The Bank Slate (Vol. LX) **April 3, 2023**

Good morning, Bank Slaters!

I don't want to jinx it, but it looks like spring has arrived (at least in the Southeast). I'm eager to put winter in the rearview mirror.

Let's talk about the Independent Community Bankers of America's ThinkTECH Accelerator.

The ICBA recently brought its fintech accelerator in-house and moved it from Arkansas to Atlanta. We discussed the moves with Charles Potts, the ICBA's chief innovation officer, as part of a broad chat about the accelerator's future. Here are some takeaways from the chat (you can read more about the effort here).

ThinkTECH to run multiple programs year-round. This should allow for greater participation and let ICBA deliver products/services to members at a faster rate.

The accelerator will be more nimble. Case in point: The next session will focus on attracting and retaining deposits.

Atlanta offers access to a growing ecosystem. The area has many established fintech-focused organizations and investors.

ICBA to strike balance between startups and established partners. Moving operations in-house will let the association promote both startups and companies it has worked with for years.

Have you visited the accelerator or worked with one of the startups? Hit me up at info@thebankslate.com.

Now onto the news. There was certainly a lot to unpack from last week.

Silicon Valley Bank | Signature Bank

FDIC Chairman Martin Gruenberg gave a behind-the-scenes look of the failures during Senate Banking Committee testimony. News outlets were all over the Senate hearing. Axios had a good breakdown, as did CNN, and Rob Blackwell at IntraFi (as always) was very active on Twitter.

The White House is urging the FDIC to exempt community banks from a special assessment tied to the recent bank failures. President Biden also wants to increase oversight of banks with $100 billion to $250 billion of assets.

The FDIC exercised its equity appreciation rights for First Citizens BancShares and New York Community Bancorp. The agency is trying to sell Signet, Signature's real-time payments network, telling the crypto clients they have until April 5 to close their accounts. The FDIC reportedly hired Newmark Group to sell about $60 billion of Signatures's loans.

Sens. Elizabeth Warren (D-Mass.) and Josh Hawley (R-Mo.) are among lawmakers that introduced legislation to give regulators more power to claw back bonuses from executives at failed banks. Former FDIC chair Jelena McWilliams is cautioning against lifting the cap on insured deposits.

The Big Headline

The CFPB issued a rule that would require lenders to report data on small-business lending, starting next year. The long-awaited rule will require lenders to collect data on small-business loan approvals and denials.

M&A

- First Financial in North Dakota agreed to buy HSB Financial in North Dakota. The holding company for BankNorth did not disclose what it will pay for the parent of Harwood State Bank. The deal is expected to close this summer.
- Capra Bank is set to open in Dubuque, Iowa, after a group led by Tut Fuller and Thomas Fuller bought Peoples Savings Bank. They are sons of Lynn Fuller, who recently ended a public spat with Heartland Financial USA, which recently moved its corporate headquarters from Dubuque to Denver.

Arrivals | Departures

- SkyPoint Federal Credit Union in Maryland said Jim Norris will retire as president and CEO but it didn't identify his successor.
- Patriot National Bancorp in Connecticut named David Lowery president and CEO of its bank. He will succeed Robert Russell, who is leaving to "pursue another career opportunity."
- FinWise Bancorp in Utah promoted James Noone to serve as bank president. Noone, who will remain the bank's chief strategy officer and chief credit officer, succeeded Kent Landvatter, who is still the company's president and CEO and the bank's CEO.

(Fin)tech

- BM Technologies in Pennsylvania hired Raj Singh to serve as co-CEO with founder Luvleen Sidhu. Singh, a board member, recently served as vice chairman of investment banking at Raymond James.
- First Carolina Bank in North Carolina hired Pat Pritchard, a former banking operations manager at Pinnacle Financial Partners, to become managing director of fintech and digital banking. His initial focus will be the core deposit relationship the bank has with BM Technologies.
- Infinant, a North Carolina fintech, raised an undisclosed amount of capital in a financing round involving FINTOP Capital and JAM FINTOP BankTech.

Odds & Ends

- The Fed and Treasury Department fined Wells Fargo in San Francisco a total of $97.8 million after determining that “deficient oversight” allowed its bank to violate U.S. sanctions regulations by providing a foreign bank access to a trade finance platform.
- Shares in Republic First Bancorp in Philadelphia fell after investors confused it with First Republic Bank in San Francisco. "Republic Bank would like to make very clear: we are Republic Bank. ... We are NOT First Republic Bank,” President and CEO Thomas Geisel posted on his bank's website.
- Driver Management withdrew nominations for two people to run for board seats at National Bankshares in Virginia. The bank made it clear that Driver's decision did not result from a standstill agreement.

That's all for now. It seems like regulatory fallout from recent bank failures will be with us for some time. And we're just a few days away from 1Q earnings season, where we will officially find out where many banks stand when it comes to deposits and liquidity.