September/October 2019 • Volume 107 • Number 5

THE TENNESSEE BANKER

C. CRAIG FITZHUGH
Bank of Ripley, Ripley

CLAIRE WHITFIELD TUCKER
CapStar Bank, Nashville

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THE TENNESSEE BANKER
Published bi-monthly by the Tennessee Bankers Association
COLIN BARRETT / Editor
TYLER NELSON / Managing Editor

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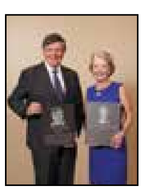

ON THE COVER

The 2019 Leaders in Banking Excellence Inductees: C. Craig Fitzhugh and Claire Whitfield Tucker (Doug Cruickshanks, Jr. not pictured)

COVER PHOTO:
DONN JONES, *Donn Jones Photography*

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Identifying a solution for Tennesseans' small-dollar needs

COLIN BARRETT
President/CEO, Tennessee Bankers Association

During a recent parent teacher conference, I learned that my son, William, shared with his second-grade class that "payday lenders take advantage of people in our community." He's a smart kid. And not just because of his uncanny ability to parrot his father. Yet while it is easy for me to deride payday and other alternative lenders, their existence is meeting a need for many people.

In May 2018, a widely circulated report from the Federal Reserve found that 4 out of 10 adults would not be able to cover an unexpected $400 expense. While many in the media and inside the D.C. Beltway were surprised by this statistic, Tennessee bankers were not. I am confident that every one of you has multiple examples of customers, family members, or neighbors who have been in this situation. And many of you can remember when your bank could make small-dollar loans to assist during those times. Unfortunately, due to increased compliance burden, the regulatory agencies have all but removed banks' ability to make these loans, which has pushed people toward alternative lenders.

Regaining the ability to make small-dollar loans has long been a topic of discussion between TBA and our members. I have heard countless examples of bank customers getting trapped in a cycle of debt from alternative lenders that they have not been able to get out of. In many cases, the bank helped customers pay off these loans and get back on their feet. And while this is commendable, proactively addressing these needs is a much more desirable option.

About 18 months ago, a group of bankers met with Commissioner Greg Gonzales and Rafael Valle, the head of Tennessee compliance for the FDIC, to discuss how banks could make small-dollar loans without the fear of regulatory scrutiny. Another important consideration was how to make this solution turn-key—one of the benefits of cash advance lenders. This would cut down on the amount of time needed to satisfy regulatory concerns as well as free up staff time for what are seldom profitable loans.

In our research, we identified CashPlease, which met these criteria. CashPlease, a product by Velocity Solutions, is an automated small-dollar, short-term loan platform that allows consumers to apply for loans 24/7 on their bank's branded CashPlease website or through a mobile app. Loan amounts generally range from $100 to $1,500, and do not require a traditional credit check. An ability to repay determination is made by Velocity's data driven algorithm. Consumers know immediately whether they are approved for a loan, and if so, the funds are deposited directly into their account. This quick access to funds not only keeps customers out of the debt cycle with alternative lenders, but it provides an opportunity for banks to compete with the ever-increasing number of fintech companies that are looking to deliver similar products.

After doing our due diligence on CashPlease and Velocity, as well as visiting with our federal regulators, the bankers involved and the TBA determined this product could assist with the small-dollar lending challenge and moved forward on a partnership. As a result, we are able to bring CashPlease to TBA member banks with no implementation fee and only a per loan fee for the bank. Combine this with the limited amount of staff time required to implement, and I believe the industry has a viable option to compete with alternative lenders throughout the state.

If you are interested in learning more about how to meet your customers' and communities' needs through small-dollar lending, I encourage you to contact Alex Schuettler at *aschuettler@myvelocity.com*.

Meanwhile, the TBA will continue to work with bankers throughout the state to strengthen your industry and the customers you serve.

—Colin

THREE THINGS TO DO

1.
Make plans to attend the *Community Banking Conference*, presented by the Independent Bankers Division. The program is entirely focused on what banks need to do to retain their independence and succeed in the changing banking environment. For more information, contact Monique White at *mwhite@TNBankers.org*.

2.
Set the agenda for the upcoming legislative session by participating in the Government Relations Committee. The next meeting will be held at the TBA office on November 12. For more information, contact Amy Heaslet at *aheaslet@TNBankers.org*.

3.
Educate your employees by sending them to 2020 TBA education classes. A full roster of classes can be found at *www.TNBankers.org/calendar*.

TBA Online

We're on social media. Follow us for the latest in all TBA news, events, and much more.

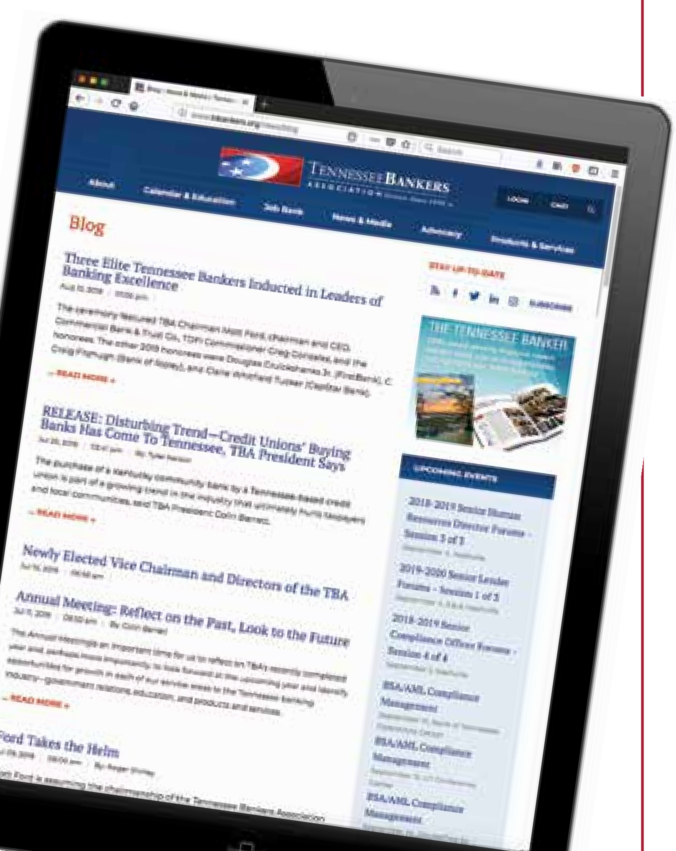
/TNBankers | @TNBankers | tnbankers | tennessee-bankers-association | TNBankers.org

@TNBankers, 12:25 PM, Aug 14, 2019

As you'd expect, the new plaques on the Leaders in Banking Excellence wall are getting a lot of attention. #TBALBE

VISIT *TNBANKERS.ORG*

TBA's blog covers Tennessee's banking news, emerging trends in the industry, and more. Check it out at *TNBankers.org/news/blog*.



TBA WEBINARS

Register for these webinars and more at *TNBankers.org/calendar*

Head Teller Training: Maximizing Teller Performance
October 9

The best head tellers constantly seek ways to improve their team and themselves—which ultimately creates positive accountholder experiences. While internal controls and sales goals are critical, so is creating a work environment where tellers are empowered, efficient, and working as a team to obtain optimal results. This webinar will teach head tellers how to empower their staff, conduct efficient staff meetings, and further develop personal coaching skills to strengthen the teller team.

12 Key Elements of an Effective Digital Marketing Strategy
October 29

If you've been wondering how to take your digital marketing strategy to the next level, this is the webinar for you. It will identify the 12 most popular (and most powerful) digital marketing strategies, and how to best use them to generate results. Selecting the right strategy and knowing how to implement it successfully to ensure relevance for your accountholders are critical to success. You'll learn how these "digital dozen" interconnect and complement one another and understand the big-picture components of a successful digital marketing strategy that will put you on the right track.

AMY HEASLET
Executive Vice President/ General Counsel, Tennessee Bankers Association

Bankers benefit from the changing political landscape

It was just one year ago that I wrote on the outlook for the 2019 legislative session. I emphasized that it would mark a "new era in Tennessee politics" given that a new governor would take office and there would be historic turnover and new leadership in the state senate and house.

I spent a lot of time last year talking to bankers about how the elections and new leadership could impact the banking industry. All of the expected changes were positive, and we entered the 2019 legislative session in a good position.

However, no one could have foreseen that less than one year later, the House of Representatives would undergo another significant overhaul. But that is exactly what happened. For anyone who doesn't closely follow politics at the state level, Rep. Glen Casada (R-Franklin) was elected by his fellow members as Speaker on January 16, 2019. After scandals broke shortly after the session ended in early May regarding his and his staff's conduct over several years, the House GOP took a vote of no confidence on May 20, and he resigned his speakership on August 2.

Prior to his resignation, in late July, the House GOP caucus met and elected Cameron Sexton (R-Crossville) in a six-way race, to be their speaker nominee. Sexton was elected by the full House of Representatives during a special session on Aug. 23. His election meant he had to vacate his position as the GOP Caucus Chair, which opened the door for Jeremy Faison (R-Cosby) to serve as his successor.

TBA couldn't ask for better, more supportive leaders leading the House than Speaker Sexton and Caucus Chair Faison. I'd also be remiss not to mention Majority Leader William Lamberth. All three have strong connections to banking.

Speaker Sexton serves as the business development executive for the Bank of Putnam County, a position he's held for as long as he has served in the House. Both Leader Lamberth and Caucus Chair Faison have strong relationships with their local banks, with Lamberth being encouraged to run for his current House seat by local bankers.

As a banker himself, Speaker Sexton has a solid understanding of the issues that face the banking industry and of the unintended consequences that could result from well-intended but potentially problematic legislation. We're proud to see a banker serve in such a high capacity and look forward to seeing him serve as Tennessee's next Speaker of the House.

It's also reassuring to know that with Reps. Lamberth and Faison in leadership positions, a banker is just one phone call away to someone in leadership on key issues. All have been responsive and supportive on critical legislation in the past, and with continued support, the TBA will begin the 2020 legislative session in a solid position.

But that is not only because of those in leadership. The strength of the banking industry on Capitol Hill is also directly attributable to the relationships bankers across the state have with their legislators. That has become more apparent than ever the past few months as we have traveled the state to meet with bankers and legislators in their districts.

Visiting in the district offers a unique experience and allows us to get to know legislators in an powerful and memorable way, which improves our ability to maximize our visits during the hustle and bustle of the session. We appreciate every banker who's willing to take time out of his or her day to allow us the opportunity to do this. For anyone we haven't visited yet who would like to host us and your legislator, we would welcome that opportunity.

Nine TBA members named to ‘Best Banks to Work For’ list

***American Banker* Magazine published its seventh annual list of the 85 best banks to work for, with nine Tennessee Banker Association member banks making the distinguished list: TIB The Independent BankersBank, First Citizens National Bank, Paragon Bank, Pinnacle Financial Partners, Community Bank, First National Bankers Bankshares, United Community Bank, The First Bank and Trust Co., and First National Bank of Middle Tennessee.**

These and other banks were celebrated for being employee-centric, offering programs and amenities like catered weekly lunches, wellness programs, anniversary celebrations and a “pay it forward” charitable giving program.

Since 2013, *American Banker* magazine has ranked the nation’s most employee-friendly banks. The list was published in its Aug. 29 issue.

The publication’s analysis was conducted with the Best Companies Group, which collects employee surveys and reports on policies and benefits. Determining the Best Banks to Work For consists of evaluating each participating bank’s workplace policies, practices, and demographics and reviewing employee surveys aimed at assessing the experiences and attitudes of the bank’s employees. Companies must opt in to be considered, and to be eligible, applicants have to be commercial or retail banks. There also is a 50-employee minimum.

