



Consultants to the Financial Industry

Young & Associates, Inc. is a team of management consultants who provide consulting, outsourcing, and educational services to community financial institutions nationwide and overseas. We offer a wide array of products and services covering all of the major areas of banking such as:

- Regulatory Assistance
- Capital Planning
- Stock Valuations
- Strategic Planning
- Liquidity Planning
- Mergers and Acquisitions
- Expansion and De Novo Bank Charters
- Information Technology
- Lending and Loan Review
- Internal Audit
- Regulatory Compliance
- Recruitment and HR
- Policy Development

Through our affiliation with state and national banking associations, we provide educational seminars and online training that provide practical solutions and valuable insight into the issues you face within the everchanging banking industry.

We offer a wide variety of products designed specifically for the community bank. Our product list includes management, lending, and compliance tools, as well as a wide and varied list of bank policies that can be customized for your bank.

Corporate History

Young & Associates, Inc. was founded by Gary J. Young in November 1978 as Young Marketing Services. At that time, the focus of the company reflected Mr. Young's background in banking - marketing/advertising, branch feasibilities, branch applications, and product development. Over the years, the list of services that Young & Associates, Inc. provides has grown to include what we feel are all of the management, lending, and regulatory compliance services that a community bank might need to operate successfully within an ever-changing market.

We look forward to working with you to ensure that your bank can make informed and strategically sound decisions now and in the future.



Management Services

Bank management must satisfy many different constituents, including the board of directors, bank staff, regulators, shareholders, and bank customers. Young & Associates, Inc.'s management services are designed to meet the challenges and solve the problems you face in managing a strong, profitable bank.



Management/Director Succession

Management succession is one of the most difficult processes to complete in any institution. An outside opinion brings objectivity and rationality to a process that can be both painful and very personal. Young & Associates, Inc. will assist your bank throughout this process so that management succession meets the needs of management, the board of directors, and the bank.

Asset/Liability Management

Using our Asset/Liability and Profit Planning System™, we will work with you to project detailed earnings with summary projections through 10 years and test those results against various interest rate scenarios. These “what if” capabilities allow you to plan for the future and effectively manage interest rate sensitivity and overall profit planning, both short-term and long-term.

New Bank Charters

One of the keys to a successful new bank charter is the development of a strong business plan in which the growth characteristics of the market, the capital plans for the new bank, and the management and facilities plans are in harmony for the ultimate benefit of the shareholder. From the beginning, management and the board of directors should focus on shareholder value.

When chartering a new bank, Young & Associates, Inc. will help the organizing group to:

- Understand and address the many strategic and regulatory issues involved in chartering a new institution
- Develop a clear and consistent business plan for presentation to the regulatory agencies
- Coordinate, prepare, and revise the various charter applications
- Develop operating policies and procedures
- Address the strategic and operational questions that often arise during the organization and application process

Operations

An important way to increase your bottom line is to evaluate the bank's operating efficiency and cost-effectiveness. Young & Associates, Inc. will conduct a detailed on-site assessment of the bank and provide recommendations on how to modify internal operations to improve the bottom line.

Regulatory Enforcement Agreements

Using a field-tested and regulator-approved methodology, Young & Associates, Inc. has been successfully involved in over 25 bank turn arounds and regulatory actions. Our method is customized to the specific needs of your bank and incorporates industry and regulatory standards with management expertise.





Stock Valuations

There are several reasons to perform a stock valuation:

- To maintain compliance for an ESOP
- To determine a price for a stock repurchase
- To determine the price for a casual trade, or one that does not change the control of ownership

The preparation of financial institution valuations typically involves the application of a variety of valuation methodologies in order to provide a good estimate of fair market value. The final valuation estimate should be based on an understanding of each valuation methodology employed, and how each methodology applies to the specific circumstances of the bank being valued.

Young & Associates, Inc. employs a variety of methodologies when determining the value for our client banks:

- Alternative Investment Approach—Proprietary Model
- Value—Market Approach
- Value—Discounted Cash Flow and Continuing Value

After deriving valuation ranges based upon the various methodologies, Young & Associates, Inc. valuation approaches will be reconciled to determine the estimate of fair market value for our banking client. In addition, we also provide our client with a 10-year profit projection, historical information on market pricing, and other information to further support our valuation estimate.

Interest Rate Risk Assessment

While most banks do a relatively effective job in addressing interest rate risk, many (if not most) community banks have not completed a third-party assessment of the interest rate risk system that is clearly a requirement of the *Joint Policy Statement on Interest Rate Risk*. While regulators haven't forced this issue on all community banks, it appears that this position is changing.

Young & Associates, Inc. has performed third-party assessments for many banks in a cost-effective manner. Our third-party review of a bank's interest rate risk system includes an assessment of the:

- Adequacy of, and personnel's compliance with, the bank's internal control system
- Appropriateness of the bank's risk measurement system given the nature, scope, and complexity of its activities
- Accuracy and completeness of the data inputs into the bank's risk measurement system
- Reasonableness and validity of scenarios used in the risk measurement system
- Validity of the risk measurement calculation.

Interim Management

Every bank faces changes in management from time to time due to retirements, incapacitation, new opportunities, or just unsatisfactory performance. As a result of our many years of working with community banks all over the country, Young & Associates, Inc. has developed a wide network of industry contacts. We maintain a current database of available banking executives with differing areas of expertise and a variety of experience levels, and can help you secure qualified applicants who fit your bank's needs and requirements.



For more information on our management services, call Jim Kleinfelter at 1.800.525.9775 or send an e-mail to jkleinfelter@younginc.com.

Planning Services



The future success of community financial institutions is determined by the ability of management to develop flexible plans and to establish the implementation structure to meet those plans. To help you through the planning process, Young & Associates, Inc. offers an array of cost-effective planning services designed specifically with your needs in mind.

Strategic Planning

Young & Associates, Inc. is a leader in assisting financial institutions to move successfully through the strategic planning process. We focus on proven methodologies for enhancing long-term profitability, effective capital utilization, and, most importantly, increasing shareholder value.

