

ACB 2006 STANDING COMMITTEES

Accounting Issues Committee

SCOPE:

The Accounting Issues Committee evaluates both existing and proposed financial accounting, auditing and reporting practices and makes suggestions to the Government Affairs Steering Committee and Board of Directors for consideration as official ACB policy.

The Committee meets regularly with accounting policy makers to monitor, interpret and discuss developments in the rulemaking process. When requested, the Committee reviews the effects of suggested rules on the industry and offers practical industry perspectives.

The Accounting Issues Committee meets via conference call on a regular basis.

RESPONSIBILITIES:

- To be alert to legislative and regulatory issues that affect accounting and financial reporting policies and practices of member institutions and to recommend actions to the appropriate ACB policy-making body.
- To review and assess the publications, meetings and other accounting-related products and services of ACB that are developed to assist members on financial management subjects.
- To advance new or revised financial and regulatory accounting standards by representing member institutions on appropriate inter-industry accounting standards committees, assisting in the establishment of appropriate standards, and providing member institutions with support in the implementation of such standards.
- To formulate ACB policies incorporated in comment letters to FASB, bank regulators, the SEC and other parties.

Commercial Banking Committee

SCOPE:

The Commercial Banking Committee will monitor developments and trends in commercial lending, leasing, cash management and capital markets products and services. The Committee will consider appropriate actions to recommend to the Board to advance the interests of ACB members engaged in these activities. The Committee will also assist in maintaining a regular dialogue with regulatory agencies on commercial banking issues and offer ACB members' perspectives on these issues, as well as agency proposals and initiatives. Further, the Committee will serve as the liaison to other organizations focused on corporate and commercial banking activities.

RESPONSIBILITIES:

- To monitor, discuss and review regulatory and legislative issues affecting commercial banking activities and develop responses as appropriate.

- To develop and advocate legislative and regulatory policies that protect and enhance the ability of ACB members to offer competitive commercial banking products and services.
- To facilitate the dissemination of information about commercial banking trends and products and services to ACB members through existing conferences, educational seminars, product endorsements and publications.
- To recommend and monitor staff research projects on commercial banking products and services for community banks.
- To suggest to ACB and/or ACB Business Partners commercial products and services that would help ACB members compete and win in their markets.
- To develop a strong working relationship with the Small Business Administration, Risk Management Association and other organizations focused on serving the needs of bank commercial customers.

Credit Union Committee

SCOPE:

The Credit Union Committee guides ACB's response to the increasing competitive inequity between large, complex credit unions and community banks. The Committee makes policy recommendations to ACB policy-making bodies and provides a forum for ACB members to share experiences about bank-like credit unions. The Committee helps to develop educational materials for legislators, media, and other interested groups. The Committee also assists ACB staff in developing comment letters that address NCUA regulatory proposals.

The Committee will meet periodically at the call of the chairman, either in person or by teleconference.

RESPONSIBILITIES:

- To mobilize grassroots support for ACB legislative and regulatory initiatives pertaining to credit unions.
- To monitor federal legislative and regulatory developments and assist ACB staff in developing responses.
- To assist the Government Affairs Steering Committee and Board of Directors in developing policies for a more appropriate credit union legal framework.
- To recommend strategy for achieving equitable tax and regulatory treatment for complex credit unions and community banks.

Electronic Banking & Payment Systems Committee

SCOPE:

Members of the Electronic Banking and Payment Systems Committee serve in senior management and executive positions within ACB member institutions and are interested in a

broad range of strategic issues relating to electronic banking and the payment system. The Committee monitors legislative and regulatory developments in this area to help formulate ACB policy positions and the promulgation of regulations supportive of community banks.

Focus areas include: Internet-based banking, online lending, privacy, electronic authentication, payment systems, electronic check truncation, and other technology-related issues to promote the competitiveness of ACB member institutions.

The Committee meets at least once yearly in person in conjunction with ACB conferences and periodically via teleconference at the call of the committee chairman.