For information on applying to next year’s ranking of American Banker’s Best Banks to Work For, visit *www.bestbankstoworkfor.com*.

Employees at First Citizens National Bank get ready for the Vintage Affair Grape Stomp, a charity event in Franklin, Tenn.

RANKING THE BANKS

Here’s where the nine TBA member institutions ranked on the best banks to work for list:

NO. 4
TIB THE INDEPENDENT BANKERSBANK,
FARMERS BRANCH, TEXAS

NO. 8
FIRST CITIZENS NATIONAL BANK,
DYERSBURG

NO. 10
PARAGON BANK,
MEMPHIS

NO. 13
PINNACLE FINANCIAL PARTNERS,
NASHVILLE

NO. 26
COMMUNITY BANK,
BRANDON, MISS.

NO. 56
FIRST NATIONAL BANKERS BANKSHARES,
BATON ROUGE, LA.

NO. 57
UNITED COMMUNITY BANK,
BLAIRSVILLE, GA.

NO. 76
THE FIRST BANK AND TRUST CO.,
LEBANON, VA.

NO. 77
FIRST NATIONAL BANK OF MIDDLE TENNESSEE,
McMINNVILLE

TBA inducts Three Leaders in Banking Excellence into the 2019 class

Three Tennessee bankers were honored by the TBA at the *Leaders in Banking Excellence* ceremony on August 14, 2019. Commemorative plaques highlighting the careers of each of the honorees were unveiled at the TBA's headquarters building in Nashville. The 2019 inductees are among a distinguished group representing Tennessee bankers past and present who have excelled in the areas of banking, community service, and civic involvement.

The ceremony featured TBA Chairman Mott Ford, chairman and CEO, Commercial Bank & Trust Co., TDFI Commissioner Greg Gonzales, and the honorees. The 2019 honorees were Douglas Cruickshanks Jr. (FirstBank), C. Craig Fitzhugh (Bank of Ripley), and Claire Whitfield Tucker (CapStar Bank).

TBA member banks can submit nominations for the honor. The TBA board of directors reviews and approves the applications.

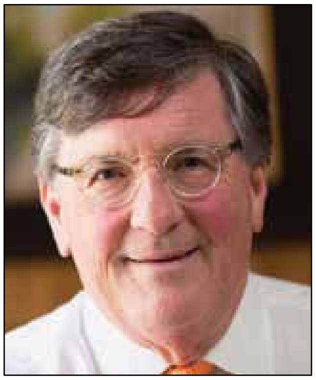
"One of the main missions of the Tennessee Bankers Association is to recognize our members for being involved in making our industry better and in making their communities better places to work and live," said Colin Barrett, TBA president and CEO. "The *Leaders in Banking Excellence* recognizes those who have made a difference, and we hope it will be an inspiration to other bankers across the state."

For more information about *Leaders in Banking Excellence*, please visit *TNBankers.org*.

Douglas Cruickshanks, Jr.

FirstBank
Nashville

Doug Cruickshanks enjoyed an exemplary career as a banker, starting from his earliest days in his home state of Virginia to helping build community-based FirstBank into a statewide powerhouse. After serving as president of NationsBank of Virginia and other senior roles for Bank of America in California, North Carolina and Tennessee, he joined FirstBank as president and CEO. Under his leadership, FirstBank experienced substantial growth in earnings, assets and market footprint. Cruickshanks was active in the TBA, serving on the Government Relations Committee from 2002-2010. His volunteer activities included serving on the boards of The Land Trust for Tennessee, Nashville Public Library Foundation, Monroe Carrell Jr. Children's Hospital, YMCA Middle Tennessee, and The Nashville Opera.



C. Craig Fitzhugh

Bank of Ripley
Ripley

Craig Fitzhugh began his illustrious banking career for the Bank of Ripley at 15—sorting checks during the summertime. After obtaining his undergraduate and law degrees from the University of Tennessee, Fitzhugh served in the U.S. Air Force, Judge Advocate General Corp, and in the U.S. Air Force Reserve. He became Bank of Ripley's president and CEO in 1992, then chairman and CEO in 2004. In 2010, he was named as chairman of the Tennessee Bankers Association—a role his father, James R. Fitzhugh, also held. Fitzhugh was elected to the Tennessee House of Representatives for the 82nd legislative district, serving as House Minority Leader and chairman of the Finance, Ways and Means Committee during his 24-year tenure.

Claire Whitfield Tucker

CapStar Bank
Nashville

Claire Whitfield Tucker led CapStar Bank from its founding in 2007 as President and Chief Executive Officer for 12 years, achieving assets of $2 billion. In 1975, she started her career at First American Corporation, ultimately serving as corporate president. She joined FirstBank in 2001 as city president and senior vice president for metro markets. Tucker was appointed to the boards of the Federal Reserve Bank of Atlanta's Nashville Branch (2016) and the Federal Reserve Bank of Atlanta (2019). A lifelong community volunteer, Tucker chaired the boards of Tennessee Wesleyan University and Tennessee Performing Arts Center, among others, and served on the boards of the Nashville Entrepreneur Center, Belmont University and more. A graduate of Leadership Nashville, she was inducted into the Academy for Women of Achievement in 2008.

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2019 MEMBERSHIP MEETINGS
Tennessee Bankers Association

Membership Meetings made seven stops across the state

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This August, TBA Chairman Mott Ford, chairman and CEO, Commercial Bank & Trust Co., and the Tennessee Bankers Association team, traveled across the state for seven Membership Meetings. More than 500 TBA members and associate members attended and learned about Association initiatives in the areas of government relations, talent development through internships, easing of regulatory burden, and more.

Participation was strong across the state seeing increased attendance in each location, marking a great kick-off to the Chairman's year and the TBA fall calendar.

Amy Heaslet, EVP and General Counsel, discussed the importance of opposing the increase in the state's homestead exemption. Earlier this year, SB 399/HB 236 called to increase the state's homestead exemption from the current $5,000 to $1 million. After weeks of TBA's government relations team and bankers urging lawmakers to oppose a significant increase, members of the House Judiciary Committee adopted a TBA-supported amendment of $35,000 and deferred the measure until next year.

TBA President and CEO Colin Barrett discussed a number of topics including the rebranded Community Banking Conference and new instructors for TBA Forums. The Community Banking Conference, which takes place October 23 & 24, is focused on one goal—to provide the tools that Tennessee banks need to thrive in the ever-evolving community banking landscape. TBA's successful Forums feature two new, highly-respected moderators, Andy Davies (CEO Forums and Senior Lender Forums) and Kim Snyder, CPA, CGMA (CFO/Controller Forums).

In reviewing the state of the Association, Barrett urged members to consult with and engage Financial Products and Services, Inc on their insurance needs—not only because they are a subsidiary of the TBA, but more importantly because they work with more banks in Tennessee than any other provider and that expertise translates into better rates and coverages for banks.

Thank you for joining us in our travels across the state and for your tremendous support of the Association.


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Real estate evaluations: An evolving tool in real estate lending

ERIC COLLINSWORTH
Co-owner, Evolve VCS

Real estate evaluations have undergone some positive changes in the past 18 months. There is currently a proposed change (as of the date this article was written) that could drastically increase the number of potential evaluation eligible transactions going forward if approved. As of April 2018, the transaction threshold increased to $500,000 for commercial real estate transactions and those transactions can include residential property in some cases. According to the regulators, the number of commercial real estate transactions that would be exempted by the threshold change is expected to increase by approximately 16%.

On August 20, 2019, the agencies adopted a change that directly relates to 1-to-4 family residential property with a transaction threshold increase from $250,000 to $400,000. However, this has not yet been approved by the FRB as of the date this article was submitted. If approved and published in the Federal Register, the agencies also estimated this change would have exempted an additional 214,000 residential real estate originations at regulated institutions, resulting in an increase from 56% to 72% of regulated transactions.

Internal real estate evaluations are an excellent source of noninterest fee income for financial institutions. They not only create an income source for the institution, but they are also often saving their borrowers money and closing transactions more quickly. Offering a borrower an evaluation rather than having a new appraisal performed is an excellent way of ensuring client retention when the transaction involves a dollar-for-dollar renewal.

At a competing institution, the borrower may be required to obtain a more costly and time-consuming appraisal as a new transaction. In this tech-savvy world of the modern borrower, rate shopping or fee shopping a loan has become the common practice and able to save your borrower potentially thousands of dollars on a commercial property transaction is an edge that every financial institution should consider. Furthermore, completing a commercial property evaluation internally or through a third party is almost always faster than obtaining an appraisal.

Although more financial institutions are using real estate evaluations, I still see them "under using" their potential. For example, many institutions think the thresholds in place apply to all transactions. They are unaware that the thresholds in place apply to new transactions in most cases. While limits may apply for renewals with new money added, there are NO regulatory limits in place for dollar-for-dollar renewals at the institution. As an example, an evaluation may be all that is needed for a $1,250,000 1-to-4 family renewal transaction if no new funds are added other than "reasonable closing costs."

Another often confused situation involves the $500,000 commercial real estate transaction threshold for a new transaction. Lenders see the word "commercial" in the transaction title and assume this only applies to commercial property types. The threshold exemption does not apply to transactions involving a single 1-to-4 family residential property. By definition, a transaction that involves multiple 1-to-4 family residential properties may qualify even though they are not commercial properties.

An example that I often see where an evaluation could save time and money involves borrowers with multiple properties. A perfect scenario would be an investor with 15 rental houses. If these properties are not part of a tract development, then evaluations may be acceptable for the transaction, even if the loan threshold is exceeded and this is a new transaction. In transactions like these, one would need to look at the value of each property and not the total loan amount. If the property is worth less than $250,000, then an evaluation may be acceptable.

MORE FROM THE AUTHOR

As co-owner of EvolveVCS, Eric Collinsworth has more than 15 years of experience in the real estate valuation industry. He specializes in compliance education and valuation solutions for community banks. Eric can be reached at 615-417-9942 or at *eric@evolvevcs.com*.

One thing to consider in all of these examples is the safety and soundness of the transaction. That will always govern, even if the transaction is within the threshold exemption.

Another factor to consider is the level of competency of the person performing the evaluation and the material included in the report. While there are no specific qualifications in place for the person performing the evaluation, they should have the necessary education, expertise, and experience or competency to complete the assignment.

Regulators will often ask institutions to provide documentation that their evaluators are competent. Also, while there are no official forms or templates in place to use for the evaluation report, there are minimum guidelines that should be met. These are enforced by the agencies as part of the safety and soundness exam. Failure to meet these requirements or adequately document competence of the person performing the evaluation could result in a violation.

Although more and more financial institutions are using real estate evaluations, most are "under using" their potential. Familiarize yourself with the updated legislation to properly leverage them when lending. PHOTO: **SHUTTERSTOCK**

Build your bank brand while keeping the trust of your customers

Five questions to consider when selecting a third-party marketer

ANDREA HEGER
Senior Vice President of Sales and Client Services, Franklin Madison

MORE FROM THE AUTHOR

Andrea Heger is Franklin Madison's SVP of Sales and Client Services. Heger joined the organization in 2014 and is committed to the company vision of bringing best-in-class insurance solutions to banks through compliant and effective marketing campaigns and customer servicing. Andrea can be reached at *aheger@franklin-madison.com*.