Liquidity Planning

Maintaining an adequate level of liquidity depends on the bank's ability to efficiently meet both expected and unexpected cash flows and collateral needs without adversely affecting either daily operations or the financial condition of the bank. Young & Associates, Inc. can evaluate your existing liquidity program and measurement systems and help you implement the latest best practices in liquidity management. We can also assist you in the liquidity contingency planning process, including addressing liquidity shortfalls in emergency situations, developing quantitative cash flow forecasts, and performing liquidity stress testing.

Profit Planning

Increasing profitability, both in the short term and the long term, is critical to your bank's success and, in many cases, even its survival. Young & Associates, Inc. will analyze the various components of your bank's stream of earnings and identify those areas that can be pursued to increase your bank's bottom line and shareholder value. Beyond identification, we make specific and detailed recommendations that your bank can implement in its path toward superior performance.

Budgeting

Budgeting is the nuts and bolts of profitability. Understanding this process enhances the ability to increase profits. Through analysis of key ratios and prior years' budgets, we can help you determine positive and negative variances, as well as your strengths and weaknesses. We examine your peer averages, project net interest margin, and make recommendations that will help you monitor and control your budget in the future.

Organizational Planning

The fastest way to undercut the success of growth is to ignore personnel needs and shifts in the organizational structure. Simply put, the things that worked in the past quite often result in chaos as you get larger. Young & Associates, Inc. will help you update your organizational structure, modify your personnel policies and procedures, and implement employee development programs consistent with your growth plans.

For more information on our planning services, call Jim Kleinfelter at 1.800.525.9775 or send an e-mail to jkleinfelter@younginc.com.



Branching and Expansion Services

For three decades, bankers from across the country have turned to Young & Associates, Inc. for assistance with expansion of their branch networks.



Market Evaluation

Intense competition is a reality in today's banking marketplace. However, Young & Associates, Inc. has helped many banks open successful branches in less than ideal market environments. Our comprehensive market evaluation digs deep into potential expansion markets to detect patterns and evaluate risks and opportunities that may not be obvious on the surface.

Branch Feasibility Analysis

A new brick-and-mortar office doesn't come cheap, but it is often a worthwhile investment in the bank's long-term profitability, and the impact of the additional earnings on shareholder value is significant. Our studies evaluate market potential to support a new branch, estimate future growth potential of the proposed branch, and prioritize the available alternatives based on their likely profit contribution.

Branch Acquisition Services

Branch purchases provide immediate access to a new customer base and often have a positive impact on the bank's bottom line and the equity leverage within a short period. We can help you evaluate acquisition opportunities; assist in structuring the transactions, negotiations, and due diligence; and assure a smooth completion of deals.

Branch Opening Services

Young & Associates, Inc. can help you with all aspects of the branching process, including obtaining regulatory approvals, developing a marketing plan and promoting the new branch, staffing, direct training and coaching, and establishing your new branch IT structure.

New Branch Promotions

Young & Associates, Inc. can develop a special promotion for your new branch. We can create advertising, point-of-sale material, direct mail, product specials, press releases, and a grand opening celebration event that will help your new branch build a customer base as rapidly as possible.

For more information on our branching and expansion services, call Martina Dowidchuk at 1.800.525.9775 or send an e-mail to mdowidchuk@younginc.com.



Director Services

Bank directors play an active role in the management of community financial institutions. Young & Associates, Inc.'s director services are designed to help your bank's directors meet their responsibilities, as well as meet the needs of management and, most importantly, the bank.



Director Succession

Director succession is one of the most difficult processes to complete in any institution. An outside opinion brings objectivity and rationality to a process that can be both painful and very personal. Young & Associates, Inc. will assist the bank throughout this process so that director succession meets the needs of management, the board of directors, and the bank.

Director Development

The regulatory agencies have repeatedly emphasized the need for banks to have strong, active, and knowledgeable boards of directors. Board members are continually under pressure to upgrade their skills and be strongly involved in supporting management. Our director development program gives your directors a solid base of banking knowledge and practical information on how to successfully meet their responsibilities.

For more information on how we can assist your bank in developing a strong, knowledgeable board of directors, call Jim Kleinfelter at 1.800.525.9775 or send an e-mail to jkleinfelter@younginc.com.



Capital Market Services

Young & Associates, Inc. has a long history of working with our clients in the development and implementation of their capital strategies. We have assisted clients in stock buyback programs, the purchase and sale of offices, issuance of additional capital, and merger and acquisition activity. We welcome the opportunity to work with you as you develop and implement your institution's capital strategies.



Market Analysis and Evaluations

Comprehending the critical factors that shareholders and analysts use to evaluate companies is important. Our experience in the capital market provides us the understanding of issues important to the maximization of shareholder value. We have access to market data to evaluate our clients, relative to selected peer groups. We can track historical market pricing and volume activity. We understand how the various market factors affect market valuations and can make recommendations to our clients regarding strategies designed to improve their market capitalization. Whether traded privately or publicly, we provide bank management with detailed market analysis and valuations.

Merger and Acquisition Services

The banking industry has undergone significant consolidation in recent years. Young & Associates, Inc. has represented both buyers and sellers. We are experts at structuring transactions to assure that our clients' goals and objectives are achieved. Our vast experience in banking assures that proper due diligence will be conducted. Most of our professionals are former bankers and, as such, are intimately familiar with the social, economic, and political issues involved in transactions. Many of our professionals have been responsible for merger integration activities that follow the announcement of the deal. This knowledge and experience assures a smooth completion of deals. While other advisors may have biases due to their firms' marketplace relationships, we have no such biases. In our merger and acquisition activities, our loyalty is to you, our client, and we work solely to achieve your established goals and objectives.

Strategic and Capital Planning

The future success of a community bank is determined by the ability of management to develop flexible plans and to establish the implementation structure to meet those plans. Young & Associates, Inc. is a leader in assisting financial institutions to move successfully through the strategic planning process. We focus on proven methodologies for enhancing long-term profitability, effective capital utilization, and increasing shareholder value.

