- ☒ Overdraft Protection
- ☒ Wire Transfers
- ☒ Bounced Checks
- ☒ Downloadable Check Reconciliation File

Supplies Provided (Check all that are provided at no charge)

- ☒ Deposit tickets
- ☒ Coin wrappers
- ☒ Bill bands
- ☒ Coin bag seals
- ☒ Rubber deposit stamps
- ☒ Deposit bags
- ☒ Other (please itemize on separate attachment)

The Bank will reimburse the Town's costs for new checks, up to a one time amount of \$750. The Bank will also provide as many checks scanners as required at no cost to the Town.

Free ACH Services: ☒ Yes ☐ NoNight Deposit: ☒ Yes ☐ NoMaximum Federal Insurance: \$180,000,000 via ICS DemandAdditional Deposit Insurance Purchased at no cost: ☒ Yes ☐ No

Community Support

RESPONSE: Northeast Bank services clients from around the State. We have customers in the nonprofit sector, the government and municipal sector, retail customers and various businesses from around the country. We are committed to supporting the communities in which we live and work through charitable donations, event sponsorship and employee volunteerism. In 2024, a few of the organizations we have supported: Kennebunkport Heritage Housing Trust House Party, Augusta Food Bank, Bethel Area Chamber of Commerce, Cherie Sargent Scholarship Fund (Buckfield), Foundation for Portland Public Schools, Institute for Family-Owned Business, Kennebec Valley Chamber of Commerce, Kennebunk Free Library, Lewiston Auburn Metropolitan Chamber of Commerce, Literacy Volunteers of Kennebec, Mid Coast Hunger Prevention Program, MSAD 17, Oxford Hills Chamber of Commerce, Poland Spring Preservation Society, Range Ponds Association, Telstar High School, and Town of Lovell.

For financial education, Northeast Bank supports Junior Achievement of Maine and has volunteered 384 hours throughout 2024 providing in-class education through the "JA in a Day" program and individual 5-week classes for elementary through high school aged students. We also provide annual financial support.

Northeast Bank also financially supports the development of municipal and school finance and management professionals such as Maine Association of School Business Managers, Maine Government Finance Officers Association, Maine Town and City Manager Association and the Maine Tax Collector and Treasurer's Association. In 2024, Northeast Bank has participated in many meetings with each of these organizations to provide education on topics such as RFPs and fraud mitigation.

The Bank just launched our Community Grant Program which is designed to support Maine municipalities. Program Goals and Objectives:

The Northeast Bank Municipal Community Grant Program aims to support municipalities in the state of Maine by helping them deliver essential community-based services. The program focuses on providing aid to municipalities to enhance services for low- and moderate-income (LMI) individuals, as well as improving conditions in qualified LMI census tracts. Through this initiative, Northeast Bank seeks to foster stronger, more resilient communities by empowering local governments to address pressing community needs.

The primary objectives of the program are:

1. To enhance access to vital services for low- and moderate-income residents.
2. To improve community infrastructure and programs within designated LMI census tracts.
3. To strengthen the ability of municipalities to respond to local challenges with additional resources.
4. To encourage local investment in community services through matching grants.

Our primary giving focus areas include:

Economic Development: Revitalization of our cities and development of our rural areas is of the utmost importance in Maine. Northeast Bank supports programs that provide affordable housing, encourage entrepreneurs, create jobs, attract new industry, and enhance the state's overall well-being.

Basic Needs: Northeast Bank supports programs that directly impact and service low-income individuals or families, providing support for unmet basic needs, including shelter, food, clothing, adult education, and workforce development initiatives.

Youth Development & Financial Literacy: Northeast Bank supports programs that foster and develop our youth, including education, work readiness, and financial literacy. In some cases, we also provide support to programs that promote healthy living and overall wellness for children.

Financial Education: At Northeast Bank, we provide charitable donations and volunteers for financial education programs that focus on financial counseling and promote money management throughout the markets we serve.

REFERENCES

Reference #1	<i>(Recent Implementation)</i>
Customer Name:	Town of North Yarmouth
Customer Address:	10 Village Square Rd. North Yarmouth, ME 04097
Primary Contact Name:	Diane Barnes, Town Manager
Contact Phone Number:	207-829-3705
Contact Email Address:	dbarnes@northyarmouth.org

Reference #2	
Customer Name:	Town of Sebago
Customer Address:	406 Bridgton Rd. Sebago, ME 04029
Primary Contact Name:	Letitia Genest
Contact Phone Number:	207-787-2457
Contact Email Address:	clerk@townofsebago.org

Reference #3	
Customer Name:	Town of Belgrade
Customer Address:	990 Augusta Rd. Belgrade, ME 04917
Primary Contact Name:	Lorna Dee Nichols
Contact Phone Number:	207-495-2258
Contact Email Address:	townmanager@townofbelgrade.com

More references available upon request.