One important aspect of building engagement and loyalty with your customers is to provide solutions and products that contribute in a meaningful way to their financial well-being, such as insurance. However, finding a third-party marketer that you are comfortable with entrusting your customers' information to can be a challenging process. Here are five key questions to consider when you are looking to work with a third-party marketer:

1. Do you know what their creative process entails?

When evaluating your third party marketer options, request an overview of their creative review and approval process. Understanding the processes that the vendor implements when crafting pieces will show their commitment to best practices and marketing excellence.

As a part of the process, the vendor should demonstrate that they can comply with all insurance and marketing regulations, including:

- Individual state insurance laws
- National Association of Insurance Commissioners (NAIC) Model Regulations
- Federal laws and guidance relevant to insurance marketing charge authorization including FDIC, BCFP, and UDAAP standards

When the vendor can demonstrate that they adhere to high creative standards and regulatory requirements, then you can know you have one less thing to worry about.

2. Do you know how often your customers are messaged?

In order to protect your customers from messaging fatigue, you need to work with a vendor who is willing to craft a unique calendar that complements your strategy and addresses your customers' needs.

3. Do insurance marketing events build up your bank's brand or the third-party marketer's own brand?

In 2017, banks produced an all-time high score for the industry in customer satisfaction (*Results from 2017 American Customer Satisfaction Index Finance & Insurance Report). Those strong results are not surprising, since banks have invested significant time and resources in creating a positive customer experience that establishes the foundation for customer trust. Never diminish your bank's trust and brand affinity by sending out direct mail that highlights a third-party marketer's brand rather than your own.

Many vendors use marketing opportunities to promote their brand with creatives who reflect their values and guidelines. By ensuring that creatives reflect your values and brand promises, your customers are more likely to appreciate and engage with those opportunities since they are coming from a brand they know and trust.

4. Are you confident in the quality of your third party marketer's customer service?

One of the most important aspects of evaluating and managing the vendor relationship is ensuring that the touch points they will have with your customers are reflective of the high quality of service you provide them.

When a customer reaches out to a contact center to ask a question about their product or to file a claim, they should have a customer experience that will not only meet but exceed their expectations. For example, let's consider some key areas for evaluation.

Four Key Areas for Evaluation:

- Training—The vendor should demonstrate that the contact center associates receive training, including specific instruction in customer service, product knowledge, compliance, industry trends, and client standards.
- Quality Assurance—The vendor should outline the quality assurance plan their contact center operations has in place. High quality call monitoring should include recordings as well as more in depth evaluations to assess gaps, areas of improvement, and training opportunities.
- Security—To protect your customers' personal information, the vendor should validate numerous security features and policies.
- Benchmarking—By evaluating their contact centers comparatively to other centers, the vendor should demonstrates that they are willing to evaluate their center by certain objective standards.

5. What will the partnership look like?

When partnering with a vendor, your bank should always know when your customers are slated to receive an insurance offer.

Does the vendor have a team to generate a unique marketing calendar? Do they seek to discuss and gain your approval on every marketing campaign each year? Does the vendor offer to make suggestions and reevaluate future campaigns based on the feedback and analysis of the previous one?

Evaluating a third-party marketing vendor is not easy. Considering these particular areas will assist your bank in assessing and evaluating whether the vendor will be a committed partner in meeting your marketing needs in a way that reflects your values and brand promises.

The Southeastern School of Banking

Forty-five graduate from intensive general banking school dedicated to developing analytical skills and management techniques

***The Southeastern School of Banking* (TSSB), held for the sixth year at Belmont University, conducted another strong session in July.**

The first- and second-year sessions met concurrently July 7-12, with 56 students enrolled in the first-year class and 45 graduating as the class of 2019 at the end of their second year.

TSSB is an intensive, intermediate-level banking school dedicated to developing the analytical skills and management techniques of higher-ranking staff or junior- to mid-management bankers.

"The banking industry continues to change at a rapid rate, both from technology and ever-changing regulations that banks must navigate," said Colin Barrett, president of the Tennessee Bankers Association. "Our Southeastern School of Banking provides the kind of high-level training that our graduates can take back to their banks, helping not only themselves but also others who they manage or work with."

Bankers attending the school receive 80 hours of classroom instruction in two sessions over two years. In addition to traditional banking classes, students participate in The Stanford Bank Management Game, a computer bank-simulation model that reflects current banking trends, including capital adequacy, cost of funds, valuation of equity, fee income and increased lending risk. The bank-simulation program provides students a real-world bank management experience.

Honors and Scholarship Recipients

Each year, the school recognizes graduates ranking in the top 10 percent of their class. Honors this year went to:

- **Josh Beasley**, Wilson Bank & Trust, Lebanon
- **Tyler Greene**, American Bank & Trust of the Cumberlands, Cookeville
- **Tyler Hinson**, Wayne County Bank, Waynesboro
- **Kayla Mitchell**, First National Bank of Tennessee, Cookeville

Class rankings are based on student performance in several areas—final exams for years I and II, an exam on the Stanford Bank Management Game, four home study problems, bank projects, SIM performance, and faculty evaluations.

In addition to TSSB's honors recognition, each year outstanding students are selected based on multiple criteria as recipients of a scholarship covering first-year tuition at the Graduate School of Banking at LSU. This year's scholarship recipients are Josh Beasley and Holleigh Upchurch, both of Wilson Bank & Trust in Lebanon. Recipients are selected based on school performance, instructor evaluations, and committee interviews.

2020 TSSB Enrollment

Invest in the future of your bank and enroll qualified candidates in *The Southeastern School of Banking*.

The 2020 concurrent year I and year II sessions are scheduled for July 19-24. If you would like more information on TSSB or any of TBA's three Southeastern Schools of lending, please visit *TNBankers.org* or contact Monique White at *mwhite@TNBankers.org*, or 615-244-4871.

2019 TSSB YEAR TWO GRADUATES

DENNIS ALSUP, First National Bank of Tennessee, Cookeville
JOSH BEASLEY, Wilson Bank & Trust, Lebanon
KRISTIE BELL, First Vision Bank of Tennessee, Decherd
TIM BORENS, Traditions First Bank, Dover
ASHLEY BYRD, Citizens National Bank, Sevierville
QUENTEN CARROLL, Wayne County Bank, Hohenwald
ALBANY CIANFARANI, First Community Bank of the Heartland, Clinton, Ky.
GRACE COFFMAN, First National Bank of Tennessee, Algood
JORDAN CRUZE, Citizens Bank and Trust Company of Grainger County, Rutledge
VICTORIA EBERHART, Bank of Putnam County, Crossville
DOROTHY FRANKLIN, Community Trust Bank, Clinton
MISTY GARREN, Wilson Bank & Trust, Smyrna
JOEL GILDNER, Apex Bank, Knoxville
CRYSTAL GLENN, Reliant Bank, Franklin
*__TYLER GREENE__, American Bank & Trust of the Cumberlands, Cookeville
CHRIS HAMM, First Citizens National Bank, Dyersburg
REBECCA HENSLEY, Community Trust Bank, Middlesboro, Ky.
VALERIE HENSON, Heritage Bank & Trust, Columbia
CRYSTAL HILLIS, Citizens Tri-County Bank, Dunlap
*__TYLER HINSON__, Wayne County Bank, Waynesboro
ROBYN HIVELY, First National Bank of Tennessee, Crossville
JOHN HOLZNER, The Citizens Bank, Hickman, KY
TONIA HOWELL, Sumner Bank & Trust, Gallatin
CONSWELLA JOHNSON, First Community Bank of Tennessee, Shelbyville
SABRINA KEETON, Security Federal Savings Bank of McMinnville, McMinnville
ROBERT LAMB, Reliant Bank, Brentwood
MATT LOFTON, Community Bank, Lexington
ASHLEY MCCLELLAN, Tennessee Department of Financial Institutions, Morristown
GINA MEADE, Johnson County Bank, Mountain City
STEPHEN MILLER, Volunteer Federal Savings Bank, Madisonville
LYNN MILLER, Wilson Bank & Trust, Lebanon
*__KAYLA MITCHELL__, First National Bank of Tennessee, Cookeville
SHARRON MURDEN, CB&S Bank, Inc, Bolivar
ALLEY MURPHY, TriStar Bank, Dickson
JASON PHELPS, Citizens Bank of Lafayette, Lafayette
JOSH PIRTLE, First Community Bank of the Heartland, Clinton, Ky.
ESTHELEE PIRTLE, The Hardin County Bank, Savannah
AMY SIMCOX, Johnson County Bank, Mountain City
COTY SMITH, Wayne County Bank, Waynesboro
ROD STURDIVANT, Apex Bank, Bruceton
TERESA TAYLOR, CB&S Bank, Inc, Russellville, Ala.
ASHLEY TREECE, Community Trust Bank, Middlesboro, Ky.
**__HOLLEIGH UPCHURCH__, Wilson Bank & Trust, Lebanon
EARL WHALEY, Earl R. Whaley and Company, Alcoa
TINA WYATT, First Volunteer Bank, Chattanooga

*Denotes Honor Graduate
**Denotes Graduate School of Banking at LSU Scholarship Recipient

2019 TSSB year two graduates

2019 TSSB YEAR TWO STUDENT PROFILE

EDUCATION
(Highest Level Achieved)

High School	7
Some College	6
Associate Degree	4
Bachelors	26
Graduate	2

YEARS OF BANK EXPERIENCE

Less than 1 Year	6
1 to 5 Years	10
6 to 10 Years	10
11 to 20 Years	15
20+ Years	4

GENERAL PROFILE DATA

Female Students	26
Male Students	19
Tennessee Students	42
Kentucky Students	2
Alabama Students	1

2019 TSSB year one students

Visit **TNBankers.org**
for more photos

Q&A with Matt Daniels

Chairman, Independent Bankers Division, Tennessee Bankers Association
President/CEO
Apex Bank, Camden

The son of a minister and public school teacher from Crossville, Matt Daniels began working as an intern at the home of billionaire Jim Clayton, installing irrigation at age 18 while attending the University of Tennessee. Daniels joined Clayton Homes as a management trainee after graduation. Three years later, Clayton purchased First State Bank in Henderson, Tenn., and named Daniels COO. In 2004, at age 27, he was promoted to president and CEO. While opening its first offices in Knoxville in 2005, the bank was renamed Clayton Bank & Trust, and Daniels became the youngest president of a bank larger than $300 million in assets in the nation. Matt purchased 50% of Bank of Camden in 2008 becoming equal partners with Clayton in a new venture. Under his tenure, the Bank of Camden—now Apex Bank—has increased total assets from $160 million to $580 million while expanding to 15 offices across the state.

The Independent Bankers Division Board of Directors is responsible for designing the programs for the TBA's *Community Banking Conference*—formally branded as the *Independent Bankers Convention*—and *Bank Directors Retreat*. The events will be held October 23-24 and 24-25, 2019, respectively at the DoubleTree Hilton Downtown Nashville. This updated Community Banking event is focused on one goal—to provide the tools that Tennessee banks need to thrive in the ever-evolving community banking landscape. The Independent Board of Directors additionally serves as the Board of Trustees for *The Southeastern School of Banking*, the premier two-year general banking school for bankers in Tennessee and the midsouth.

You have long stressed the important role the Independent Division can play in preserving the community banking model. As a result, the 2019 program has been geared specifically to address the tools needed to maintain independence. What do you see as the biggest challenges, and where do the opportunities lie?