For more information on our capital market services, call Steve Clinton at 1.800.525.9775 or send an e-mail to sclinton@younginc.com.



Internal Audit Services

Young & Associates, Inc.'s internal audit services will strengthen your bank's ability to identify, assess, and manage business risks within a challenging and ever-changing industry and regulatory environment.



Risk Assessments and Audit Plans

Our control risk assessments are designed to identify the areas considered to have the greatest potential risk to the bank. The assessments identify and prioritize key areas of potential risk and opportunity, in view of the current business environment, the regulatory environment, and the operational strengths and weaknesses of the bank. These key areas become the focus, as the bank develops its internal audit plan. We can help you establish an internal audit plan that provides for risk management and governance, and optimizes opportunities for improved effectiveness throughout the bank.

Organizing the Audit Function

An effective internal audit function is essential to provide objective assurance of the control structure to bank directors and senior management. We offer assistance with establishing an audit committee and its charter, reporting mechanisms, and monitoring processes that enable effective oversight. We also assist in developing and establishing internal audit methodology, policy and procedures, internal audit tools, and reporting standards.

Internal Audit Outsourcing

Internal audit outsourcing is a cost-effective way to obtain the services of experienced and qualified consultants on an ongoing basis. The comprehensive internal audit program is customized to meet the needs of the bank and includes an on-site assessment of the effectiveness of your bank's system of internal controls in operational areas having the greatest potential risk to the bank. Ongoing, risk-based audits of loan operations, deposit operations, wire transfer operations, branch operations, and financial and accounting operations provide coverage of most areas of risk.

Young & Associates, Inc. will independently assess the effectiveness of the bank's system of internal controls by reviewing policies and procedures, and identifying and testing for key internal controls. We will identify business risks posed by non-compliance with policies, procedures, and governing regulations, and recommend improvements in operational areas that could add value or reduce cost. Results are reported to management and the board audit committee to determine the appropriateness of implementation of recommendations in view of the bank's overall risk strategies.

Internal Audit Co-Sourcing

Internal audit co-sourcing offers differing levels of resources dependent upon the bank's specific needs. We offer resources to supplement existing staff to assure completion or to expand the coverage of a bank's established internal audit program. Co-sourcing allows banks to leverage the qualifications of our experienced consultants and increase the efficiency and effectiveness of the internal audit function.

For more information on our internal audit services, call Jackie Roesser at 1.800.525.9775 or send an e-mail to jroesser@younginc.com.



Information Technology (IT)



With a variety of practical information technology experience, designations as Certified Information Systems Security Professionals (CISSP), and other relevant qualifications, Young & Associates, Inc.'s IT professionals have the security, implementation, and regulatory experience required to help your bank simplify, secure, and provide seamless IT service to your clients.

IT Risk Assessment and Audit

Designed to help financial institutions comply with the FFIEC Information Technology Examination Procedures, our IT audit provides a thorough assessment of the bank's current IT system, the technology risks posed to the institution, and detailed recommendations on how to manage these risks. The IT audit provides a clear picture of your bank's technology vulnerabilities, as well as recommendations on how to reduce them.

Design and Implementation of IT Program

Young & Associates, Inc. can develop a complete and comprehensive IT program that will help you provide a safe and secure environment for the bank, its shareholders, and customers. Beginning with an IT risk assessment, we will identify the vulnerabilities of your IT system, and develop customized policies and procedures that acknowledge your identification of risk, define controls to mitigate risk, and define procedures to audit and respond to incidents.

IT Policies

Young & Associates, Inc. will assist your bank in developing customized IT policies that will address your bank's security risks, define controls to mitigate these risks, and establish procedures to audit and respond to security incidents.

For more information on our information technology services, call Mike Detrow at 1.800.525.9775 or send an e-mail to mdetrow@younginc.com.



Compliance Services

Young & Associates, Inc. offers a wide variety of compliance services that will strengthen your bank's ability to satisfy today's complex compliance requirements. Our compliance services are proven to be effective for banks of all types and sizes. Designed to be cost-effective, our compliance services balance the regulatory standards and regulator expectations with the practical capacities of your bank and include compliance policies, training and testing, and review.



Compliance Management Assessment

The compliance management assessment is designed to give management an overview of the state of your bank's compliance management program. The assessment provides an independent evaluation of compliance processes and evaluates the overall effectiveness of the bank's compliance systems. This service addresses all key areas of compliance oversight, including management and board supervision of compliance, compliance policies, daily administration of compliance, and internal compliance controls.

Compliance Review

A compliance review is an in-depth analysis of your bank's overall compliance program. It incorporates all of the features of the compliance management assessment and then, through an analysis of loan files, deposit files, etc., determines the effectiveness of your bank's compliance program. Once the analysis is complete, a compliance review pinpoints the causes of compliance problems and provides specific recommendations to improve your bank's compliance structure and systems to minimize errors and remedy deficiencies.

Compliance Outsourcing

Compliance outsourcing is a cost-effective method to obtain the services of highly trained consultants on an ongoing basis. This program is customized to the needs of the bank and may include on-site and ongoing consulting on any basis that is necessary. Contracts for this service are negotiated based on the reviews of regulations and systems that the bank wishes to include, bank size and complexity, and the internal compliance skills of the bank. This service can consist of anything from annual reviews of specific regulations to ongoing monthly, quarterly, or semi-annual visits.

Compliance Training

In-bank compliance training is offered on a wide variety of compliance and compliance-related topics. These topics include several that are required annually, including the Bank Secrecy Act, Privacy, and Fair Lending. Each presentation is customized for the needs of the bank and can be presented in multiple sessions, if necessary. A complete, plain English training manual is provided, including relevant examples and forms.

For more information on our compliance services, call Bill Elliott at 1.800.525.9775 or send an e-mail to bille@younginc.com.



Lending Services

Young & Associates, Inc.'s lending services will assist your bank in creating a high-quality loan portfolio, meeting complex regulatory requirements, and improving the overall efficiency of your lending function.



