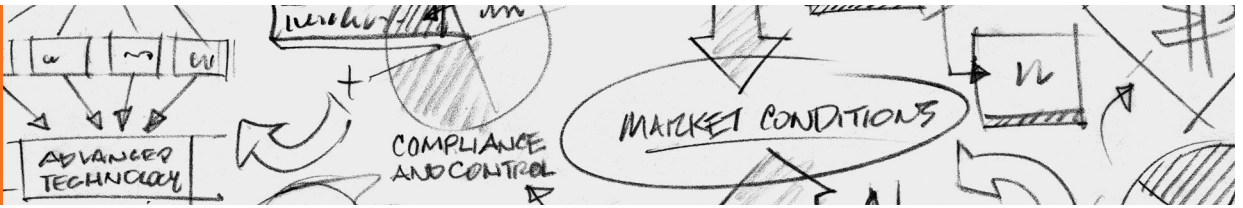


10 Questions with Robert Hayes, Chief Banking Officer of Kinderhook Bank Corp.

Q & A



Robert Hayes joined Kinderhook Bank Corp. in August 2011 as chief banking officer and executive vice president from Wilber National Bank and Community Bank N.A. Previously, Hayes founded Provantage Funding Corporation and helped it expand to six offices before its purchase by Wilber.

Hayes is a proponent of leveraging technology to streamline the mortgage process and was one of the initial adopters of Encompass Banker Edition.

Q. What part is technology playing in the mortgage industry today?

A. Technology has progressively played a more important role in mortgage lending during the past decade. Those lending institutions that have superior customer delivery capabilities and manage to minimize their internal cost of production will continue to maintain and earn market share. Banks have responded to rising customer expectations with a multitude of services that include e-delivery of documents, electronic signature and in-house closing services. The use of available technologies has also assisted banks to manage the unprecedented number of new consumer related regulations.

Q. How has the relationship between customers and mortgage lending operations changed in recent years?

A. As information has become more readily available to consumers in real time, our products have increasingly become commodities. We need to have new and innovative products and new ways for customers to interact with lending institutions. Lending institutions need to have as many channels as possible to meet demands—online, mobile, etc. We need to be able to interact with clients the way they want. Having a solution like Encompass360[®] will help us get there.

Q. What led you to Encompass360[®]?

The large operating system at one bank I was at was not well equipped to handle the changing landscape. It couldn't handle things like

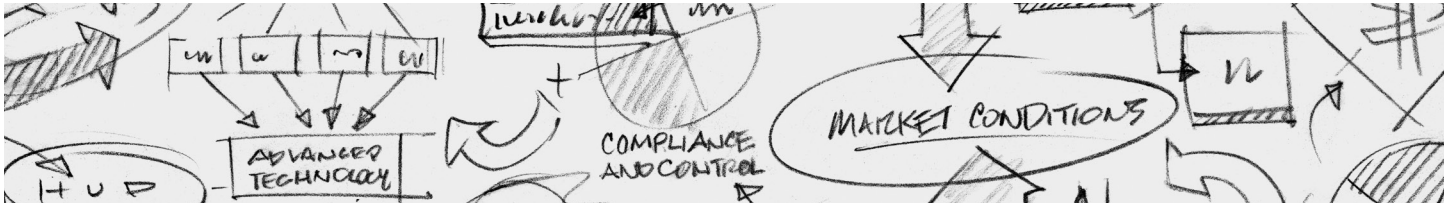
marketing or underwriting. I wanted a full solution that would take mortgages from POS to post-closing. Encompass360 does that.

You also need a modern process flow to be successful. Re-inputting data from one system to another results in errors and inefficiencies. We want a modern-day, streamlined process flow. We want to keep the cost of production low. The way to lower your cost of production is to increase efficiency. With Encompass360, you maximize your efficiency and lower your cost of production.

Q: How has your Encompass360 helped you manage the twists and turns of regulatory compliance?

A. It's a new era of mortgage lending; the regulatory burden has become significant and there's an increased cost of production. Technology has played a key role in managing the new regulations. Without technology, the body count would be enormous. We used the Encompass Compliance Service™ very effectively to manage high-cost testing and compliance reviews—incorporating compliance checks into the workflow is more of a modern-day process flow. Encompass360 technology helps manage the new regulations. The change in the GFE: it would have been nearly impossible to comply. NMLS was a big change: Ellie Mae[®] was immediately able to help. LO Compensation was hard. Ellie Mae came up with solutions to help manage that. Ellie Mae always has your back.

“The large operating system at one bank I was at was not well equipped to handle the changing landscape. It couldn’t handle things like marketing or underwriting. I wanted a full solution that would take mortgages from POS to post-closing. Encompass360 does that.”



About Ellie Mae®

Ellie Mae, Inc. is a leading provider of on-demand automation solutions for the mortgage industry. The Company offers an end-to-end solution, delivered using a Software-as-a Service model, that serves as the core operating system for mortgage originators and spans customer relationship management, loan origination and business management. The Company also hosts the Ellie Mae Network™ that allows mortgage professionals to conduct electronic business transactions with the lenders and settlement service providers they work with to process and fund loans. The Company’s offerings include the Encompass®, Encompass360® and DataTrac® mortgage management software systems. Ellie Mae was founded in 1997 and is based in Pleasanton, California. To learn more about Ellie Mae, visit www.EllieMae.com or call 877.355.4362.



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Q: How has Encompass360 helped to improve the customer experience?

A. Having all of the loan information at our fingertips helps with customer service. Being able to close loans faster than our peers helps with customer service.

Q: What does your staff think about Encompass360?

Encompass360 created a much better work environment. The system is much sexier; in the old one it was impossible to easily move between screens without paging back. Encompass360 is very fluid and user friendly compared to traditional bank systems.

Q: How have you taken advantage of Encompass360’s business rules and custom workflow?

A. We don’t allow LOs to submit loans directly to an underwriter—we have them filter it through sales managers. We set up the system with business rules to ensure that this was done. We also came to really appreciate the alerts in the system—as we understood what the alerts were telling us, all of a sudden we couldn’t live without them.

Q: Have you taken advantage of the Ellie Mae Network™?

A. Yes, we order DO/DU, appraisal, 4506-T, and credit through the Network. Ordering through Encompass360 increases our efficiency

and streamlines our process. Rather than closing out and going somewhere else you can just do it right in the system.

Q: How has Ellie Mae’s client service been?

A. One of the best things Ellie Mae does is the compliance alerts. I typically hear about new compliance regulations from Ellie Mae before I hear from my own compliance officer! The technology updates to manage new regulations are always very timely. Ellie Mae has fantastic technical support. Not a week goes by that we’re not trying to do something new in Encompass and the tech support team has been fantastic.

Q: If someone were to ask you about Encompass360, what would you tell them?

A. Ellie Mae has done a great job of being innovative. The service is excellent. I’ve had the opportunity to review other systems and see what else is out there and it scares me. Encompass360 allows the bank to manage sales and marketing more effectively, originate and close loans faster, organize pipelines and time more productively, and drive quality practices from early in the origination workflow to funding. I thank my lucky stars that we have Encompass360.