VISA® COMMUNITY CARD APPLICATION

GROW YOUR ORGANIZATION WITH PURCHASING POWER AND SPENDING TOOLS.

Give your non-profit (501c3/c4) or municipality the opportunity to get something more.

The Visa COMMUNITY Card is the perfect way to manage finances for your organization. Take a look at what it offers...

- Consolidated statements
- Free management reporting
- Generous credit line
- Dedicated cardmember service
- Rewards program
- Pay in full

Take Control of Your Organization's Finances.

The Visa COMMUNITY Card is designed for non-profits (501c3/c4) and municipalities seeking an easier way to manage cash flow and expenses. Enhanced reporting helps document expenses, track purchases, reveal spending patterns, organize budgeting information and save time on accounting procedures.

No Personal Guarantee Needed

Credit approval is based on your organization, not your personal assets.

Dedicated Servicing Group

To ensure all your needs are handled quickly and efficiently, Cardmember Service is your single point of contact to assist with account changes or additions, or to answer any questions you may have. Cardmember Service, based in the U.S., is available 24 hours a day, seven days a week.

Consolidated Statements

Organization will receive central billing in one statement each month showing all charges at a single glance. Charges are grouped by cardmember.

Rewards Program

Help reduce expenses with a rewards program. Earn one point per dollar spent on eligible

purchases¹ and redeem for flights with no blackout dates, 1% cash back², gift cards or merchandise with no earnings caps! Rewards points from all COMMUNITY cards are pooled to one central account.



CASH BACK
unlimited 1%.



TRAVEL
no black-out dates.



MERCHANDISE
electronics,
decor, gifts
and more.



GIFT CARDS
leading
restaurants,
retailers
and more.

Free Online Reporting

Our free, comprehensive online management reporting tool can track spending on a monthly, quarterly, annual or YTD basis. You can view your spending by category. Your reports can be customized and your data displays in a clean, easy-to-read format that can be downloaded to a PDF.

Apply Today!

We may change fees and other Account terms in the future based on your experience with Elan Financial Services and its affiliates as provided under the Cardmember Agreement and applicable law.

¹ See Rewards Program Rules on page 6.

² See footnote after Rewards Program Rules on page 6.



Elan One Card Overview

Increase efficiency and control with an integrated payment solution

More than ever, organizations are focusing on minimizing costs and maximizing performance. Elan Financial Services is uniquely positioned to empower organizations to effectively manage their payment solutions with unmatched efficiency and control.

The Elan One Card combines purchasing and corporate card programs into a single streamlined payment solution. The one card integrates transactions with one process, one staff, one card issuer and one invoice. Plus, it provides your organization with access to travel and purchase benefits that make doing business safer, easier and more rewarding.

Save time, money and resources with more efficient payment processes

Elan helps you drive out cost by enabling your organization to do more with fewer resources. In fact, since this program was developed, thousands of organizations have made the decision to use the one card solution. Many of these clients have saved as much as \$73.53* per transaction by implementing the one card payment program. Multiply that by the hundreds or even thousands of purchases made every year and the savings are significant.

With this powerful solution, organizations can:

- **Automate** payment and reconciliation processes
- **Simplify** administrative tasks and maximize cost savings
- **Reduce** paperwork including requisitions, purchase orders, invoices and checks
- **Enhance** cash management with cycle-based payments

Stay in control and in compliance

Elan provides your organization with built-in levels of security. The one card is the right solution to:

- **Manage** purchasing and business travel expenses
- **Centralize** payment and corporate liability
- **Monitor** compliance with spending policies and negotiated volume thresholds
- **Integrate** transaction data seamlessly with your financial systems
- **Tailor** the program to meet the unique needs of your organization

One card...a comprehensive solution for any organization.
We provide enhanced visibility into payment detail to proactively managed spend, monitor payment activity and mitigate risk.

* RPMG Research Corporation, 2012 Purchasing Benchmark Survey.



Leverage data with Access Tools

To effectively manage expenses, organizations need tools that are comprehensive, yet easy to implement and use. The Elan One Card program gives you access to a full suite of online tools that will allow you to analyze your organization's data and turn it into valuable information.

Access® Online — an award-winning card program management and reporting tool, offering a feature-rich platform that can be easily configured and deployed to meet the unique needs of your organization. It enables you to take control of account setup and maintenance activities and offers convenient, secure online access to data anytime, anywhere.

Visa IntelliLink Spend Management — a comprehensive, data-rich electronic expense reporting solution. It provides valuable transaction data you can use to further streamline business travel payments, enhance program oversight and empower cardholders. Moreover, it complements other Elan tools such as Access Online.