ALLL Review

Young & Associates, Inc. will perform an independent assessment of both the methodology and documentation of your bank's Adequacy of Loan and Lease Loss (ALLL) process as required by the regulatory agencies' policy statement on *ALLL Documentation and Methodology Guidance* dated July 6, 2001. We will also validate your ALLL methodology and determine that it conforms to generally accepted accounting practices and financial supervisory guidance.

Underwriting Training

Commercial, mortgage, and/or consumer loan underwriting training can be performed by our lending professionals on-site at your bank's location. This training can be tailored to fit your bank's lending standards or the standards set by the secondary market. This training can be used as a refresher course for your experienced lenders or as initial training for newly hired loan officers.

Lending Department Analysis

Lending department analysis is a detailed study of your bank's lending department. It includes a review of your bank's credit processes, appraisal policy and practices, ALLL policy and documentation levels, collateral valuation and inspection techniques, utilization of the bank's MIS system, staffing levels, sufficiency of workflows, responsibilities, etc. The assessment process includes a review of the bank's credit risk management processes and systems to identify, measure, control, monitor, and report credit risk as outlined by the supervisory guidelines. The study will be tailored to the needs of your bank and compared with institutions of similar size. The objective of the study is to maximize departmental efficiency while controlling costs.

Appraisal Review

Our third-party appraisal review service is designed to help banks comply with independent appraisal and evaluation guidelines and regulations. The purpose of the review is to provide banks with an objective assessment of selected appraisals, to gauge the usefulness of the appraisal document as a basis for determining collateral coverage, to identify any documentation and procedural concerns or areas in which improvements could be made, and to ensure that the selected appraisals adhere to the bank's policies. Reviews can be tailored to the needs of your bank. Our third-party appraisal review offers banks a practical alternative when time and personnel constraints might otherwise occur when ensuring adherence to the regulations and guidelines.

For more information on our lending services, call Fran Samson at 1.800.525.9775 or send an e-mail to fsamson@younginc.com.



Loan Review Services

For many banks, establishing and maintaining an effective loan review program can be difficult due to time and personnel constraints. Young & Associates, Inc. has a full-time loan review department that conducts loan review services for community banks throughout the country.



Third-Party Loan Review

Young & Associates, Inc. can conduct a third-party loan review of your bank's loan portfolios. This review is performed using an eight-grade scale consistent with regulatory objectives. The scope of the loan review can be tailored to fit your bank's needs, or we can propose a full-scope assessment of your portfolios more in-line with current regulatory philosophy regarding loan review.

Due Diligence Review of Loans/Portfolio

Our lending consultants can conduct a due diligence review of individual loans and portfolios of loans considered for purchase by your bank. This review will be conducted in order to determine the underwriting quality, the level of regulatory compliance, and the adequacy of file documentation. This review can assess quality from a secondary market viewpoint or can be tailored to determine underwriting risks set by your bank.

Fair Lending Review

Young & Associates, Inc. offers a fair lending assessment of your bank's lending function. This review is modeled after the fair lending examination procedures issued by the regulatory agencies and, at a minimum, includes loan policy review, comparison of questionnaires completed by your loan officers pertaining to their underwriting practices, and a comparative file analysis. Once completed, this review may be kept confidential from your regulatory agency if you comply with all the requirements of Regulation B or may be shared at your discretion.

For more information on our loan review services, call Fran Samson at 1.800.525.9775 or send an e-mail to fsamson@younginc.com.



Secondary Market Services

Young & Associates, Inc.'s secondary market services are designed to strengthen your mortgage lending area by ensuring that you have effective controls, efficient operations, and loans that are saleable in the secondary market.



Quality Control Review

Our Quality Control Review will test residential mortgage loans, origination sources, and qualification analyses to assure product quality. The review will assure that loans conform to company policies, are acceptable to institutional/secondary market investors, comply with insurer/guarantor requirements, are in compliance with lending regulations and laws, and meet specific Freddie Mac/Fannie Mae requirements.

We can also assist in establishing and implementing a customized quality control system and/or evaluate an existing quality control system for conformance with Freddie Mac/Fannie Mae guidelines, bank policies, insurer/guarantor requirements, and regulatory compliance.

Secondary Market Underwriting and Loan Officer Training

Young & Associates, Inc. will perform in-bank underwriting, selling, servicing, and loan officer training in accordance with Freddie Mac/Fannie Mae guidelines, with special emphasis on the Loan Prospector and Desktop Underwriting automated programs.

Due Diligence Systems

Young & Associates, Inc. offers due diligence systems for analyzing loan sales and purchases for conformity with Freddie Mac/Fannie Mae underwriting and servicing guidelines and documentation requirements. From this analysis, a written report will be generated identifying marketable loans.

Operational Analysis

Young & Associates, Inc. will conduct a comprehensive operational analysis of your mortgage lending operations, including a detailed analysis of origination, processing/underwriting, closing/post-closing, servicing, and secondary market policies and procedures.

For more information on our secondary market services, contact Fran Samson at 1.800.525.9775 or send an e-mail to fsamson@younginc.com.



Human Resource Services

The human resources (HR) field is becoming broader and deeper everyday. Ensuring community banks derive benefits from this discipline that exceed costs is challenging. It's not just about compliance, regulations, and practices anymore. It's about the transference of these factors into hard dollars in the form of increased income, decreased expenses, and maximized profits. At Young & Associates, Inc., we have extensive, practical experience to help you realize a solid return on the time, money, and effort you invest in human resources.



Policies and Procedures

Do you know what the important HR policies and procedures are for your bank's operation? Are they adequately defined and documented? Without clarity and specificity, training efforts and field application drive up costs. We can help you clarify what's important, distill it into effective steps, and develop practical policies and procedures for your bank.

Compliance

Are you following your policies and procedures? Often, people only think of ensuring that their documents comply with federal requirements; however, lax adherence to them—regardless of their federal implications—can constrain an employer's relations with its employees. We can help you assess the adherence to your various policies to make sure what's on paper reflects reality.

