



CORE CONVERSION FREQUENTLY ASKED QUESTIONS

What is a core system? Why is Northeast Bank upgrading its core system?

The core system is the software that executes major banking functions, such as: opening and managing accounts, originating and servicing loans, processing cash deposits and withdrawals, posting transactions, calculating interest, maintaining customer information, and more.

At Northeast Bank, we are committed to providing quality products and exceptional service. In an effort to improve and expand the products and services that we offer you, the Bank decided to upgrade our core banking system and other associated products this fall. This conversion requires a significant investment of both time and resources, but it will enable us to enhance our capabilities and offerings and ultimately the service that we provide to our customers.

We strive to offer you cutting edge technology coupled with a high level of personal service, and believe that this core conversion will help enable us to do that.

When is Northeast Bank upgrading its core system?

Northeast Bank is upgrading its core system over Columbus Day weekend (Saturday, October 10 through Monday, October 12). The conversion will kick off after our nightly processing completes on Friday, October 9.

What is changing with the core conversion? Will my account number(s) stay the same?

Most of the initial changes with the core conversion will be transparent to our customers. With our core conversion, **your deposit and loan account numbers will stay the same**. Your existing checks and deposit slips will continue to work. During the conversion we will be changing our Customer Information File (CIF) numbers which are assigned to identify each entity – person or business – but this is an internal number which should not impact customers directly

There are a few changes that will be visible to you that we want to make sure you are aware of:

- **Balances in Online and Mobile Banking:** When you access your Transaction details in Online or Mobile Banking, you see the transactions that have posted to your account and also pending transactions from the current day, and how each of those transactions affects your balances. Currently, pending transactions are included in the current balance, available balance and the running balance shown after each transaction on that screen. Going forward, the Transaction detail will list the same posted and pending transactions; however, the pending transactions will not be reflected in the running balance or the current balance on that page until they fully post to your account that night. They will continue to affect your available balance which is generally used to evaluate whether other transactions, such as transfers or debit card purchases, are authorized.

- **Delay in Assessing Service Charges for Commercial Customers:** After conversion, the assessment of the service charges for our commercial and nonprofit checking accounts excluding Small Business or Nonprofit Essentials checking accounts will occur in the month following the month in which they are incurred. For example, these accounts will not have a service charge assessed in October for the services used in October. Instead the October service charge will be assessed to the account during the first week of November. We apologize for any inconvenience that this may cause.

Some of the enhancements that will be available to customers are outlined below and in the *What to Expect from Our Core Conversion* document posted on our website.

What does the core conversion mean to customers?

Overall

Our new core system will enable us to operate more efficiently which will in turn allow us to provide you with even better service. For the most part, the changes with the core conversion will be transparent to customers. The changes that you can see will be for the better.

Going forward, our new core system will give us greater flexibility and enhanced capabilities to offer new products and solutions tailored to meet customer needs.

Conversion Weekend – Columbus Day weekend – Be Prepared

- All Northeast Bank locations will be closed over the Columbus Day long weekend – Saturday, October 10 through Monday, October 12, 2015.
 - ***If you need change for the long weekend, please make sure to get your change orders by Friday, October 9 at 4 PM.***
- Our **online, mobile and telephone banking** will be unavailable from 5: 30 PM Friday, October 9 to 8 AM Monday, October 12.
- **Debit Cards** should be functioning normally over the weekend.
 - If you need to withdraw cash or to make a deposit, locate the nearest surcharge-free ATM at www.moneypass.com.
 - If there are any service interruptions, then debit cards will function with default (stand-in) limits.
 - On Monday, our debit card system will be switched over to our new system.
 - All transactions that were authorized over the weekend will be loaded into our new system on Monday.
 - They will post to your account and affect your balances during our next nightly processing which will be the night of Tuesday, October 13th; however, they will not be visible as pending transactions or affect your available balance on Monday or Tuesday during the day.
- Remote Deposit Capture and Merchant Services will be available during this period.

- Monday, October 12 is a Federal Reserve Holiday, so we are *not* processing.

We are investing a great deal of time into planning, testing and verifying the conversion data in an effort to make everything go as smoothly as possible.

We apologize for any inconvenience and appreciate your patience through this conversion period.