Community banks are the engines that fuel the economic activities of most rural communities that are typically not attractive to larger institutions. The increasing rate of acquisitions and consolidations, fueled by the growing federal regulatory burden, could potentially reduce banking options to rural consumers and small businesses. However, with the tools and educational offerings provided by TBA, smaller institutions have the opportunity to be more flexible and adaptable to changing customer preferences.

Your introduction to the banking industry was through Jim Clayton, who you worked for during college. What principles did you learn from Jim that shaped you as a leader today?

I'm very grateful for the time I spent learning from one of Tennessee's most brilliant business minds. Most folks don't know that in addition to Mr. Clayton's tremendous business success in finance, manufacturing, retail, insurance, and property management, he is also an electrical engineer, jet pilot, and attorney for over 50 years. Mr. Clayton taught me to never stop learning or sharing with others what I have learned.

Apex Bank serves largely rural markets in each Grand Division. What do you view as the greatest challenges facing rural Tennessee, and what role can banks have in helping to address those?

The lack of employment and educational opportunities in rural markets has forced much of our younger talent to relocate to larger urban areas. Our community banks can help foster rural growth by providing financial education, teaming with small business owners, and partnering with local

schools and resource centers to provide new opportunities in our communities.

Apex Bank states that they are 'progressively looking for ways to re-invent banking for our customers and the communities we serve.' What do you see as the next big adaptation that banks will eventually have to make but haven't yet fully embraced or implemented in a widespread fashion?

We're focused on developing alternative delivery strategies outside of the traditional brick and mortar branch, whether through expanded digital banking or the adoption of ITMs (Interactive Teller Machines). Traditionally, banks have been slow to react to technological advances due to the increasing regulatory burden and financial constraints, opening the door for non-bank fintechs to compete for market share. We must find more efficient methods of delivering banking services to our customers in order to compete with our new and mostly unregulated competitors.

The Independent Division Board serves as the Board of Trustees for *The Southeastern School of Banking* (TSSB). Why do you think TSSB, and other continuing education such as *Graduate School of Banking at LSU*, is an important component for bankers that wish to advance in the industry?

The rapidly changing banking landscape makes continuing education a key requirement for anyone expecting to advance in this industry. The TSSB has done an exceptional job updating and expanding its offerings to provide banks with a terrific value proposition in education. At Apex Bank, we have seen remarkable growth in our team members that have attended TSSB. Attending the Graduate School of Banking at LSU was essential to advancing my own banking knowledge and career. I encourage every bank to send at least one or two individuals to TSSB and LSU each year, because I know your organization will easily be repaid for its educational investment.

(Right to left) Matt Daniels is seen with Mark Miller and Robby Moore at the 2018 TBA *Washington Conference* in D.C.

PHOTO: **TYLER NELSON**

The dawn of artificial intelligence

TINA GIORGIO, AAP
President/CEO,
ICBA Bancard
& TCM Bank

MORE FROM GIORGIO

Hear from Giorgio and more experts at the Community Banking Conference, taking place October 23 & 24 at the DoubleTree by Hilton. Register now to get the tools that Tennessee banks need to thrive in the ever-evolving community banking landscape. Sign up at *TNBankers.org*.

I was fortunate to recently attend the Finovate conference. If you've never been to Finovate I would describe the event as speed dating with fintech companies. To cut through the clutter (and some of the hype!) presenters are put through a rigorous application process and if selected are given only seven minutes to provide a live demo of their product offerings. Over the two-day conference, 70 fintech companies showcased the very latest in financial technology innovations. Recurring themes were the power of data (data analytics) and the evolution of artificial intelligence (AI).

The power of big data is a concept that we are familiar with, however, I think we are only now just beginning to realize the potential of AI. Before I dive into present use cases, let's warm up with a brief AI timeline.

With so many possible applications, it's hard to predict the path that AI will follow, but we can, and should, examine present-day use cases to see where things are heading.

Finance

- **Loans**—AI is used to expedite loan applications and determine the right loan to apply for.
- **Chatbots**—A chatbot is a computer program designed to simulate simple conversations with humans over the Internet. Chatbots are used for password resets and account inquiries.

E-Commerce

- **Personal Shoppers**—AI is used to help online shoppers find the perfect product.
- **Optimization**—Websites and search engines are using AI for things like product placement and recommendations.

Health Care

- **Diagnosis**—I already mentioned how AI is used to diagnose cancer. It is also used to identify sepsis in ICU patients before they show any symptoms, reducing fatality rates.
- **Test Results**—AI can analyze things like lab results, MRIs, CT scans, and X-rays faster and more accurately than humans.

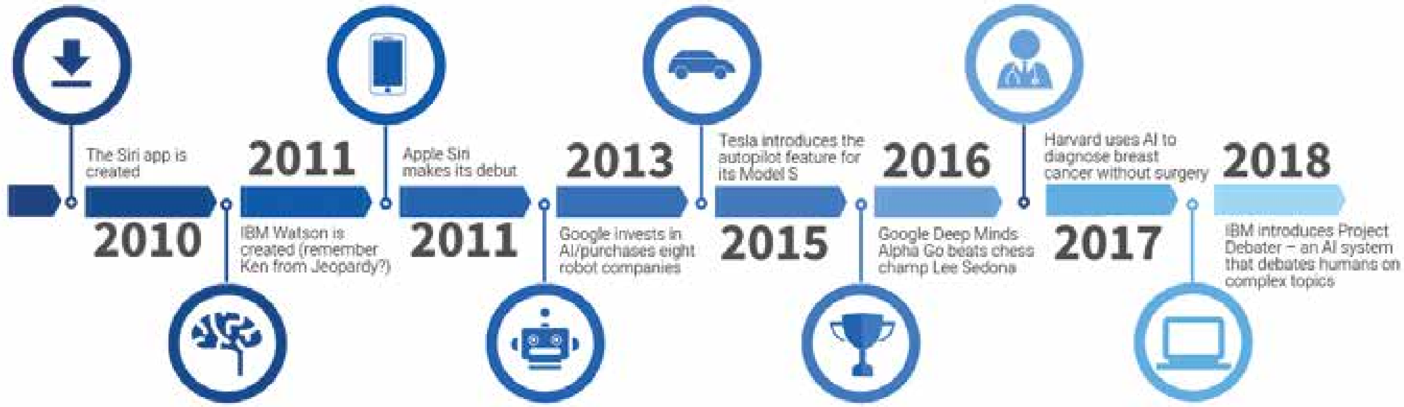
Agriculture

- **Grow Boxes**—AI is used to grow disease-free crops that are nearly perfect by measuring and controlling light, temperature, and moisture.
- **Crop Health and Harvesting**—AI can identify weeds, deficiencies in soil, plant disease, and optimal harvest times. AI robots are used to spray the weeds, treat diseased plants, and pick the crops.

A growing number of industries are using AI and big data to do things faster with more accuracy and at lower costs. We are already seeing the deployment of chatbots and self-service technologies as a means of freeing up front line/call center staff from routine support requests. In fact, one of the Best in Show winners at Finovate was Conversation.one, a platform for conversation apps that companies can use to build and publish voice and chatbots with no programing, coding or complex integration.

In this dawning era of artificial intelligence, community banks will have many choices about how they deploy this new technology. Some banks will no doubt eschew bots and digital lending in favor of decisions made by real-life human beings, but others will opt for service that is always on. Either way, there will be an opportunity for community banks to

TIMELINE OF NOTABLE ARTIFICIAL INTELLIGENCE ADVANCEMENTS THE PAST DECADE



differentiate themselves by offering the digital experience that best suits the expectations and needs of their customers, coupled with the unparalleled customer service and quality financial products for which community banks are known.

Bank Director

Why some banks purposefully shun the spotlight

JOHN J. MAXFIELD
Executive Editor, Bank Director

For as many banks that would love to be acquired, even more prefer to remain independent. Some within the second group have even taken steps to reduce their allure as acquisition targets.

I was reminded of this recently when I met with an executive at a mid-sized privately held community bank. We talked for a couple hours and then had lunch.

Ordinarily, I would go home after a conversation like that and write about the bank. In fact, that's the expectation of most bank executives: If they're going to give someone like me so much of their time, they expect something in return.

Most bank executives would welcome this type of attention as free advertising. It's also a way to showcase a bank's accomplishments to peers throughout the industry.

In this particular case, there was a lot to highlight. This is a well-run bank with talented executives, a unique culture, a growing balance sheet and a history of sound risk management.

But the executive specifically asked me not to write anything that could be used to identify the bank. The CEO and board believe that media attention—even if it's laudatory—would serve as an invitation for unwanted offers to acquire the bank.

This bank in particular has a loan-to-deposit ratio that's well below the average for its peer group. An acquiring bank could see that as a gold mine of liquidity that could be more profitably employed.

Because the board of this bank has no interest in selling, it also has no interest in fielding sufficiently lucrative offers that would make it hard for them to say "no." This is why they avoid any unnecessary media exposure—thus the vague description.

This has come up for me on more than one occasion in the past few months. In each case, the bank executives aren't worried about negative attention; it's positive attention that worries them most.

The concern seems to stem from deeper, philosophical thoughts on banking.

In the case of the bank I recently visited, its executives and directors prioritize the bank's customers over the other constituencies it serves. After that comes the bank's communities, employees and regulators. Its shareholders, the biggest of which sit on the board, come last.

This is reflected in the bank's loan-to-deposit ratio. If the bank focused on maximizing profits, it would lend out a larger share of deposits. But it wants to have liquidity when its customers and communities need it most—in times when credit is scarce.

Reading between the lines reveals an interesting way to gauge how a bank prioritizes between its customers and shareholders. One prioritization isn't necessarily better than the other, as both constituencies must be appeased, but it's indicative of an executive team's philosophical approach to banking.

There are, of course, other ways to fend off unwanted acquisition attempts.

One is to run a highly efficient operation. That's what Washington Federal does, as I wrote about in a previous issue of *Bank Director* magazine. In the two decades leading up to the financial crisis, it spent less than 20% of its revenue on expenses.

This may seem like it would make Washington Federal an attractive partner, given that efficiency tends to translate into profitability. From the perspective of a savvy acquirer, however, it means there are fewer cost saves that can be taken out to earn back any dilution.

MORE FROM BANK DIRECTOR

Bank Director focuses on the strategic issues most fundamental to a bank's CEO, senior leadership team, chairman and independent directors. Bank Director's board education program is an affordable membership program that combines Bank Director's conferences, their quarterly publication, director training videos and their online library of exclusive articles. For more information, please contact Amanda Wages at 615-777-8461 or *awages@bankdirector.com*.

Another way is to simply maintain a high concentration of ownership within the hands of a few shareholders. If a bank is closely held, the only way for it to sell is if its leading shareholders agree to do so. Widely dispersed ownership, on the other hand, can invite activists and proxy battles, bringing pressure to bear on the bank's board of directors.

Other strategies are contractual in nature. "Poison pills" were in vogue during the hostile takeover frenzy of the 1980s. Change-of-control agreements for executives are another common approach. But neither of these are particularly savory ways to defend against unwanted acquisition offers. They're a last line of defense; a shortcut in the face of a *fait accompli*.

Consequently, keeping a low media profile is one way that some top-performing banks choose to fend unwanted acquisition offers off at the proverbial pass.

While being acquired is certainly an attractive exit strategy for many banks, it isn't for everyone. And for those banks that have earned their independence, there are things they can do to help sustain it.

> Because the board of this bank has no interest in selling, it also has no interest in fielding sufficiently lucrative offers that would make it hard for them to say "no." This is why they avoid any unnecessary media exposure.

This article was originally published on BankDirector.com.