Communication

Do your employees know what your practices are? It doesn't pay to document them if your people don't have the materials and training to put them into practice. We can assist in the communication and training of HR policies and procedures, especially for supervisors and managers.

Management

How do you administer your HR department? How do you manage it to maximize its contribution to the financial statement? Increasingly, HR is seen as the department that supports and, in some cases, drives culture change. We can assess, recommend, and advise you on maximizing HR as a driving, profitable force in your bank.

HR Audit

If you are seeking some way to comprehensively review your HR practices without incurring a huge expense, an introductory HR audit could very well be the solution for you. We can do a cursory audit that will identify priorities for advancing your HR department.

For more information on how we can assist your bank with its HR needs, call Mike Lehr at 1.800.525.9775 or send an e-mail to mlehr@younginc.com.



Sales and Service Consulting Services



Sales and service comprise the backbone of a solid, growing income stream. How do you make “cross-selling” more than just a buzz word? All your marketing, product, and technology dollars can drain away if the actual interaction between a single customer and a single employee is not up to the increasing demands of your community and competitors. Often this isn’t immediately noticeable on the revenue line, but over time it will appear. Young & Associates, Inc. can help you keep the “point of contact” in tune with your marketing, products, technology, community, and competitors.

Experience

What do you want the experience to be like for your customers at the point of contact? How do you want them to feel? What would you like them to do? We can help you develop an approach that will express the bank’s benefits in a way that will differentiate you from competitors, and exceed the demands of your community.

Training

How do you take that desired experience and translate it into actual actions? That is the purpose of training. How do you teach your people to deliver an experience customers won’t get down the street? We can help you design, document, deliver, and direct the training that will help your people shine at the point of contact.

Coaching

How do you encourage people to use what they’ve learned? We will help you assess what’s really happening against what you taught to determine positives and negatives. Coaching determines the best ways to address individual performance, realizing that tailoring is necessary. We can assess the degree to which the training is being employed and recommend, teach, or conduct various coaching activities to maximize customer contact.

Tools

What support do your people need? Frequently, sales and service require various tools and aids (i.e., scripts, planning aids, instructional guides) to help your people. How do you develop these in a cost-effective way? We can identify the tools and aids you need to promote the sales and service experience you want.

Infrastructure

How do you monitor and track the outcomes from your new experience so you can make intelligent decisions on how to adapt it to your community? Often this comes down to having the right methodology, systems, and technology to deliver the information you and your staff need. We can help you determine, and in many cases create, the infrastructure you need to support your efforts as a manager in driving a new sales and service experience.

For more information on our sales and service consulting services, call Mike Lehr at 1.800.525.9775 or send an e-mail to mlehr@younginc.com.



Marketing Services



Changing conditions in the financial services industry have made it necessary for community banks to rethink the products and services they currently offer, develop new products, and capitalize on their strengths – namely their ability to provide superior service to their customers. Young & Associates, Inc. is experienced in a wide range of market analysis and planning activities for the community bank.

Sales Training and Sales Incentive Programs

Banks that are successful at officer calling and in-bank cross-selling improve their chances of achieving long-term goals. Young & Associates, Inc. can provide the sales training, support materials, organizational structure, goal-setting procedures, sales incentive system, and other tools you need to implement a successful sales culture in your bank. More than just sales training, you get a comprehensive sales “system” customized to your bank’s specific needs, products, and services that you can administer over the long run.

Strategic Marketing Planning

To function effectively and profitably in today’s competitive environment, the right marketing plan is a necessity. Young & Associates, Inc. will work with you to develop a marketing program that will meet your bank’s strategic objectives for growth and profitability. We have full-service capabilities for implementing the program and tracking its effectiveness.

New Product/Service Development

Product development includes the development and introduction of new products, as well as packaging existing products to meet the changing needs of customers as they move through the various stages of their lives. Young & Associates, Inc. can make recommendations on product pricing. We can also develop advertising and promotion programs to bring these products to market.

Special Promotions

Promotions have proven to be an effective means of generating excitement, goodwill, and increased account activity. Whether you want to celebrate an anniversary or branch opening, target specific accounts, or just create goodwill, Young & Associates, Inc. will design and administer a successful, cost-effective promotion that meets your bank’s objectives and budget.

Market Research and Analysis

Young & Associates, Inc. has full-service quantitative and qualitative market research capabilities. Our market research and analysis team will profile your service area in terms of customer characteristics, market growth, share trends, competitors, and consumer opinions and preferences about financial services. This information will enable you to make sound marketing decisions and take advantage of market opportunities. This information is also helpful in meeting the needs assessment requirements of the Community Reinvestment Act.

For more information on how we can assist your bank with its marketing activities, call Mile Lehr at 1.800.525.9775 or send an e-mail to mlehr@younginc.com.



Training/Education

The most important investment a financial institution can make is in the training of its employees. Competent, well-trained employees work harder and more efficiently and make better decisions. Young & Associates, Inc. views training as a working tool that brings bottom-line results.



Regulatory Compliance

Our regulatory compliance training programs are designed to help you take a proactive approach to regulatory compliance. Whether your compliance officer needs to set up a compliance program from scratch or just brush up on the regulations, these programs provide up-to-date information on compliance issues, regulatory developments, and techniques for maintaining an effective in-bank compliance program. They also provide a forum where attendees can discuss common concerns and ideas.

Director Education

Bank directors play an active role in the management of financial institutions. These programs inform bank directors of their duties and responsibilities and how they can become part of a successful working board of directors.

Topics include:

- Strategic Planning
- Asset Liability Management
- Evaluating Board Reports
- Selecting, Supporting, and Supervising Bank Management
- Understanding, Administering, and Monitoring the Lending Function

Lending and Loan Administration

These programs provide practical information that can be applied to the day-to-day operations of your bank's lending function, and cover regulatory requirements, techniques for improving lending skills, and maintaining safety and soundness skills.