RESPONSIBILITIES:

- To monitor legislative and regulatory issues pertaining to electronic banking and payment systems and to make recommendations to ACB's Government Affairs Steering Committee and Board of Directors regarding ACB policy positions on those issues.
- To follow the development of industry standards and norms related to electronic banking and payment systems and to provide input into such efforts on behalf of community banks (e.g., NACHA, BITS, etc.).
- To monitor strategic developments in the area of electronic banking to help community banks provide competitive products that maintain consumer confidence and trust.
- To facilitate the dissemination of information about electronic banking and payment systems to ACB members through conferences, educational seminars, product endorsements and publications.
- To recommend research projects that would produce useful information about electronic banking and payment system developments for community banks.

Federal Home Loan Bank System Committee

SCOPE:

The Federal Home Loan Bank System Committee monitors the mission, governance, operation and risk management of the Federal Home Loan Bank System, and analyzes the impact of proposed changes in legislation and regulation. The Committee suggests improvements in the System to assure its continued cooperative ownership, viability and stockholder value. The Committee and ACB staff serve as liaison to the Federal Housing Finance Board, the district Federal Home Loan Banks, the Council of Federal Home Loan Banks, Congress and the Office of Domestic Finance at the Department of the Treasury. The Committee monitors all legislative and regulatory developments to analyze the potential impact on the Federal Home Loan Bank System.

RESPONSIBILITIES:

- To provide a forum for the discussion of issues facing the Federal Home Loan Bank System.
- To develop policy recommendations for the Federal Home Loan Bank System.
- To make reports of the committee's findings and recommendations to the policy-making

bodies of ACB.

- To serve as liaison with other trade associations on Federal Home Loan Bank system issues.

Government Affairs Steering Committee

SCOPE:

The Government Affairs Steering Committee serves as an adjunct to ACB's Board of Directors. It develops legislative and regulatory policy positions, which are presented to the Board of Directors for review and approval. It is the primary forum for the exchange of government affairs information among members and staff to develop ACB policy positions for Board approval.

The Committee not only provides advice to the Board and to staff, but is also expected to actively support ACB legislative and regulatory policy initiatives.

The Government Affairs Steering Committee is composed of members of the Board of Directors and other ACB members who have demonstrated interest in and involvement with legislative and regulatory matters. Committee members are appointed for two-year terms.

The Committee meets at the call of the chairman, in person and via conference call.

RESPONSIBILITIES:

- To be informed of legislative and regulatory issues that affect the members of ACB.
- To develop legislative and regulatory policy positions on issues of major significance to ACB members and to present such positions to the Board of Directors for review and approval.
- To provide clear guidance to staff in the ongoing development and refinement of legislative and regulatory policy matters.
- To provide, as appropriate, witnesses to represent ACB at legislative and regulatory hearings.
- To initiate and report conversations and written communications with Members of Congress, state officials and regulatory agencies to ACB elected officials and appropriate staff members.
- To serve as the leadership's group in the membership grassroots political efforts.

GSE Policy Committee

SCOPE:

The GSE Policy Committee analyzes policy positions to guide legislative and regulatory issues that affect the role and evolution of Fannie Mae and Freddie Mac, and makes recommendations to the Government Affairs Steering Committee and the Board of Directors.

RESPONSIBILITIES:

- To give particular attention and consideration to issues such as the GSE regulatory mechanism, the program authority under which the GSEs operate, the capital requirements to which they are subject and the affordable housing goals that have been established for their purchase activities.
- To monitor new GSE initiatives to be sure they do not extend beyond their intended secondary market functions.
- To assess the impact of current GSE operations on ACB's member institutions.
- To develop and recommend corresponding policy principals to ACB's Government Affairs Steering Committee and to its Board of Directors.

Marketing & Public Relations Committee

SCOPE:

The Marketing & Public Relations Committee develops strategies and tactics to promote the ACB and community banking brand and the value community banking contributes to our economy, small businesses, communities and consumers. The Committee helps develop marketing and public relations material and supports the efforts of ACB and its member community banks.

The Committee meets at the call of the committee chairman, usually in conjunction with other scheduled ACB activities or via conference call. The Committee reports to the Board of Directors periodically on key project milestones.