60% is good enough

Women in Banking Conference speaker explains importance of believing in yourself when it comes to job hunting.

CHRISTY PRUITT-HAYNES
Strategist, Speaker, and Coach, Christy Pruitt-Haynes Consulting

REGISTER FOR WOMEN IN BANKING CONFERENCE

Hear Pruitt-Haynes speak at TBA's *Women in Banking Conference* on October 16 at the TBA Barrett Training Center. Her session, titled "Banishing the Miss Congeniality Complex," will explore what that is, how it affects most women, and most importantly, how women can banish it and create the professional and personal lives they want.

Register now at *TNBankers.org*.

According to a Hewlett Packard report, men apply for a job when they meet only 60% of the qualifications, but women apply only if they meet 100% of them. Yes, that's right, there are application inequalities and a significant gap between men and women applying for roles. Why is that, and more importantly, how do we fix it?

Before I go further, let me go back in the past a bit. I spent 20 years working in human resources. During that time, I recruited for more than my fair share of jobs at every level, and I noticed a common trend. With few exceptions, I received more applications from men than women. Even when I accounted for population differences and industry trends, there was still a disproportionate number of men applying for jobs. The most concerning part was the higher the position; the more significant the gender gap was in applications.

For example, a coordinator level position may have 65% men apply while a vice president level role typically brought out 80% male applicants. I'm sure many of you are just as puzzled as I was. I know more women are graduating from college than ever before (and more women are graduating than men), so this trend made no sense. My confusion caused me to set out to figure out why.

What I discovered made me sad while confirming my suspicion… women tend to think we have to be twice as good before we put ourselves out there.

As I mentioned in the opening, on average a man will apply for a job if he meets at least 60% of the requirements. Conversely, women tend to apply only when they exceed 100% of the basic and preferred qualifications. There are several reasons for this; a combination of confidence, entitlement, and a general (dis)belief that we are good enough.

From a very young age, girls are taught to be gracious and to take care of others before they think of themselves. We are often encouraged to avoid competition and instead opt for being humble and unassuming. Those lessons stick

PHOTO: **SHUTTERSTOCK**

with us, and we tend to apply them universally to all areas of our life. That means we are more likely to lead with what we can't do instead of what we can. We wait to be asked instead of doing the asking and, obviously, we don't apply for a job unless we believe we are over-qualified.

So, how do we change that? The actionable answer is—apply… try… say "yes"… take the risk… put yourself out there… go for what you want! I realize all of that is easier said than done, but if we wait for everyone else to tell us we are ready; we may be waiting for a very long time.

There is a silver lining… once a woman is interviewed, she is just as likely to be hired as a man, so all we have to do is put ourselves out there. To my knowledge, no one has ever died of disappointment, and very few people regret trying. I know (and I bet you do too) several women who regret not trying, not asking the question, and not putting herself out there. Just think about it, a lot of the time you are going against someone who is only 60% qualified anyway, so YOU GOT THIS!


REACH NEW HEIGHTS.
Payment solutions you can rely on from people you can trust.

Estate and income tax planning in a world of uncertainty

MICHAEL BURNS, J.D., LL.M.
Scroggin & Company, P.C.

REGISTER FOR TRUST AND WEALTH MANAGEMENT CONFERENCE

Hear Michael Burns and other experts speak at TBA's Trust and Wealth Management Conference on October 17 & 18 at the TBA Barrett Training Center. Register now at *TNBankers.org.*

The uncertain future of estate and gift tax exemptions, coupled with potential high federal and state income tax costs, will require advisors to implement maximum flexibility in each client's estate plan and to consistently monitor such plan.

For decades, income tax planning and its first cousin, tax basis planning, have often been a secondary planning issue for advisors. However, the temporary high transfer tax exemptions adopted in the Tax Cuts and Jobs Act of 2018, the uncertain political climate that has many politicians calling for increased taxes on the wealthy, and high federal and state income tax costs, have brought income tax planning into the forefront of estate planning.

For affluent clients, advisors need to provide flexibility in the estate plan and consistently review such plan to manage tax basis and guard against the loss of transfer tax exemption.

Preserving Estate, Gift, and Generation Skipping Tax ("GST") Exemptions

For 2019, the current estate, gift, and GST tax exemptions are $11.4 million for an individual and $22.8 million for a married couple. These amounts, indexed for inflation, are scheduled to sunset in 2026.

There is also the ever-present threat that Congress may lower the exemptions. One example, the 99.8% Act, introduced by Bernie Sanders, proposed lowering the gift tax exemption to $1 million, lowering the estate and GST exemption to $3.5 million, and introducing a graduated rate starting at 45% and ending at 77%.

Considering these potential reductions, for ultra high-net-worth clients who will be subject to the estate tax regardless, it likely makes sense to utilize the additional gift and GST exemption as soon as possible. Advisors should structure these transactions to provide as much basis and income tax flexibility as possible.

For clients who would not be subject to an estate tax under the current exemptions, but would potentially be subject to the tax if there is a reduction, the advisor should conduct a deeper analysis. For example, for a younger client with a lengthy life expectancy, it likely makes sense to use the exemption as soon as possible whereas the advisor may recommend a wait and see approach for an elderly client. The advisor can also examine the use of other tools, such as intra-family loans, grantor retain annuity trusts, annual exclusion gifting, family limited partnerships, irrevocable life insurance trusts, and charitable strategies.

Maximize the Basis Step-up

The first priority is to ensure that an individual's taxable estate consists of the assets that would benefit the most from a step-up in tax basis under the Internal Revenue Code ("IRC")

§ 1014. Listed below are a number of techniques to manage and maximize tax basis:

- Look at exercising "swap powers" in Intentionally Defective Grantor Trusts ("IDGT") previously established by the client. For example, assume an elderly client previously gifted low basis stock or property subject to depreciation or amortization to an IDGT. By exercising the "swap power" and transferring the asset into the individual's estate (in exchange for high basis assets and/or a promissory note), the asset will receive a step-up in basis.

- Have the client borrow against the value of low basis assets and transfer the borrowed funds to family members in ways that don't require the use of the exemption (e.g. annual exclusion gifting, intra family loans, etc.).
- For nontaxable estates, consider using IRS positions on IRC § 2036 to pull gifted interests in partnerships and LLCs back into the decedent's estate to gain a new basis step-up on prior gifts.
- Contemplate how appraisals for nonreadily marketable assets will be handled at the decedent's passing. For example, for individuals with a nontaxable estate, consider converting to general partnerships and/or obtaining majority control in order to limit valuation discounts to secure an increased basis step-up.
- The flexibility built into clients' estate planning documents must be expanded to include greater flexibility to reduce income taxes and create better tax basis results. For example, executing a General Power of Attorney, which permits the holder to convert an IRA into a ROTH IRA or make pre-mortem decisions that increase the heirs' tax basis in various assets (e.g., selling assets with unrealized losses before death).
- For married clients, when one spouse has a terminal illness or a reduced life expectancy, consider transferring low basis assets into that spouse's name in order to receive the full basis-step up, but beware of the application of IRC § 1014(e).

SEP Plans: Another connection to small employers

STEVE CHRISTENSON
Executive Vice President, Ascensus LLC

Community banks have a strong success rate when it comes to helping local employers build strong foundations for their businesses. Banks provide small business loans to allow owners to expand and grow. The banks provide commercial checking accounts so that owners can conduct the day to day business operations including meeting payroll. These are critical support functions that banks have provided throughout their history.

But what if your bank could also help business owners invest in their own futures and help them retain good employees by offering a retirement plan? Business owners across the country face a critical need. We are seeing the largest percentage of Americans actively working than we have in decades—the latest national unemployment figure was 3.8%[1]. This creates much greater competition for workers. Benefits play a key role in whether someone will accept a position and also whether they stay with that employer. Healthcare and retirement benefits are the two key drivers in that decision.

The Coverage Gap

According to an AARP survey, 55 million workers do not have access to an employer-based retirement plan[2]. Without some sort of driver, the average employee will not seek out a retirement savings option on her own. This lack of access is more pronounced with micro employers (1–50 employees) and small employers (51–99 employees). According to Morningstar, only 48 percent of employees in the micro market have access to a retirement plan[3]. That number increases to 67 percent for small employers. With that level of coverage gap, you begin to understand why state and local governments have started to step in with other retirement savings options. Community banks also have an opportunity to fill the coverage gap by offering retirement savings plans suited for small businesses, such as simplified employee pension (SEP) and savings incentive match plan for employees of small employers (SIMPLE) IRA plans.

A Solution for Small Employers

SEP plans are available to nearly every type of business, but usually attract small businesses or self-employed individuals. In a SEP plan, employers can choose to make Traditional IRA contributions (according to specific formulas) to themselves and eligible employees. An employer generally can contribute a maximum of the lesser of 25 percent of the employee's compensation for that year or $56,000 for 2019.

These plans offer many of the same advantages of other plans, but are easier and less expensive to maintain profit sharing or 401(k) plans. SEP plans benefit both employers and employees in the following ways.

Employers

- Less expensive to maintain
- Relief from fiduciary liability for investment performance
- Deductible employer contributions
- Discretionary employer contributions
- Start-up tax credit

MORE ABOUT ASCENSUS

Ascensus delivers technology and expertise to help millions of people save for what matters most retirement, education, and health care. With more than 35 years of experience, the firm offers tailored solutions that meet the needs of financial institutions, state governments, financial professionals, employers, and individuals. For more information, visit *www.ascensus.com* or contact Heather Hoskins at *heather.hoskins@ascensus.com*.

Employees

- Opportunity to save for retirement
- Tax-deferred contributions and earnings until distributed
- Employer funds contributions to the employee's Traditional IRA
- Employee owns the Traditional IRA contributions immediately

Easy for Employers

One of the most common questions we receive at Ascensus is "How difficult is it to establish a SEP plan?" The answer is: the process is generally easy. The bank can provide to the employer a plan document based on IRS Form 5305-SEP, Simplified Employee Pension-Individual Retirement Accounts Contribution Agreement. The employer makes a few elections on the document before their tax return due date plus extensions, and the plan is created.

Eligible employees, including the business owner, must also establish Traditional IRAs to receive contributions. Your bank may coordinate with the employer to provide education and streamline the Traditional IRA establishment process to encourage enrollment with your organization.

Easy for Banks

There is little investment you need to make to enter or enhance this market. Your bank likely already has much of what you need to offer SEP plans.

- **SEP Plan Document for Employers**—The bank can secure a SEP plan document to provide to employers. The bank can elect to charge for initially providing the document, or annually for maintaining it.
- **Traditional IRA Document for Employees**—These IRA opening documents are the same documents used for all Traditional IRAs the bank services today.
- **Required Reporting**—The bank must report SEP contributions to the employee's Traditional IRA just as they do for all Traditional IRAs. There is no additional reporting required; the difference is properly coding the contributions as SEP contributions for the correct tax year.

The key differential for a bank will be their willingness to educate both their staff and small businesses. You should be able to provide employers with baseline education about the rules and benefits of a SEP plan. Assisting employers and employees by providing helpful information will lead to successful SEP plans and stronger bonds with your bank.

Consider offering simplified employee pensions (SEPs) to small businesses your bank works with. This retirement benefit may help the business attract and retain employees, while simultaneously building a stronger bond between the business and your bank.