Topics include:

- Establishing a Loan Review Program
- Consumer Lending
- Commercial Lending
- Real Estate Lending
- Loan File Documentation
- Financial Statement Analysis
- Basic Lending
- Advanced Lending
- Appraisal Review





Strategic and Financial Planning

These programs are designed to provide the information and tools management needs to effectively manage the bank and improve its bottom line.

Topics include:

- Strategic Planning
- Asset/Liability Management
- Budgeting
- Profit Planning
- Risk Management

Marketing and Sales Training

Our marketing and sales training seminars will teach you to look at the problems and opportunities that you face in your market in a new way. They will help you develop a marketing program that suits your market, with its particular set of demographic and competitive forces, and help you grow your bank in a cost-effective manner.

Topics include:

- Marketing Management
- Becoming a Market Leader
- Creating a Problem-Solving Sales Culture in Your Bank

Affiliations

Young & Associates, Inc. has provided training programs through:

- National affiliations, such as the Independent Community Bankers Association of America (ICBA), Bank Administration Institute (BAI), Financial Managers Society, and National Association of Federal Credit Unions
- State banking associations in the states of Illinois, Indiana, Ohio, Minnesota, Iowa, North Dakota, Pennsylvania, Georgia, Arkansas, Virginia, Florida, Michigan, and Wisconsin

For more information about our educational services provided by Young & Associates, Inc., call either Wayne Linder or Sally Scudiere at 1.800.525.9775 or send an e-mail to swlinder@younginc.com or sallys@younginc.com.



Corporate Bios

With backgrounds and experience in virtually all areas of banking, Young & Associates, Inc. brings a broad knowledge base to each client relationship. Most of our consultants have come to the company directly from executive positions in financial institutions or regulatory agencies, where they worked to resolve many of the issues that bank management faces daily. Our team includes former CEOs, COOs, CFOs, senior loan officers, and regulators. We understand the different constituents that bank management must satisfy, including the board of directors, bank staff, regulators, shareholders, and bank customers.



Gary J. Young, Chief Executive Officer and Senior Consultant

Gary J. Young is Chief Executive Officer of Young & Associates, Inc. In his 30 years in bank consulting and 42 years in the banking industry, he has assisted hundreds of community banks from coast-to-coast with improving shareholder value and profit, establishing effective strategic plans, assisting banks through regulatory concerns, as well as budgeting, asset/liability management, expansion planning, and mergers and acquisitions. He remains a student of the industry and is a popular speaker with bankers for his practical and valuable insight. He has conducted seminars throughout the United States and in Europe.

Gary participated in the purchase of the National Bank of St. Anne, and is a member of that bank's board of directors. In addition, he was the co-founder of Capital Market Securities, Inc., which assists community banks with mergers and acquisitions, and manages a bank investment fund.

Jim Kleinfelter, President and Senior Consultant

Jim Kleinfelter is President of Young & Associates, Inc., and is a Senior Consultant. As a consultant, he assists financial institutions primarily in the areas of management structure, strategic planning, and loan review. He is a former community bank executive and senior lender with over 30 years of experience. Prior to joining Young & Associates, Inc., Jim worked in branch, compliance, credit card, CRA, lending, and executive management. He spent time with the former Society National Bank of Northwest Ohio, and Bank One Wooster. Most recently, he served over 17 years of service with The Savings Bank and Trust (formerly known as The Orrville Savings Bank). He has developed many new lending and deposit products, and was instrumental in developing The Savings Bank and Trust's online banking. Jim is a graduate of Bowling Green State University and numerous banking schools. He has been an instructor for the American Institute of Banking (AIB) and the Community Bankers Association of Illinois, and has been a member of RMA for many years.

Stephen Clinton, President – Capital Market Securities, Inc.

Steve Clinton has over 30 years of experience in the banking sector and serves as the lead consultant in our capital markets activities. Steve's experience in the capital markets area expands and enhances Young & Associates, Inc.'s ability to consult and advise our clients in many areas, including market analysis and valuations, strategic and capital planning, and merger and acquisition activity. In addition to his investment banking and consulting activities, Steve also participates in various seminar presentations, has served as an Associate Professor of Finance for Kent State University, and contributes regularly to our corporate newsletters.

An investment banker who previously served as a principal with a full-service brokerage firm, Steve served as the Midwest representative for the firm's financial institutions practice. Steve also served as president of an investment banking firm working primarily with financial institutions in the areas of capital planning, equity offerings, valuations, mergers, and acquisitions. Steve has also worked for several Midwest financial institutions in his career and has served as CEO, COO, and CFO.





John Fahrendorf Jr., Executive Vice President – Western Region

John Fahrendorf brings to Young & Associates, Inc. over 40 years of executive experience in the banking industry. As Executive Vice President of the Western Region, John strengthens the company's presence in the western U.S. His primary focus will be assisting senior management and boards in efficiently dealing with regulatory issues and in improving shareholder value. His past experience includes 20 years as President and CEO of two community banks, as well as positions as a Board member and Chairman of the Board at the Arizona Bankers Association, the Arizona representative to the ABA Government Relations Committee, Board member of the Western Independent Bankers Association, Board member and Chairman of the Board of Pacific Coast Bankers Bank, and member of the Board Pacific Coast Banking School. John is a graduate of the Arizona State University and Pacific Coast Banking Schools.

S. Wayne Linder, Senior Consultant

An over 30-year banking veteran, Wayne Linder was formerly the CEO of a community bank. At Young & Associates, Inc. Wayne works as a lending and management consultant. He performs loan reviews, fair lending reviews, and regulatory compliance audits, facilitates strategic planning retreats, assists banks under regulatory enforcement agreements, performs management and board of directors assessments, and develops and implements written policies throughout all areas of the bank.

Wayne is a popular seminar speaker with both national and international experience. In addition to his many published articles, he is the author of *Loan Review Deskbook*.