RESPONSIBILITIES:

- To support the ACB branding project by developing further public relations and marketing strategies and tactics, including supporting the brand for member retail use.
- To help promote community banking through public relations, identifying community bank success stories and highlighting them to a broader audience, defining "community bank," and other activities.
- To guide staff development in providing content, publications and other materials to support members' marketing and public relations efforts.
- To track marketing and demographic trends in the industry and suggest areas for ACB support.
- To identify marketing and public relations programs that can be used by ACB and members that reach out directly to consumers to inform and educate them about particular issues such as financial literacy, homeownership and identity theft.
- To promote and recognize the good works of member banks in their communities through the ACB Community Bank Award program. The committee is responsible for reviewing all entries and selecting the winners.

MBank Council

SCOPE:

The MBank Council supports the priorities and needs of financial institutions that predominantly serve minority and multi-cultural communities.

The MBank Council meets periodically via conference calls, and holds meetings during ACB-sponsored meetings.

RESPONSIBILITIES:

- To review regulatory and legislative issues that affect financial institutions serving minority and multi-cultural communities and their customers.
- To identify educational programs that assist minority and multi-cultural institutions, such as customer service, and management training, as well as continuing education for senior-level executives and boards of directors.
- To partner with other ACB committees and ACB Business Partners to explore specialized products and services that meet the unique needs of institutions that serve minority and multi-cultural communities and their customers.
- To work with the U.S. House of Representatives' Congressional Black Caucus, Congressional Hispanic Caucus, and the Congressional Asian and Pacific American Caucus.
- To work and participate with other organizations, including the regulators such as the FDIC to promote and inform bankers and other constituencies on issues affecting banks that serve minority and multi-cultural communities.
- To distribute the *MBanker* to all interested community banks on issues of particular importance to community banks that are serving minority and multi-cultural communities.

Membership Committee

SCOPE:

The Membership Committee is responsible for providing oversight and guidance in the development and execution of strategies and tactics for membership retention and recruitment for both institutional members and associate members.

The Membership Committee reports to the Board periodically on membership numbers, status of dues renewals, and on the results of retention and recruitment activities. The Membership Committee meets periodically at the call of the committee chairman, usually via conference call, or in conjunction with other scheduled ACB activities.

RESPONSIBILITIES:

- To direct the development of a membership plan for retention and recruitment utilizing a targeted marketing and sales approach.
- To participate with members of the Board of Directors in direct communications with

prospective ACB members as well as to participate when possible in membership outreach events.

- To review ACB's dues structure and ACB managing officer's package, along with periodically reviewing and assessing ACB's competitive position versus other national banking trade organizations and recommending changes to the Board of Directors as required.
- To serve as an ACB liaison to new members by offering them a helping hand and inviting them to get involved and serve on ACB committees.
- To assist ACB staff in working with member institutions, which are at risk of dropping their membership or have resigned their membership, in efforts to have them renew their membership.
- To help guide ACB staff in the identification of new products and services which would help in the recruitment and retention of ACB members.

Mortgage Markets & Lending Technology Committee

SCOPE:

The Mortgage Markets & Lending Technology Committee monitors developments in both the primary and secondary mortgage markets and makes recommendations on legislative and regulatory issues that affect the operations and competitiveness of ACB members in those markets. The technology aspects of its responsibilities encompass loan origination hardware and software, automated underwriting systems, and automated appraisal and collateral evaluation developments.

A key component of the Committee's activities and responsibilities is to act as liaison with the secondary market agencies. The Committee meets periodically at the call of the committee chairman, often in conjunction with other scheduled ACB events or conferences.

RESPONSIBILITIES:

- To review and assess legislative and regulatory issues that affect mortgage finance and housing and to recommend action to the appropriate ACB policy-making body.
- To review and assess legislative and regulatory issues that affect the secondary market for real estate secured loans and the secondary market GSEs, and to recommend action to the appropriate ACB policy-making body.
- To monitor developments in mortgage finance, housing and secondary mortgage markets that affect member institutions' competitiveness in the marketplace, and apprise members of important developments.
- To develop and maintain communication with secondary market-related agencies and to promote a mutual understanding of the relationship between these agencies and ACB members.
- To foster continued dialogue for the purpose of developing new ideas and strategies to increase the efficiency and effectiveness of member institutions' mortgage lending

operations.