Short-term

Immediately after conversion – starting October 13 – there will be several new capabilities available to customers including:

- **Expanded Wire Transfer Capabilities:** Customers with signed Wire Agreements will now be able to send foreign wires in USD or foreign currency. Wire transfers will be integrated into our systems so that customers will have visibility into their wire transfer confirmations and history. Also, wire transfer confirmations will be sent via email rather than fax.
 - Please note: our wire transfer submission cut-off time will be 3 PM Central.
- **Enhanced Consumer Bill Pay:** An improved Bill Pay system will be available for customers which includes an easy-to-navigate user interface, one-click payments for established Payees, integrated person-to-person payments that can be sent electronically or via check, enhanced alerts, and much more.
 - **Note: All existing customers actively using Bill Pay** will have their Payee and Payment information converted to the new system automatically.
- **New Business Bill Pay:** For greater control and convenience, business customers can now use a new, separate Business Bill Pay system tailored to their needs. It is easy to use and includes alerts, reporting, the ability to pay businesses and people, and paired with Cash Management it enables you to set up users with different access, permissions, and authority for paying bills (e.g., control which accounts they can pay from, which payees they can pay, and whether they can only initiate a payment or approve payments).
 - **Note: all existing customers with business accounts** using Bill Pay will have their Payees and Future Payments converted over to the new Business Bill Pay system.
- **Expanded Security Controls:**
 - Stop Payments: Online banking customers will now have the ability to input check stop payment orders through our site. *Standard fees will apply.*
 - ACH Debit Filters: The prior limit on the number of companies that could be allowed to electronically debit your account when you have an ACH debit filter in place has been removed.
 - Positive Pay: Customers using Positive Pay will now be able to see the check images for the exception items that they need to review within Cash Management.

- **Additional Deposit Account History:** Beginning on October 13, the Bank will start to retain 180 days of transaction history for your deposit accounts which can be accessed via online banking and other channels.
- **Online Banking Support via Chat:** We will start to offer our online banking customers the ability to request and receive support via chat during regular business hours. This functionality also includes the ability for you to enable our team members to view your screen during a support call so that they can provide better service.

Future

Going forward, we will have greater capabilities to offer new products and solutions tailored to meet customer needs. Later this year we will be able to provide more up-to-date information about the checks clearing customers' accounts each day which will give customers the ability to better manage their account(s) to avoid overdrafts and ensure all items are paid.

We will do our best to communicate changes, enhancements and new offerings to you as they are implemented and introduced. We will communicate via our website, statement headers and stuffers, targeted email and mail communications, and our eNewsletters. To ensure that you are informed about changes, please read communications that you receive from Northeast Bank, and if you are not already registered, please subscribe to our monthly eNews:

<https://www.northeastbank-mn.com/applications/newsletter-form.html>

Thank you for choosing Northeast Bank, we appreciate your business and value your relationship.

Is my personal and financial information secure?

At Northeast Bank, the security and privacy of your information is a top priority. Our new core system will provide additional features to protect your information.

When will the Bank be closed?

All Northeast Bank locations will be closed to the public on Saturday, October 10 and Monday, October 12. Monday, October 12 is a Federal Reserve Holiday so we are *not* processing.

The Bank will resume normal operating hours on Tuesday, October 13.

Will anyone be answering the phones while the Bank is closed?

There will be limited bank staff available to answer customer calls during our normal opening hours on Saturday, October 10 and Monday, October 12; however, they will have limited access to systems or banking information due to the core conversion.

What banking services will be affected by the core conversion?

The following systems will be unavailable to customers from 5:30 PM on Friday, October 9 to 8 AM Monday, October 12.

- NetTeller Online Banking, Cash Management and Bill Pay
- Mobile Banking & Mobile Deposit
- Telephone Banking

During our core conversion we will also be migrating to new Bill Pay, Business Bill Pay and Telephone Banking Systems. Once the conversion is complete, customers will be able to access those systems in the same manner that they did before. For Bill Pay, existing Payees and Payments will be migrated over. There are no business or processing dates during the conversion period so no pending payments should be impacted. For Telephone Banking, customer's existing user access codes will work on the new system.

What banking services won't be affected during the conversion weekend?

We expect the following services to be functioning normally during the conversion weekend:

- **Northeast Bank Credit Cards**
- **Northeast Bank Debit Cards**
 - If you need cash or to make a deposit while the bank is closed, you can locate the nearest surcharge-free ATM at www.moneypass.com.
 - There could be a brief service interruption on Monday morning while a backend change is made. If this occurs and bank balances cannot be verified, then debit cards will function with default (stand-in) limits.
 - If there are any service interruptions, then debit cards will function with default (stand-in) limits.
- **Remote Deposit Capture**
 - Single Sign-On (SSO) customers will be unable to access Remote Deposit via NetTeller; however, it can be accessed directly at:
<https://ssl.selectpayment.com/mp/nebankmn/Login/Page.aspx>
- **Merchant Services** – As always if you have questions or need help, merchants can call 1-877-995-9198 24-hours a day.