Kyle Curtis, Senior Consultant

Kyle Curtis has more than 25 years of diverse banking experience in financial reporting, lending, credit administration, and senior executive management positions, including President and CEO, with several mid-sized community banks. He served on the Board and was Chairman of the Arizona Bankers Association. He has also served on the Board of Banker's Bank of the West in Denver, CO, and the American Bankers Association Community Bankers Group. At Young & Associates, Inc., his time is shared between the lending and management consulting divisions, as well as regulatory compliance and policy development. He assists banks under regulatory enforcement agreements, and performs management and board of director assessments, loan review and ALLL analysis, and policy implementation.

Jackie Roesser, CCBA, Senior Consultant and Manager of Internal Audit

Jackie Roesser brings to Young & Associates over 28 years of experience in the banking industry. Serving community banks and thrifts in several states, Jackie's primary responsibility at Young & Associates, Inc. is managing the delivery of internal audit services, including internal control, management, organizational, and process reviews. She also provides management and compliance consulting services, including regulatory compliance reviews, fair lending reviews, interest rate risk reviews, and allowance methodology reviews. Jackie is a former community bank executive and has held management positions in risk management and control functions with a number of regional and international banking institutions. In addition, she has assisted the FDIC receivership office in a consulting capacity. Jackie holds the designation of Certified Community Bank Internal Auditor by the Independent Community Bankers of America.





Mike Detrow, CISSP, Senior Consultant and Manager of IT

Mike Detrow serves as an information technology consultant for Young & Associates, Inc. Mike's responsibilities include product development, Web design and administering the Young & Associates, Inc.'s corporate network. Mike also conducts IT risk assessments for our banking clients. Prior to joining Young & Associates, Inc., Mike served as a network administrator for several community banks in Ohio and North Carolina. He has also completed coursework from the SANS Institute and holds the designation of Certified Information Systems Security Professional (CISSP).

Martina S. Dowidchuk, Consultant

Martina S. Dowidchuk specializes in bank expansion strategies, de novo bank charters, stock valuations, and financial modeling. She also assists bank clients in the regulatory application processes involving mergers and acquisitions, branch purchases, new branch openings, and other strategic initiatives. Martina has 12 years of experience in strategic financial planning and feasibility analyses, branch location studies, market evaluations, performance analyses, and business plan development.

Prior to joining Young & Associates, Inc., Martina worked for the Slovak Business and Banking Advisory Center and The Recovery Group, Inc. She participated in a number of management consulting assignments throughout Central and Western Europe, focusing on strategic restructuring and financial planning. Martina holds an MBA degree in Finance from Kent State University and a Master's degree in Management from the University of Economics in Bratislava, Slovakia.

Bill Elliott, Senior Consultant and Manager of Compliance

Bill Elliott has over 30 years of banking experience. As a compliance consultant and manager of the compliance division with Young & Associates, Inc., Bill works on a variety of compliance-related issues, including leading compliance seminars, conducting compliance reviews for all areas of compliance, conducting in-house training, and writing compliance articles and training materials.

During his career, Bill spent 15 years as a compliance officer and CRA officer in a large community bank, and also worked for a large regional bank. He has been a lender for consumer, commercial, and mortgage loans, and has managed a variety of bank departments, including loan review, consumer/commercial loan processing, mortgage loan processing, loan administration, credit administration, collections, and commercial loan workout.

Terri A. Klemann, Consultant

Terri A. Klemann is a compliance consultant with Young & Associates, Inc. She has been in banking for 16 years and has worked exclusively with community banks of all sizes. Terri specializes in Bank Secrecy Act compliance, front-line operations, privacy, deposit compliance, and customer service issues, and has a broad knowledge base of many other compliance-related issues. At Young & Associates, Inc., Terri enjoys presenting in-bank BSA training, as well as conducting BSA seminars for tellers, customer service representatives, and other front-line personnel. She has presented seminars for various trade associations regarding new rules and regulations. Terri also performs BSA and deposit compliance reviews and assists client banks with policy development.

Jeanine L. Schmitt, CCBIA, Consultant

Jeanine Schmitt is a compliance and internal audit consultant for Young & Associates, Inc., serving client banks in Illinois, Wisconsin, and the Midwest. She brings to the company over 25 years of banking experience, with extensive experience in regulatory compliance and internal audit. She performs in-bank compliance consulting, conducts compliance training, writes articles for various compliance publications, and provides audit services to include control reviews and management, organizational, and process reviews. Prior to joining Young & Associates, Inc., she served as a compliance officer and internal auditor for several community banks in Illinois, where she coordinated audit and compliance functions, conducted compliance training, and developed bank policies and procedures. Jeanine has earned the designation of Certified Community Bank Internal Auditor (CCBIA) from the Independent Community Bankers Association.





Tamara Simms Bolin, CBCO, CRCM, CRA, Consultant

Tamara Simms Bolin began her banking career in 1979 and has continued her service to regional and community banks, both as a banker and as a consultant, in the areas of lending/loan operations, secondary market setup, quality control, operational analysis, due diligence and internal loan review, regulatory compliance, management, training, sales, and customer service. Tamara has spoken to banking audiences across the country. She has presented sessions for numerous state associations, ABA, and BAI, and has taught at numerous banking schools. She is the author of the *Regulatory Compliance Monitoring Guide* (2000) and the *Comprehensive Quality Control Guide* (1998), as well as numerous manuals, articles, and newsletters for banking publications. She is an alumnus of Walsh University and holds the designations of Certified Bank Compliance Officer (CBCO), Certified Regulatory Compliance Manager (CRCM), Certified Review Appraiser, and is a Registered Mortgage Underwriter.

Karen S. Clower, Consultant

Karen Clower is a compliance consultant at Young & Associates, Inc. Her primary responsibilities include product development and maintenance, answering compliance hotline calls, manual creation and updating, and compliance field work. Her prior banking experience includes 19 years working for a large community bank where she managed the mortgage lending department, including processing, underwriting, and the mortgage loan officers. She has also worked as a mortgage loan officer and credit analyst/account officer for commercial lending. Karen holds a BA in Business Management from Hiram College, and associate degrees in Banking and Finance and Business Management from Kent State University.