Mutual Institutions Committee

SCOPE:

The Mutual Institutions Committee reviews all aspects of statutory, regulatory and marketplace environmental influences on the status and role of the mutual form of organization for depository institutions. The Committee considers both the preservation of the basic viability of mutuality and retention of management discretion on the exercise of the option of conversion from mutual to stock form. The Committee considers all aspects of corporate governance and the balancing of stakeholder interests under both state and federal banking institutions and tax law.

The Mutual Institutions Committee is open to representatives of any ACB member institution in mutual form, including institutions within mutual holding company structures, which are willing to commit time to the consideration and development of ACB policies and services that affect mutual institutions. The Committee meets periodically at the call of the committee chairman, usually in conjunction with other scheduled ACB conferences.

RESPONSIBILITIES:

- To ensure the continued viability of the mutual form of ownership for depository institutions.
- To monitor all regulatory and statutory initiatives on: mutual to stock conversions; the compensation aspects of conversion; membership rules for mutual institutions; member rights under both federal and state law; corporate governance procedures for mutual institutions under federal and state banking law; regulations on capital compliance; and the treatment of mutual organizations in other lines of business, such as insurance.
- To provide a forum for study and discussion of management topics and legislative and regulatory issues having specific impact on mutual institutions.
- To assist in the development of ACB policy by making regular reports of committee findings and recommendations to ACB's policy-making bodies.
- To mobilize grassroots support for ACB legislative and regulatory initiatives taken in the interest of mutual institutions.

National School of Banking Advisory Council

SCOPE:

ACB's National School of Banking Advisory Council provides advice and direction on ACB's National School mission, curriculum and standards. The mission of ACB's National School of Banking, as defined by the Advisory Council, is: "Prepare career-minded banking professionals to manage their institutions and shape the future of the industry." The Advisory Council is composed of bankers, NSB alumni, faculty and an ACB representative.

RESPONSIBILITIES:

- To make certain that the ACB National School of Banking mission is in alignment with

the mission of ACB.

- To monitor industry education trends and implement initiatives to ensure ACB National School of Banking's competitive edge as a leader in industry education.
- To review and evaluate the effectiveness of the curriculum to ensure its continued quality and relevance to its mission and make adjustments when necessary.
- To regularly solicit feedback from current students, alumni, faculty and industry leaders on ACB National School Banking's return on investment of sponsoring institutions and graduates.
- To explore and recommend appropriate delivery systems to maximize learning and availability to banking professionals.
- To develop and implement marketing initiatives which promote and grow the school.
- To incorporate suitable uses of online technology throughout the curriculum, marketing, and recruiting approaches.
- To promote and strengthen recruitment strategies and continued alumni involvement.
- To regularly communicate all advisory council initiatives, as well as the overall ACB National School of Banking's condition to the ACB Board of Directors.

Professional Development & Education Committee

SCOPE:

The Professional Development & Education Committee reviews recommendations of the staff on professional development schools, workshops and conferences for members, from first-line supervisors to chief executive officers and board members. The program review involves establishing quality standards, reviewing curriculum, and monitoring the participant evaluations of all programs. The Committee meets periodically at the call of the committee chairman.

RESPONSIBILITIES:

- To review for quality and member service all the workshops, conferences and schools of the Professional Development Department.
- To recommend new skills training, management development programs and delivery systems to meet the changing business needs of the membership.
- To provide a regular and systematic assessment of the curriculum and all ACB conferences and workshops.
- To solicit from the membership suggestions, program critiques, and new educational initiatives.

Regulation & Compliance Committee

SCOPE:

The Regulation & Compliance Committee provides a forum for all ACB members to review regulatory and compliance issues and proposals and to make recommendations on responses to regulatory proposals, including, but not limited to, regulatory burden relief proposals and other proposals to amend regulations issued by the federal banking agencies and proposals to implement new statutory requirements. The Regulation & Compliance Committee promotes communications between the federal regulatory agencies and ACB member institutions.

The Committee meets periodically at the call of the committee chairman.

RESPONSIBILITIES:

- To provide a forum for study and discussion of regulatory and compliance issues which affect ACB member institutions.
- To assist in the development of comment letters to send to the federal banking agencies in response to proposals.
- To develop positions and responses to agency initiatives and legislative and regulatory proposals that impact compliance with regulations by ACB member institutions.
- To monitor examination practices of the federal banking agencies.
- To work with other ACB committees on the development of positions and comment letters.

