

THE RESPONDENT

BANKERS' BANK

N O R T H E A S T

A New Direction In Correspondent Banking.

Bankers' Bank Solves the Bond-Coupon Problem

For community banks, cashing their customers' bond coupons can be a headache. These 1 x 1 inch coupons may not be as prevalent as they once were, but banks still see their fair share of them. And they require lots of legwork on the part of banks, whose tellers may get several coupons at once payable from different municipalities. While many banks relied on correspondent banks to take care of these bond coupons, it still remained a cumbersome process to get the paperwork to them.

Bankers' Bank Northeast has simplified the process. Now, community banks can receive deposit forms and envelopes specifically for bond coupons along with easy step-by-step instructions for processing through the Federal Reserve.

"We know it's a problem for banks," says Bette-Lou Rush, Operations Administrator for Bankers' Bank Northeast, who spearheaded the bond-coupon program. "So we sat down and drew on our staff's' experience to come up with a solution."

Bankers' Bank could have been the middleman between the community banks and the Federal Reserve. "But when we thought about it, we said, 'why put ourselves in the middle and create an extra step for banks?'" Bette-Lou says. "It will cost them more to send it to us and take more time."

Instead, Bette-Lou reviewed the Federal Reserve's regulations and put together a comprehensive package that integrates the Federal Reserve Bank's procedures with the knowledge of Bankers' Bank employees who had experience with bond coupons. The result: A cost- and time-efficient way for community banks to process their coupons through the Federal Reserve.

Making the process even simpler, Bankers' Bank's customers may request a settlement service from the Fed to their Bankers' Bank account. In addition, Bette-Lou and her staff are available as a resource when questions arise regarding these types of transactions.

This bond-coupon package began in March and Bette-Lou reports that it has been very successful. Problem solved!

To learn more about Bankers' Bank Northeast's bond-coupon package, contact Bette-Lou Rush at (800) 449-9121.

President's Message

Profiting from our knowledge; sharing our experience

In this competitive banking environment, banks go to great lengths to emphasize their customer service. And for good reason. Making customers feel valued and that their community bank is a place for answers can retain and, more importantly, attract customers.

While Bankers' Bank Northeast is not a community bank, we, too, pride ourselves on customer service. We are a true resource for community banks. What makes this so? Certainly our products, which are targeted to meet the needs of community banks and have been designed as an efficient and cost-effective way to handle a bank's correspondent needs.

But it's the expertise of our people that makes the difference in the services that we provide. In this issue of *The Respondent*, we have two prime examples: Bette-Lou Rush, our Operations Administrator, and Sue Salecky, our Bank Service Officer. Both are knowledgeable and experienced bankers. After reading this issue, you'll know why we are so proud of our people.

Our third customer service survey conducted for Bankers' Bank Northeast shows us that we are on the right track in offering high-quality products and services. We were pleased that so many community banks are satisfied with the overall service that they receive from

Bankers' Bank Northeast. Of those bankers who responded to our October survey, 94.5% rated their overall satisfaction with Bankers' Bank Northeast as "Excellent" or "Good."

Among the services that we asked you to rate, our Fed Funds as Agent and Issue Resolution garnered the highest percentage of "Excellent" responses—69% for both. We are studying the results of all aspects of the survey and, from this, will determine how we can continue to make improvements.

Along with our day-to-day contacts with many of you, the survey is another way that we measure our effectiveness. We believe that community banks will continue to thrive and prosper. It won't be easy. Banks have to be smarter, proactive, and more visible within their communities. Bankers' Bank Northeast is committed to working with you and your community bank in the years ahead.



Peter J. Sposito
President & CEO

P.S. Shortly, we will be mailing our client banks a detailed correspondent fee schedule for 2001. Please take a moment to review and call us with any questions.

Profile: Susan W. Salecky

When Sue Salecky joined the Bankers' Bank Northeast in April 1998, her first task was to convert clients to the Bankers' Bank Northeast's coin and currency service. Twenty banks and two-and-a-half years later, Sue has taken on many additional responsibilities as Bankers' Bank Northeast grows to meet the increasing needs of its client banks.



As its Bank Service Officer, Sue is responsible for ensuring that the products and services that Bankers' Bank provides are meeting the needs of its clients. With a growing roster of services available to its clients, there is no shortage of work. As the main contact with community banks, much of Sue's day is spent on the telephone. When a client takes on a new service, she ensures that the service is implemented correctly and runs smoothly.

Sue must do a lot of the behind-the-scenes work, as well. She provides primary support to the Bank's sales staff, including the preparation of cost benefit analysis spreadsheets for new service proposals, contract and account document administration, and client billing. She also makes sure that our third-party vendors deliver their services for Bankers' Bank and its clients as promised. "We want to make sure that they have the experience, technology, and management commitment to perform at the highest standards on behalf of our client banks," she says.

Bankers' Bank President & CEO Peter J. Sposito says Sue is an example of what makes the Bankers' Bank Northeast so valuable to community banks. "She knows community banking issues inside and out and our clients appreciate her wisdom. More importantly, she wants our clients to succeed and she's willing to do what she can to help them."

Sue came to Bankers' Bank Northeast with more than 11 years of experience in branch operations. As Branch Operations Administrator for Glastonbury Bank & Trust, Sue supervised and trained tellers, customer service representatives, and managers while also working closely with vendors and regulators.

Sue obtained a Fine Arts degree from the University of Connecticut and is an Executive Board Member for the Connecticut Loss Prevention Association. She is a resident of Portland, CT.

Product Spotlight: Telecommunications Services from MCI/WorldCom

Remember how easy telecommunications decisions were back in the days of Ma Bell? In today's complex environment, banking IT and telecom professionals must deal with different companies, diverse communications services, and multiple contracts. All of this pulls our focus away from our banking activities.

The *Community Bank Connection Program* is the only telecommunications program in the country that is designed for community banks and administered by the Bankers' Bank Northeast. This program, working in conjunction with **MCI/WorldCom**, gives you a single point of contact to receive competitive proposals and answers to your telecommunications billing and technical issues.

The program offers local service (where available) in more than 90 metropolitan areas. Data access, including relay and private line service, long-distance services, audio conferencing, Internet access, managed services for e-mail or network monitoring, and more, are all available.

Shortly, a representative from *The Community Bank Connection* will be contacting your institution on behalf of the Bankers' Bank Northeast to explain the benefits of this program. We would encourage you to consider a free analysis and proposal. If you want more information immediately on how your bank can start saving time and money, please contact Ed Hustus or Alysha Becker at 888-562-6343.

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