Michelle R. Graber, CRCM, Consultant

Michelle Graber has over 24 years of community banking experience. As a compliance consultant at Young & Associates, Inc. she specializes in all areas of regulatory compliance, where she conducts compliance reviews, facilitates compliance seminars and workshops, and responds to client inquiries and compliance issues. During her career, Michelle spent 13 years as a compliance officer and CRA officer for a small community bank. She has been a lender for consumer, commercial, and mortgage loans, and has served as branch manager for numerous branch locations, including branch administration and development. Michelle holds a BA in Public Relations from the University of Toledo and is a Certified Regulatory Compliance Manager.

Barbara A. McKenzie, Consultant

Barbara McKenzie brings to Young & Associates, Inc. over 27 years of banking experience, 23 years of which are in the compliance field. At Young & Associates, Barbara is a member of the Compliance Division, where she focuses primarily on in-bank compliance reviews. Her primary strengths include the consumer lending regulations, HMDA, and CRA. Prior to working at Young & Associates, Barbara worked at a large community bank, where she served on the compliance audit team and as a Compliance/CRA Officer.

Adam Witmer, CRCM, Consultant

Adam Witmer is a compliance consultant with Young & Associates, Inc., serving client banks in the Midwest. Having nearly 10 years of experience in banking, he performs in-bank compliance consulting, conducts compliance training, and writes articles for various compliance publications. Prior to joining Young & Associates, Inc., Adam served as an officer and Director of Compliance for a multi-bank holding company in the Midwest. He has held the titles of Compliance Officer, BSA Officer, and CRA Officer for multiple banks, and has experience in the areas of compliance, training, internal audit, privacy, deposit and loan operations, retail banking, and secondary market lending. He earned the designation of Certified Regulatory Compliance Manager (CRCM) from the Institute of Certified Bankers. Adam holds a BA in Business Administration from Taylor University and an MBA in Management and Human Resources from Indiana Tech.





Fran Samson, Senior Consultant and Manager of Lending

Fran Samson brings to Young & Associates, Inc. 30 years of valuable industry experience with small to mid-sized community banks, as well as a large regional bank. While in banking, Fran served as a senior loan officer and was part of a senior management team. She also managed a mortgage loan department, including a multi-bank operation center. Joining Young & Associates, Inc. in 2007, Fran works primarily in the lending and product divisions. She is a Reviewer in Charge for the Lending Division, writes articles for corporate newsletters, and assists with product development for the lending area of the company.

William C. Gaidis, PhD, Consultant

Bill Gaidis has performed a wide range of services for Young & Associates, Inc., having assisted client banks in the marketing, regulatory compliance, and lending divisions. For the lending division, Bill works primarily in the areas of loan review, quality control, appraisal review, and ALLL review. He has also performed deposit and operations reviews, Fair Lending reviews, BSA/OFAC reviews, and compliance training, and has worked extensively with client banks to develop and enhance their marketing programs, specializing in sales training, communication strategy, market research, and new product development. Prior to joining Young & Associates, Inc., Bill was a marketing analyst for a \$10 billion bank with over fifteen years of experience in market research and analysis. In addition, he was a professor of marketing at three research-oriented universities. His PhD degree is from the University of Wisconsin-Madison, with a major field in marketing and supporting fields in Management, Economics, and Cognitive Psychology.

Bryan Fetty, Consultant

Bryan Fetty brings over 26 years of banking experience to Young & Associates, Inc. A former vice president of a mid-sized community bank, Bryan's primary expertise is on the operations side. His experience includes bookkeeping and proof operations, teller operations, branch administration, call center, marketing, and training, as well as deposit compliance. At Young & Associates, Inc., Bryan works in the product division and is assists with product development and management for all the major divisions of the company. In addition, he consults with banks, performs in-bank training, presents seminars, and assists with the development and maintenance of the corporate Web site.

Sharon Jeffries, Human Resources Manager

Sharon Jeffries brings to Young & Associates, Inc., over 20 years of experience in all aspects of human resources management. Sharon is currently involved in developing and administering the human resources efforts of the company. In addition, she can provide expertise to banks in all areas of human resource management, including offering solutions related to balancing the business needs of the bank with the needs of the employees.

Sharon's human resources experience covers employment law, employee relations and problem resolution, compensation and benefits, orientation and training, recruitment and retention, labor relations, and all aspects of employee communications. She has developed, communicated, and administered numerous human resources policies, served as a resource and counseled employees and management on human relations issues, including ADA, FMLA, harassment, discrimination, performance, and termination, developed human resource programs designed to help companies attract, motivate, and retain a highly skilled workforce, and managed outplacement services coordination due to corporate downsizing.





Michael Lehr, Human Resources and Sales Consultant

Mike Lehr brings to Young & Associates, Inc. over 20 years of practical application of HR principles. Mike assists client banks with not only the more compliance-oriented aspects of human resources, but also with the implementation of those aspects that will directly impact bank profitability and standing in the community. His financial services experience includes five years at a national insurance/investment firm and 13 years at a large regional bank where he helped develop the infrastructure to define, reward, manage, and coach a more revenue-oriented banker. He also developed an expertise in the training and coaching of soft skills in a variety of disciplines, including the management of cross-selling and product rollouts.

Debra L. Werschey, Consultant

Debra L. Werschey brings to Young & Associates, Inc. 20 years of experience in the banking industry. Her banking experience includes processing, closing, and post-closing of mortgage loans for community and national banks. She was recently named Quality Control Manager. Debra performs quality control reviews of retail mortgage loans, insuring that secondary market underwriting guidelines and other investor guidelines are maintained. She also assists with appraisal reviews and commercial, mortgage, and consumer loan reviews, evaluating the quality of existing credits for various financial institutions.

Jeanette McKeever, Associate Consultant

At Young & Associates, Jeanette is involved with delivery of internal audit and lending services. Her prior industry experience includes seven years working in customer service and lending in both credit union and community bank environments. Jeanette has served as a managing loan officer in both residential and consumer lending departments. In those capacities, she provided loan processor training and addressed policy and lending manual revisions. She is also experienced in residential real estate, bookkeeping/accounting, and title closings.