PHOTO: **SHUTTERSTOCK**

Notes and References

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3 Morningstar,"Small Employers, Big Responsibilities: How Policymakers Can Address the Small Retirement Plan Problem," November 2017, *https://www.morningstar.com/content/dam/marketing/shared/pdfs/policy/SmallEmployersBigResponsibilities.pdf.*

LIBOR to SOFR: Making a successful transition

DENNIS FALK
Senior Vice President, Regional Manager, PCBB

The London Interbank Offered Rate (LIBOR) has been used for more than three decades as the global standard benchmark for pricing all types of financial transactions, from small business loans to globally syndicated derivative structures. Now, that will soon change and financial institutions will need to adjust their loans to a new benchmark, the Secured Overnight Financing Rate (SOFR). So, what is involved in this transition, and how can banks minimize the potential risks?

The Background of LIBOR

Since its launch, LIBOR has been the market standard benchmark for pricing all types of financial transactions; from small business loans to globally syndicated derivative structures. It represents the average of money market funding rates surveyed from about 16 leading banks in London.

However, following banking reforms instituted after the 2008 financial crisis, money market interbank funding activity experienced a sharp and sustained decrease in activity. As such, the surveyed rates underpinning LIBOR have increasingly relied on "expert judgment" as opposed to actual transactions. This reliance on fewer underlying transactions has created growing concern about LIBOR as an accurate reference for trillions of dollars of transactions tied to LIBOR. The concern has accelerated over recent years, as the financial institutions providing the surveyed rates will no longer be required to do so after 2021.

What is SOFR?

Responding to these concerns, the ARRC established the Secured Overnight Financing Rate (SOFR) as the replacement index for USD LIBOR in 2018. The FRBNY then launched publication of SOFR on April 3, 2018 at 1.80%.

So, what is SOFR? SOFR is a broad-based measure of the cost of borrowing cash overnight, collateralized by Treasury securities. As SOFR is a secured rate comprised of essentially "risk-free" funding, it will tend to be lower in rate versus LIBOR, which reflects interbank funding credit risk in its rate. At SOFR's launch, the launch rate was 8 basis points lower versus 1-month LIBOR and 12 basis points higher versus overnight U.S. Fed Funds.

SOFR Compared to LIBOR

As a secured rate, during periods of credit stress, SOFR may not exhibit the wild rate swings observed with LIBOR. This absence of a credit risk element will therefore have to be taken into account when benchmarking to SOFR. On balance, SOFR should track well with the general direction of interest rates, as it is highly correlated to existing LIBOR and Fed Funds benchmarks.

The Estimated Timeline for SOFR

Given the enormity of existing transactions tied to LIBOR—over $200 trillion in the interest rate swap market alone—the transition from LIBOR to SOFR is expected to be carefully implemented, including key milestones, before widespread adoption. As such, it's important to follow the progress and make the necessary adjustments.

The Expected Transitional Impact

Due to the difference in calculation and sources between SOFR and LIBOR, credit spread adjustments will be necessary to maintain the stability of transaction economics. In determining the necessary credit spread adjustment, it is very important to ensure consistency of the existing economics. The adjustment can be determined from a historical mean/median of the SOFR vs LIBOR index spread or from the basis difference in fair values using the respective SOFR and LIBOR yield curves at transition.

Key Steps Community Banks Can Take

The good news for bankers is that we still have a few years before a full-fledged transition. Yet, there are some potential challenges you may need to address.

- Watch for higher levels of contract variation and adjust your contracts, especially new commercial loans, according to the appropriate index
- Address borrowers' concerns over the loss of visibility into their cash flows with this change
- Fine-tune pricing, terms and disclosures for any new LIBOR-linked lending over a period of time
- Track the SOFR versus LIBOR relationship as you manage your existing loans and underwrite new transactions

Even though the transition to SOFR will not need to be completed until 2021, steps need to be taken long before then to ensure the integrity of your loan portfolios. Though transitioning from LIBOR to SOFR does not need to be difficult, it is important to understand the nuances involved.

LIBOR VS. SOFI

LIBOR		SOFI
100+ institutions (actual trades)	Transactions Based On	16 banks (polled estimate)
$700+ billion	Daily Transaction Volume	$500+ million
Secured rate (risk-free)	Secured or Unsecured Rate	Unsecured rate (risk-priced)
Currently overnight only	Maturities	Overnight to 12 months

A beginner's guide to social media compliance for financial institutions

CRAIG LIPPMANN
Director,
Strategic Partnerships & Alliances
CSI

Social media channels provide financial institutions with a unique opportunity to engage in helpful two-way communication with customers, prospects, employees and critics.

However, communicating with customers through social media carries its own regulatory and compliance concerns, especially for financial institutions. Is social media considered advertising? Which regulations dictate what institutions can and can't say? The answers are not cut and dried, but understanding the compliance framework around social media is a critical first-step toward lowering your organization's risk.

Know These Key Social Media Regulations

First and foremost, your social media content must meet federal regulations. And although marketing laws do not directly address social media requirements for financial institutions, many existing laws and regulations specific to the financial sector treat the internet—including social media sites—as a marketing channel. This means that all requirements that would apply to your organization's website also apply to your social media accounts. So how do you go about leveraging social media while ensuring proper compliance?

Here are a few key regulations to keep in mind:

- **Reg B:** This regulation prohibits discrimination against certain credit applicants. Images and statements should be carefully reviewed to avoid discouraging creditworthy applicants or implying your institution primarily serves a certain class of people. Given the dynamic and inherent nature of social media, it's critical to implement ongoing, frequent monitoring for activity that could violate Reg B.
- **Reg Z (Truth-in-Lending Act):** The Reg Z compliance requirement applies to all commercial messages that promote credit transactions. Further caution and adequate training are necessary when advertising interest rates or specific credit terms through social media, since employees' interaction with consumers about credit products also can trigger specific disclosures. And if a communication of this type is sent, you must keep a record of the message for two years.
- **Reg DD (Truth-in-Savings Act):** This rule applies to any commercial message, in any medium, that promotes deposit accounts. The rules are intended to ensure advertisements are not misleading, inaccurate or misrepresentative of the institution's deposit contract. Advertisements through social media that include deposit rates trigger the same disclosures as those applicable to your website and print media.

It would be wise to conduct a thorough review of these five critical regulations to determine if your social media efforts measure up.

Best Practices for Social Media Compliance

So now that you know your institution is on the hook for the aforementioned regulations, how do you remain compliant? Unfortunately, few of these regulations give clear-cut, practical action items. However, there are some best practices that can keep your social media outreach in the good graces of regulators.

- **Conduct a Social Media Risk Assessment:** Before jumping into social media, you should complete a risk assessment to predict your compliance exposure. This assessment will reveal the controls needed to protect against threats from both technology failure and human mistakes while meeting regulator expectations.
- **Approve Your Content:** Depending on your social media strategy, your institution might post a few times over the course of a week or multiple times per day. Regardless of the frequency or platform, set up an approval process to ensure all posts meet regulatory guidelines.
- **Create an Employee Social Media Policy:** A social media policy should cover an employee training program, training schedule and rules of engagement.
- **Provide an Audit Trail:** Keep a record of all Facebook, Twitter, YouTube, and LinkedIn posts for required timeframes. Further, preserve any consumer communication on lending or credit terms, promotions for deposit accounts, loan application information or public comments received about a bank's performance, typically for two years.
- **Don't Forget to Disclose:** Social media testimonials are subject to truth-in-advertising laws, so include clear disclosures from bloggers or consumers if they are being compensated in any way. Employees must also disclose their status if they make comments about your institution or its products or services online. All social media landing pages should display the FDIC logo and, if you provide mortgage loans, disclose "equal housing lender" statements.
- **Get a Pro in Your Corner:** If you're still overwhelmed, or if you'd rather take a hands-off approach to social media regulatory upkeep, partner with a third-party social media compliance platform that can manage your institution's social media compliance while enhancing your strategy.

For some, the risks in social media can seem overwhelming, but understanding the key regulations and utilizing these best practices ensures that you are prepared to handle any issues that arise. With these steps in place, social media can be a direct, exciting channel for communicating your bank's value to the community.

ILLUSTRATION: SHUTTERSTOCK

New Associate Members

The following companies have joined the Tennessee Bankers Association as associate members. TBA's associate members deliver valuable products and services that help Tennessee's financial institutions serve their customers. In addition, they provide considerable support to TBA efforts and programs. You will find a complete list of TBA associate members on the TBA website at TNBankers.org. If you have questions about TBA's associate members, please contact Stacey Langford at *slangford@TNBankers.org*.

CORRESPONDENT BANK SERVICES

Essential Financial Investments Corp
565 E Sample Rd
Pompano Beach, FL 33064- 4425
Phone: 954-470-9493
www.essentialmsb.com
Contacts: Wilson Daniel Jaykosz Jr. - *daniel@essentialmsb.com*
Carmen Carboni Jaykosz - *carmen@essentialmsb.com*

Our company has provided services in the area of financial correspondence for banks and financial entities within the United States and outside the United States for over four years.

ECONOMIC DEVELOPMENT

Cumberland Capital Partners
345 S Jefferson Ave, Ste 306
Cookeville, TN 38501-3456
Phone: 816-807-8980
www.cumberlandcapitalpartners.org
Contacts: Jim Darter – *jim@cumberlandcapitalpartners.org*
Jonathan McNabb – *jonathan@cumberlandcapitalpartners.org*

Cumberland Capital Partners is a certified Community Development Financial Institution (CDFI). Our mission is to advance economic opportunities and improve the quality of life for lower-income individuals and communities through affordable financing unavailable in the conventional market.

LENDING

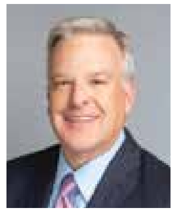
Swanston

CashPlease by Velocity Solutions
PO Box 460939
Fort Lauderdale, FL 33346-0939
Phone: 954-847-5800
www.cashplease.com
Contact: Steve Swanston
sswanston@myvelocity.com

CashPlease is a fully-automated digital lending platform that allows you to offer your customers short-term, small-dollar loans in a responsible, compliant, and affordable way. Your customers can apply for loans 24/7 on your bank's branded CashPlease website or mobile app. Loan amounts generally range from $100 to $1,500 and do not require a traditional credit check—an ability-to-repay determination is made by Velocity's data-driven proprietary algorithm. Your customers will know immediately whether they are approved for a short-term loan, and the funds will be deposited directly and conveniently into their account. CashPlease is powered by Velocity Borrower Logic, LLC, an affiliate of Velocity Solutions, LLC.

SPECIAL SERVICES

B&F CAPITAL MARKETS, INC.


Thoma

B & F Capital Markets, Inc.
4235 Hillsboro Pike, Ste 300
Nashville, TN 37215-3344
Phone: 205-545-7792
Website: www.bfcmi.com
Contact: Bracton Thoma - *bthoma@bfcmi.com*
Dolf Roell - droell@bfcmi.com

B&F Capital Markets provides banks with a fully operational, professionally staffed client interest rate risk management group without the significant capital investment and learning curve traditionally associated with starting such a group. Banks that partner with B&F are able to quickly develop successful and profitable interest rate swap capabilities. A strategic partnership with B&F provides banks with the benefits of specialized experience from our seasoned team of professionals. B&F has unmatched experience at developing client interest rate risk management programs and operates under proven methodologies that get results. B&F also utilizes state of the art technology ensuring that all operational and reporting requirements are met. Headquartered in Cleveland, we also have offices in Nashville, Austin, Birmingham, New York, Philadelphia, and Salt Lake City in order to best serve our national client base.