Features	Benefits
No annual card fees	Experience no hidden charges with rebates available for qualifying organizations
Liability protection program	Receive \$100,000 protection, per instance, from misuse by employees
Cost savings	Decrease costs associated with the processing of checks, invoices and purchase orders
Flexible authorization system and cardholder spending controls	Manage where cards are used and limit company exposure
Easy integration with accounting and financial systems	Eliminate many manual processes such as data entry and filing
Detailed transaction data and full reporting for complete expense management	Get all the data that is needed to measure card program performance and streamline expense reporting
Account setup and maintenance	Manage and control accounts online in real time
Corporate Billing with flexibility for Individual Billing all under the protection of corporate liability	Manage corporate expenses while holding employees accountable for prompt payment
Experienced implementation project managers and relationship managers to help with end-to-end program management strategies	Achieve the greatest cost savings and improved efficiencies from your card program
Supplier management solutions	Identify and develop opportunities with strategic suppliers

For More Information

To find out how your organization can benefit from the Elan One Card, contact your Relationship Manager.

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.

Northeast
BANK

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.

IntraFi
Network Deposits™
Formerly CDARS® and ICS®



**Peace of mind,
flexibility,
and returns.**

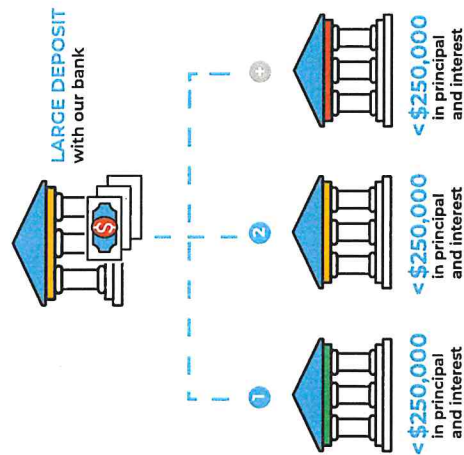
**Access multi-million-dollar
FDIC insurance and earn
interest, all through a single
bank relationship.**

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.

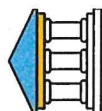


Why IntraFi® Network DepositsSM?



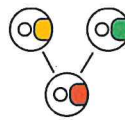
PEACE OF MIND

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 and 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.

More consistent payments

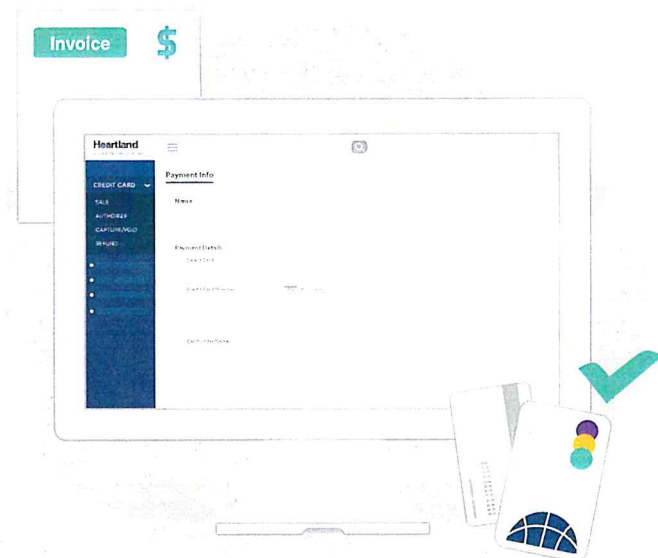
and satisfied customers.

Tired of paperwork and overdue bills?

Requiring snail mail or in-person payments is frustrating for you and your busy customers. You need to make billing and subscriptions simple, efficient and payable from anywhere.

There's a better way

Bill Pay makes online billing, payments and subscriptions easy. Recoup the cost with convenience fees, increase cash flow and reduce human error without a pricey ecommerce solution.



Accept every way they want to pay



Collect payments faster by accepting all the ways customers want to pay in-person, online and over the phone.



Improve the customer experience with automated billing while reducing your accounts receivable costs.



Reduce human error on invoices. You only need to enter customer information or recurring plans once.



Manage refunds, voids and reports from one location. When customers need help, a live agent is on the job.

A comprehensive solution to speed up payments and satisfy customers.

Don't wait another day

Bill Pay is the all-in-one solution already trusted by law offices, insurance agents, municipalities, property management groups, CPAs and more.

Consumers appreciate having multiple convenient ways to pay, and the business owner can assess convenience fees to cover service costs. In short: everyone wins.

Learn more at heartland.us/bill-pay

Heartland

Bill Pay

Stop sending paper bills
and waiting for a check.

Collect payments faster and improve cash flow with a variety of ways to pay.