Retail Banking, Operations, Security & Technology Committee

SCOPE:

The Retail Banking, Operations, Security & Technology Committee tracks issues in the areas of retail banking, operations, security and technology and assesses the implications and impact for community banks. Within this broad mandate, and from the perspective of the committee members' specific responsibilities and expertise, the Committee serves as a forum for discussing and sharing marketplace trends and information in retail banking, operations and security issues that affect member institutions. The Committee provides guidance on such issues as business planning, education and meetings, legislation, management information systems, marketing, operational procedures, publications, regulations, security, telecommunications standards and related areas.

The Committee meets periodically at the call of the committee chairman. A meeting is held in Washington, DC to plan the National Operations, Security and Technology/Sales and Marketing Conference, and the committee meets during the conference as well.

RESPONSIBILITIES:

- To review and assess relevant publication, meeting and other service plans of ACB and recommend appropriate actions to the staff.
- To assist in the planning of the annual National Operations, Security and Technology Conference & Marketplace.

- To be alert to legislative and regulatory issues that affect the retail banking, operations, security and technology capabilities of member institutions and to recommend appropriate actions to the ACB policy-making bodies.
- To represent member institutions on appropriate inter-industry task forces, which review retail banking, operations, security and technology issues. The Committee also assists in the establishment of appropriate recommendations and provides member institutions with support in the implementation of such standards.

SEC & Corporate Governance Committee

SCOPE:

The SEC & Corporate Governance Committee monitors legislative, regulatory and industry developments in the area of corporate governance and related securities law disclosures. The Committee will review and provide input on proposals of government and private organizations addressing corporate governance matters that affect ACB members, including proposals involving financial disclosure. The Committee may also develop programs of interest and take other initiatives in the area of corporate governance, including development of “best practices.”

The Committee meets periodically at the call of the committee chairman.

RESPONSIBILITIES:

- To review and discuss legislative, regulatory and private industry developments in corporate governance, including securities law disclosure.
- To monitor legislative and regulatory initiatives and assist in developing appropriate responses.
- To assist the Government Affairs Steering Committee and Board of Directors in developing appropriate policies on corporate governance matters that reflect the different organizational structures of ACB members.
- To communicate the Committee’s activities and efforts to the rest of ACB’s membership through appropriate means.

Tax Committee

SCOPE:

The Tax Committee monitors tax developments in the legislative and regulatory arenas and makes recommendations to the Government Affairs Steering Committee and the Board of Directors for consideration as official ACB policy.

The Committee develops a proactive advocacy agenda and serves as a sounding board for the ongoing development and implementation of tax information services to member institutions.

The Tax Committee meets via conference call bimonthly.

RESPONSIBILITIES:

- To be alert to legislative and regulatory issues that affect the tax status and liability of member institutions, and to recommend appropriate actions to the proper ACB policy-making body.
- To review and assist with the publication, meeting and other service plans of ACB with respect to tax issues and recommend appropriate actions to the staff.
- To represent member institutions on appropriate inter-industry committees, assist in the establishment of appropriate standards and provide member institutions with support in implementation of these standards.

Trust & Investment Advisory Committee

SCOPE:

The Trust & Investment Advisory Committee provides a forum for ACB members that have a trust or investment activities department, affiliate or subsidiary. The Committee reviews legislative and regulatory concerns and provides recommendations to ACB policy-making bodies and input on comment letters. The Committee promotes communications between the federal banking agencies and ACB member institutions in these areas. The Committee also promotes communications between the securities agencies and ACB member institutions in areas of importance. The Committee advises ACB senior management of issues and concerns of ACB members engaged in these activities.

The Trust & Investment Advisory Committee meets periodically at the call of the committee chairman.

RESPONSIBILITIES:

- To provide a forum for study and discussion of legislative, regulatory and operational topics important to ACB member institutions with trust or investment activities businesses.
- To assist in the development of ACB policy in the areas of trust and investment activities and recommend positions to ACB policy-making bodies.
- To develop responses to legislative and regulatory initiatives and provide input for testimony and comment letters.
- To work with other ACB committees as necessary.