QwickRate
1350 Church St Ext NE, Ste 200
Marietta, Georgia 30060-1240
Phone: 678-797-4088
Toll-free: 800-285-8626
Fax: 770-427-7669
Website: www.qwickrate.com
Contact: Melissa Wallace – *melissa.wallace@qwickrate.com*

QwickRate provides the premier nonbrokered CD Marketplace for funding and investing with fast connections to over 3,000 institutions so banks can proactively manage liquidity needs. QwickRate also offers an array of powerful, affordable tools, and services to help simplify and make work easier, faster, and more successful for bankers. QwickAnalytics delivers compelling online research on all banks, performance analytics, and regulatory compliance tools, including the new CECLSolver. QwickSentry provides proprietary data security monitoring and continuous threat intelligence never more critical than now. QwickBonds enables banks with online access to the institutional bond market for greater investment and liquidity options.

People on the Move

Have information from your bank about promotions or branch news? Send it to Lila Griffin at *lgriffin@TNBankers.org*.

Alexander Thompson Arnold PLLC, Jackson, has added **Marcie Williams** as a new partner to the firm.


WILLIAMS

BancorpSouth Bank, Jackson, has named **Mike Platz** as the community bank president for Middle Tennessee.


PLATZ

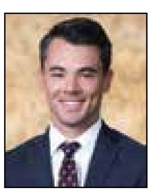
Bank of America has named Merrill Lynch Wealth Management Market Executive **Livingston Albritten** as market president for Memphis, succeeding Market President **Michael Frick** who continues his role as Global Commercial Banking market manager for western Tennessee, Alabama and Mississippi.

Bank of Frankewing, Lawrenceburg, has named **Donna Rosson** as an assistant vice president and loan officer.


ROSSON

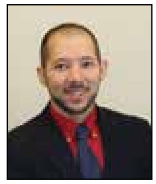

LITTLE


MACK

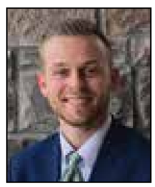

LAWSON

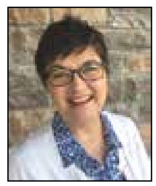
Burr & Forman LLP, Nashville, has welcomed **Alex Little** and **Emily Mack** as partners and **Zack Lawson** as an associate.


MUSICK

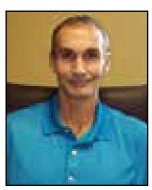

TEFFETELLER

CBBC Bank, Maryville, has promoted **Brent Musick** to vice president; and **Dillan Teffeteller** to manager of the Hwy 411 South branch.


HINCHMAN


PERRY

Cedarstone Bank, Lebanon, has named **Jamie Hinchman** as branch manager of the Nashville office; and **Jennifer Perry** as branch manager of the Lebanon office.


BARNES


STATEN


TEMPLETON

Centennial Bank, Trezevant, has named **Michael Barnes** as community president at Henderson and Adamsville branches; **Kerrie Staten** as marketing director; and **Jai Templeton** as community development manager at Adamsville.

Citizens Community Bank, Winchester, has named **Johnny Hand** as a loan officer.


HAND


STOOTS


WEBB

Commercial Bank & Trust, Paris, has named **Brett Stoots,** CPA, as controller; and **Susan Webb** as an assistant vice president and loan officer.

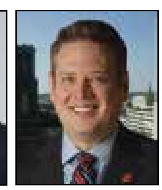
Evolve Bank & Trust, Memphis, has appointed **Tom Gamache** as senior vice president, strategic growth initiatives.


GAMACHE

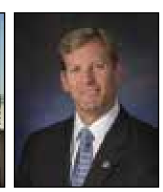
F&M Bank, Clarksville, has named **John Bartee, Jr.,** as vice president, agricultural lender for Robertson County.

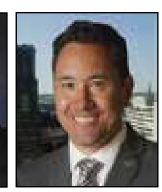

FLYNN


GODFREY


MATHEWS


OUTLAW


HICKEY


PETRI

Fifth Third Bank, Nashville, has promoted **Erik Flynn** to commercial real estate analyst; **Jonathan Godfrey** to senior vice president, market executive and commercial team leader; **Tyler Mathews** to business banker; and **Mary Catherine Outlaw** to regional retail coordinator. In addition, **JP Hickey** was named as market executive for commercial banking in Memphis; and **Rick Petri** as business banking relationship manager.

People on the Move *continued*


RICHER


WALDON

Financial Federal Bank, Memphis, has named **Stephanie Richer** and **Linda Waldon** as vice presidents and co-leaders of the bank's newly-formed treasury management department.


HACKETT


WILLIAMS


BRIDGES


SLATER


BRADLEY


BROOKS

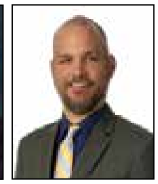

PATTERSON


BRIGGS

First Advantage Bank, Nashville, has promoted **Ellen Hackett** and **Darryl E. Williams** each to chief credit officer; **Brandon Bridges** and **Josh Slater** each to assistant vice president relationship manager. The bank has named **Clark Bradley** as commercial relationship manager; **Mark Brooks** as metro market executive; **Joey Patterson** as vice president, commercial relationship manager; and **Chip Briggs** as mortgage originator.


EDMONDSON


CHAPEL


LENSS

First Farmers and Merchants Bank, Columbia, has promoted **Ariel Edmondson** to mortgage loan originator; **Steve Chapel** to senior treasury management officer; and **Nathan Lenss** to branch manager at the Port Royal office, Spring Hill.

First Freedom Bank, Cookeville, has named **Abigail Hernandez** as financial services representative.

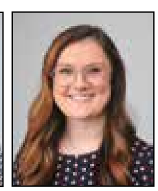

HERNANDEZ

First Freedom Bank, Lebanon, has named **Pamela Neal** as financial services representative.


NEAL

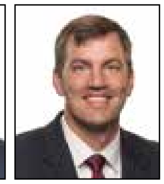

WATTENBARGER

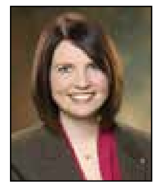

OAKLEY

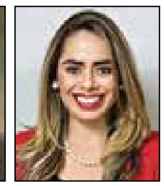

KIRKLAND

First Freedom Bank, Mount Juliet, has promoted **Kaitlin Wattenbarger** to Providence office manager; and **Tori Oakley** to personal banker; and named **Blair Kirkland** as financial services representative.


GRUBB


RUSSELL


WILSON


RONQUILLO

First Tennessee Bank, Nashville, has promoted **Jarrod Grubb** to senior vice president; **Stephen Russell** to senior vice president, head of trust and estate administration for FTB's new Middle Tennessee trust office; and **Rachel Wilson** to financial center manager. **Karla Ronquillo** was named as an assistant vice president financial center manager.

FirstBank, Nashville, has added these team members: **Julie Hanson,** Cool Springs; **Kyleigh Hollingsworth,** Camden; **Cory Snively,** Jackson; **Kadana Coward** and **Christine Newberry,** Knoxville.


GARLAND

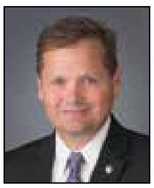

MELTON


HEWETT


BOGLE


CAMARGO


INSANA


HOLSINGER

Franklin Synergy Bank, Franklin, has promoted **Mandy Garland** to senior vice president; **Renay Melton** to vice president; **Adair Hewett** to assistant vice president; **Holly Bogle** to assistant vice president; and **Katie Camargo** to officer. The bank has named **John Insana** as senior vice president; and **Don Holsinger** was named director of mortgage banking.

InsBank, Nashville, has added **Andrew Smith** as FVP director of treasury management; **James Nicholson** as vice president relationship manager; and **Kristin Schuh** as assistant vice president deposit services manger.


TAYLOR


CARLISLE


GIBSON

Paragon Bank, Memphis, has promoted **Vanessa Taylor** to vice president of consumer banking. **Thomas Carlisle** was named a credit analyst; and **Lauren Gibson** as a financial services associate.


BOWDEN


PARKS


PILGRIM

Pinnacle Financial Partners, Chattanooga, has added **Amie Bowden, Kelly Parks,** and **Shari Pilgrim** to their downtown office staff on Broad St.

Pinnacle Financial Partners, Nashville, has named **Wes Payne** as senior vice president and financial advisor.


PAYNE

Reliant Bank, Brentwood, has named **Rachel Crowder,** as assistant vice president branch manager of Gallatin's Nashville Pike location.

Republic Bank & Trust Co has named **Chad Hart** as market president for the Nashville office.

SmartBank, Murfreesboro, has named **David Scott** as senior vice president, Rutherford County market executive.


SCOTT


BEARDEN

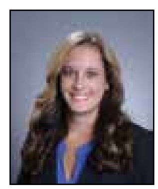

CONNELL


COOK


SALE

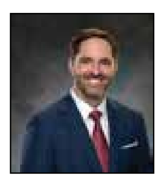

CROSS

The Trust Company of Tennessee, Knoxville, has welcomed **Ashley Bearden** as human resources coordinator; **Carmen Connell** as accounting associate; **Thomas Cook** as client specialist; and **Ryan Sale** as human resources, special projects, and office services assistant. In the firm's Chattanooga office, **Allison Kidd Cross** was named as relationship manager.


MCKINLEY


BLANTON

Watkins Uiberall, PLLC, Memphis, has promoted **Rachel C. McKinley** and **Cherry L. Blanton** each as principal in the attest/assurance service group.


BASH


LEA

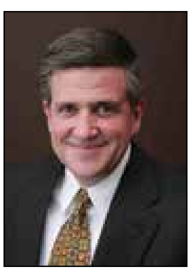
Wells Fargo Bank, N.A. has promoted **Mike Bash** as leader of the Nashville office; and named **Chris Lea** to oversee commercial banking operations in Tennessee and Kentucky.

Bank Notes

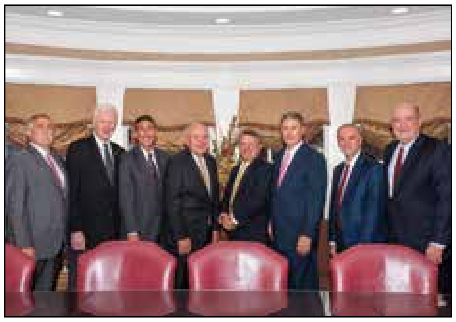
Bank of Dickson's former vice president **Tom Crow** retired after serving 38 years.

Bank of Lincoln County, Fayetteville, celebrated **Janet Wilkerson's** retirement after 23 years of service.

Roy L. Harmon, CEO and chairman of **Bank of Tennessee, Kingsport,** has announced his retirement. **Dale Fair,** president and COO of the bank, will succeed Harmon.



HARMON



Alex Richmond, BankTennessee; Jim Rout, BankTennessee; U.S. Rep. David Kustoff; Tom Paschal, Randy Lankford, and Larry Wilkerson, BankTennessee officials; Commissioner Greg Gonzales; and, Wright Cox, BankTennessee

BankTennessee, Collierville, hosted **U. S. Rep. David Kustoff** and **Commissioner Greg Gonzales of the Tennessee Department of Financial Institutions** as guest speakers at the bank's Leadership Forum June 7.

Centennial Bank, Trenton honored their senior vice president **Christine Hendrix** for her 50 years of service.

Chester County Bank, Henderson, and **Farmers and Merchants Bank, Adamsville,** have merged into and changed their name to **Centennial Bank, Trezevant,** effective as of 7/1/19.

Melissa Colvin of **The Farmers & Merchants Bank, Humboldt,** retired at the end of June.