Payments with Live Agent Support

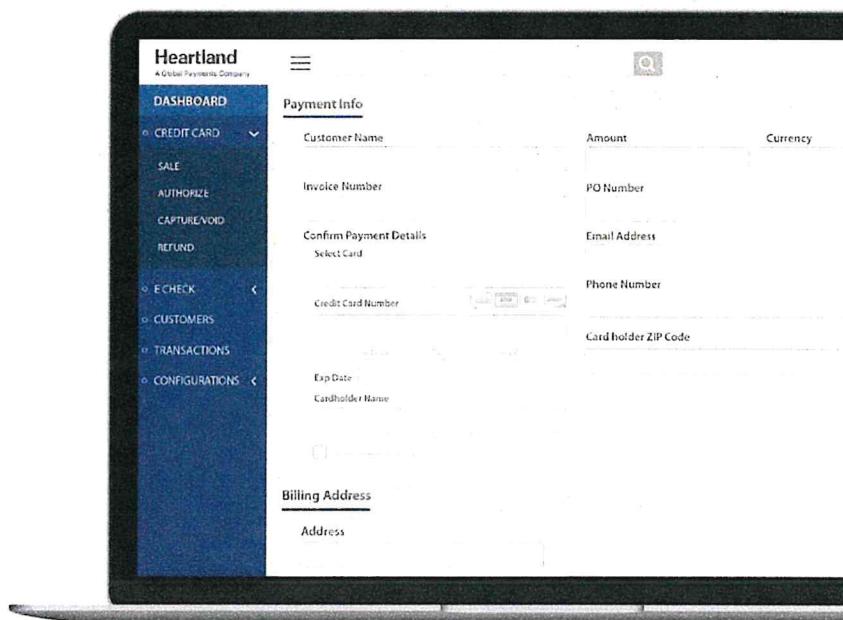
Let customers pick whether they pay in person, via a secure virtual terminal, by phone using an automated, toll-free interactive voice recognition (IVR) system, or with the assistance of live agent support in English or Spanish.

Hosted Payments Pages

Set up a customized, user-facing bill payment site hosted by Heartland that can be used to conveniently collect payments for almost any bill type.

Customer Management

Improve the customer experience with timely automated payment reminders and card expiration notices along with smart weekly, monthly or quarterly subscription management options.



Learn more at heartland.us/bill-pay

PROGRAM GOALS AND OBJECTIVES

The Northeast Bank Municipal Community Grant Program aims to support municipalities in the state of Maine by helping them deliver essential community-based services. The program focuses on providing aid to municipalities to enhance services for low- and moderate-income (LMI) individuals, as well as improving conditions in qualified LMI census tracts. Through this initiative, Northeast Bank seeks to foster stronger, more resilient communities by empowering local governments to address pressing community needs.

The primary objectives of the program are:

1. To enhance access to vital services for low- and moderate-income residents.
2. To improve community infrastructure and programs within designated LMI census tracts.
3. To strengthen the ability of municipalities to respond to local challenges with additional resources.
4. To encourage local investment in community services through matching grants.

PROGRAM FOCUS

This program is designed to support initiatives that directly benefit low- and moderate-income individuals or impact areas identified as underserved or in need, such as qualified LMI census tracts.

Examples of eligible services may include:

- Public health and safety initiatives
- Educational or workforce development programs
- Financial Literacy programs
- Affordable housing assistance and homelessness prevention services
- Programs supporting community well-being and social inclusion

QUALIFYING CRITERIA:

To be eligible to apply for the Northeast Bank Municipal Community Grant Program, applicants must meet the following criteria:

- Location: Must be a municipality (such as a town, school district, or utility district) within the state of Maine.
- Target Population: Proposed services must benefit low- and moderate-income individuals or be located in a qualified LMI census tract.
- Matching Funds: Municipalities are required to provide matching funds equal to the amount requested, up to a maximum of \$2,500.
- Project Scope: The proposed project should clearly demonstrate a positive impact on the community and align with the program's objectives of supporting essential services.
- Project Timeline: Projects must be completed within one year of receiving grant approval and will be monitored by Northeast Bank's Government Banking team.

The final decision to approve a grant application is at the sole discretion of Northeast Bank.

By offering matching grants of up to \$2,500, Northeast Bank aims to help municipalities double their impact, ensuring more resources are available to support community-driven services that make a real difference.

The Bank looks forward to receiving funding requests and supporting your community needs.
The following are examples of how grant funds could be used:

- Matching municipal funding raised in response to an agency nonprofit request, such as from a local food bank, community action agency, or other service agency.
- Matching funds for local libraries, school food backpack programs, supporting professional development (such as registration costs for government finance officer training) and employee wellness initiatives.

To learn more about the Northeast Bank Municipal Grant Program and apply for a matching grant, contact a member of our Government Banking Team.

Matthew Colpitts

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207-514-1712
mcolpitts@northeastbank.com

Jason Simcock

SVP, Senior Government Banker
207-514-1609
jsimcock@northeastbank.com