First Alliance Bancshares Inc and its subsidiary **First Alliance Bank, Memphis,** have agreed to be acquired by Belzoni, Mississippi-based Guaranty Capital Corp., holding company for Guaranty Bank & Trust Company, in an all-cash transaction.

First National Bank of Middle Tennessee, McMinnville, has celebrated a new **Nashville** location with an open house and ribbon cutting.

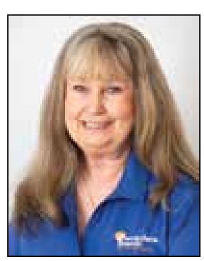
Myra Dickey (center) former banker at **Fayetteville's First National Bank of Pulaski** has retired after serving 44 years in banking.

In **Memphis, First Tennessee Bank's** West Tennessee regional chairman, **Bruce Hopkins** has retired after serving nearly 34 years.

FirstBank, Nashville, opened a new branch in **Memphis**' TraVure location on Poplar Ave.

INSOUTH Bank, Brownsville, celebrating 150 years of banking in 2019, has opened a loan production office in **Jackson**, Tenn.

Pictured is **Charlie Koon** (front row, 3rd from right), vice president of military and corporate relations for **F&M Bank, Clarksville,** who participated in the U.S. Army War College 65th annual National Security Seminar in the graduate-level seminar to exchange thoughts about national security topics.



Dora Debity, formerly vice president and branch manager of **Peoples Bank of East Tennessee, Tellico Plains,** has retired after 22 years.

Macon Bank & Trust Company, Lafayette, celebrated its centennial anniversary June 29. (1) **Sen. Mark Pody and Rep. Kelly Keisling** presented a 100 Year Proclamation; (2) and Vice President **Johnathan West** presented an award to **William B. Green** as the longest living active director.(3) **Carolyn Wilburn** was honored as the longest serving employee who has since retired after 50 years of service.

Robnetta Sherrill and **Linda Turner,** former employees of the **Collinwood Branch** of **Wayne County Bank,** have retired after many years of service.

Community Building

If your bank's Facebook page has highlights from community involvement, tag *@TNBankers* in the post to possibly get it published in *The Tennessee Banker* magazine.

Employees from **Centennial Bank, Bolivar,** hosted a financial literacy program at Common Grounds Café & Co., a nonprofit workforce development program and donated $500 to help with the workforce program.

Children of the City of Bolivar Day Camp visited **Centennial Bank, Bolivar** for some mini sessions on finances.

Bank of Lincoln County, Fayetteville, was presented with the 2019 *Friend of Education Award* for their efforts and contributions to public education.

Clarksville's F&M Bank, made a donation to the Clarksville, Tennessee State Veterans Home.

First Farmers and Merchants Bank's East Hickman and **Centerville** offices have made a donation to the women's shelter: Women Are Safe. In addition, **First Farmers** was a sponsor of Hammers & High Heels of Habitat for Humanity Williamson-Maury.

Cleveland's First Tennessee Bank market leader Bill Martin and vice president Erica Malone presented a **First Tennessee Foundation** $1,000 grant to Creative Storytelling, a non-profit that uses creative storytelling in local care facilities to benefit those with Alzheimers and dementia.

Pictured are **First Tennessee Bank** employees who volunteered to prepare more than 470 meals at The Nashville Food Project's new kitchen, and then packed the meals into the organization's new delivery van. Both the new kitchen and delivery van as well as operational and maintenance reserves were covered by a $100,000 grant from the First Tennessee Foundation.

Pictured are Brian Hercules, manager of Town of Smyrna and Mika 'il Petin, Ph.D. of Motlow State Community College with **First Tennessee Bank** officials Shannon Bryant, Lethia Mann, Cindy Beverley, Erin Smith, Yolanda Greene, and Carol Yochem, co-hosts of an open house for its **Smyrna** HOPE Inside location.

Paragon Bank, Memphis, worked with Make-A-Wish Mid-South to grant the bank's 14th wish to five-year-old Khamil to go to Walt Disney World Resort. Paragon team members recreated a Nickelodeon episode of Team Umizoomi with activities for her to do and ended with granting the wish.

Team members of **Nashville's Pinnacle Financial Partners** and **KraftCPAs PLLC** associates jointly volunteered at Second Harvest Food bank of Middle Tennessee to sort and pack food for families in need.

The **SouthEast Bank** team, **Ooltewah,** collected school supplies and back packs for The Samaritan Center's Stock Their Lockers initiative.

TNBANK, Oak Ridge, has given $1,000 to Girls Inc. of Tennessee Valley for their annual Gala for Girls, so they can participate in programs such as economic literacy.

Memphis' Triumph Bank team members volunteered at Camp Hope, the summer program of The Salvation Army of Memphis by breaking in new sports equipment and board games and talking about their roles at the bank.

Trustmark National Bank, Memphis, was a sponsor of the second annual Memphis Chicken & Beer Festival, which benefited The Dorothy Day House, a local nonprofit that works with homeless families.

Employment Opportunities

POSITIONS AVAILABLE

1909-1 VP COMPLIANCE BSA OFFICER
Tai-State Bank of Memphis is seeking a qualified VP Compliance BSA Officer. Send Resume to Pamela R. V. Jones at *pjones@tristatebank.com* or Darius Davis at *ddavis@tristatebank.com*.

1908-12 FINANCIAL SERVICES BANKER (FLOAT)
Reliant Bank is currently seeking a Financial Services Banker for their James Campbell Branch. Qualified candidates may submit their resume via *https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=235057929*.

1908-11 DEPOSIT OPERATIONS SPECIALIST
Reliant Bank is currently seeking a Deposit Operations Specialist in Franklin, TN. Qualified candidates may submit their resume to *https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=235034568*.

1908-10 LENDING COMPLIANCE OFFICER
CBBC is seeking a qualified Lending Compliance Officer for their Maryville, TN operations center. Qualified candidates may send their resumes to Susan Zerambo at *szerambo@cbbcbank.com*.

1908-9 PORTFOLIO MANAGER
CBBC is seeking a qualified Portfolio Manager for their Commercial Loan Department. Interested parties may send their resumes to Susan Zerambo at *szerambo@cbbcbank.com*.

1908-8 ASSISTANT BRANCH MANAGER
Reliant Bank is currently seeking an Assistant Branch Manager in Thompson Station, TN. Qualified candidates may submit their resume via *https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=235054214*.

1908-7 SENIOR COMMERCIAL CREDIT UNDERWRITER
Reliant Bank is currently seeking a Senior Commercial Credit Underwriter in Brentwood, TN. Qualified candidates may submit their resume via *https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=235051846*.

1908-4(M) SENIOR AUDITOR
KraftCPAs PLLC is seeking a qualified Senior Auditor – Specializing in Regulatory Compliance. Interested candidates may apply at *https://www.kraftcpas.com/careers/*.

Tennessee banks and associate members may list positions free-of-charge as a benefit of their membership in the Tennessee Bankers Association. Those interested in placing an ad or replying to position openings (refer to position number) should direct their inquiries to Penny Powlas at *ppowlas@TNBankers.org*, or 800-964-5525 or 615-244-4871. View more positions at *TNBankers.org/jobbank*.

Featured Event

OCTOBER 24 & 25

BANK DIRECTORS RETREAT

In Conjuction with

TN Department of Financial Institutions

DoubleTree by Hilton Hotel

Early Registration Deadline: October 10
TBA Member/Associate Member Registration: $375
TBA Contact: Monique White, *mwhite@TNBankers.org*

With regulators expecting more oversight from board members in areas such as strategic planning, risk mitigation, and company culture, it is increasingly essential for both seasoned and new directors to remain ahead of the curve in a rapidly evolving and complex industry. From corporate governance to value drivers, TBA's annual Bank Directors Retreat addresses the internal and external factors that impact organizational strength through peer connections, and offers sessions led by industry experts and thought leaders.

CEOs, presidents, senior officers, outside and inside board members will benefit from this comprehensive event created to identify and explore issues important to shareholders and depositors alike. Join us to evaluate industry challenges, develop new insights, and engage with a network of like-minded executives.

Hear from the experts.

- **Strategic Sources and Uses of Capital**
  Philip Smith, Attorney, Gerrish Smith Tuck, Memphis
- **Live from the Trenches—Update on Current Regulatory Trends**
  Mark Miller, Shareholder, and Steve Eisen, Shareholder, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, Nashville
- **Cybersecurity: What Bank Directors Must Know to Protect Their Institution**
  Scott Logan, Technical Director of Security, NetGain, Chattanooga
- **State Banking Update**
  Greg Gonzales, Commissioner, Tennessee Department of Financial Institutions, Nashville

You're Invited!

Join us for the Opening Night Reception on October 24 at the **George Jones Museum** (128 2nd Ave, N, Nashville). Experience Jones' legacy and see his world-class memorabilia up close and personal while catching up with friends.

Thank You Sponsors

CRI Carr Riggs & Ingram CPAs and Advisors
FinancialPSI Financial Products & Services, Inc

That's one way to start class

Wielding guns seemed to be a popular activity during TSB II. Left, deputy simulation director Howell Foust holds simulation director John Jordan at bay. While instructor McCoy Campbell wakes a sleepy early morning class with a bang.

When you were in school, did you ever daydream in class or were you temped to doze off? Well if you were a part of McCoy Campbell's 1986 Tennessee School of Banking lecture, you knew better.

Campbell, a then-retired senior vice president from American National Bank and Trust Company in Chattanooga, started each class with a "bang" with his toy pop gun to wake sleepy students.

Shenanigans didn't stop there as deputy simulation director Howell Foust got ahold of the toy gun and held simulation director John Jordan at bay.

Originally featured in *The Tennessee Banker* in September 1986.

Professional Development Calendar

EVENING September 9, 11, 23, 25
Opening New Accounts in Tennessee
Kingsport, Knoxville, Jackson, Nashville

September 10, 12, 24, 26
BSA/AML Compliance Management
Kingsport, Knoxville, Jackson, Nashville

September 16 & 17, 18 & 19, 24 & 25
Compliance with Federal Lending Regulations
Nashville, Knoxville, Jackson

September 18–20, 23–26
Young Bankers Division Leadership Luncheons
Cookeville, Kingsport, Knoxville, Nashville, Jackson, Memphis, Chattanooga

September 24, 25, 26
CEO Forums, Session 3 of 3
TBA Gilliam Board Room, Nashville

Oct 6–8
CEO/Executive Management Conference
Fairmont Whistler, British Columbia, Canada

October 7 & 8, 9 & 10
Basic and Advanced IRA
Knoxville, Nashville

October 15
Appraisal and Banking Conference
TBA Barrett Training Center, Nashville

October 16
Women in Banking Conference
TBA Barrett Training Center, Nashville

October 17 & 18
Trust & Wealth Management Conference
TBA Barrett Training Center, Nashville

October 23 & 24
Community Banking Conference presented by the Independent Bankers Division
DoubleTree by Hilton Hotel, Nashville

October 24 & 25
Bank Directors Retreat
DoubleTree by Hilton Hotel, Nashville

November 6, 7, 8
CFO/Controller Forums, Session 3 of 3
TBA Gilliam Board Room, Nashville

November 7 & 8
Certified Banking Cybersecurity Manager
TBA Barrett Training Center, Nashville

November 13
The Southeastern School of Banking Branch Management℠, Session 4 of 4
TBA Barrett Training Center, Nashville

NOTE: All programs and dates listed are subject to change. Occasionally other timely programs are added to the calendar throughout the year. We encourage you to visit *www.TNBankers.org/calendar* for the most current information about TBA events.