

THE TENNESSEE BANKER

Volume 103 • Number 1 • January/February 2015

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**Commissioner Gonzales
on the Future of Banking**

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Frozen Path

Frozen Head State Park

Photo by Connor Waldoch

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Communication Is Key

By Colin Barrett, President, Tennessee Bankers Association

Nothing has evolved more at the TBA during my nine years than communications. In 2005, we were mailing out the weekly *Legislative Update*, as some CEOs still did not receive e-mails. Cell phones were actually used for phone calls, and those numbers were known only by close colleagues and family members. And every TBA education program was promoted with a printed brochure mailed to hundreds of bankers throughout Tennessee.

Today, I am just as likely to receive a text message from a CEO as I am a phone call. Our members usually sign up for an education program by clicking on a link in an e-mail. And our mailing costs have decreased from \$74,000 to \$18,000 over the last decade. After all, who needs “snail mail” when all the information you could ever need is never more than an arm’s length away in your cell phone?

Communication is the key to a strong association. Our goal at the TBA is to create a strong banking environment through government relations and education, and to do that we must engage each of you through effective correspondence. We believe there will always be a better way to connect with Tennessee banks, associate members, and our elected officials. And we have made great strides in the past year to look at how we do just that.



Early in 2014, we sent out a survey that asked our members to rank what they look for most from the association. Sixty-six percent of our members picked education programs as number one. At the time, we were sending out the weekly *Legislative Update*, which consisted of up to 10 pages of strictly legislative information. After the survey, we immediately began looking at ways to provide comprehensive TBA information, including education, in a more concise format. As a result, we replaced the *Legislative Update* with *This Week*, a weekly e-mail that can be read quickly on your computer or phone with links to more detailed information. Since October, our active readership went from 120 with the *Legislative Update* to over 600 with *This Week*, and we couldn’t be happier

- ✓ Check out the “new and improved” *Tennessee Banker* magazine. With great stories on Tennessee bankers and interviews with elected officials, I hope you find the content to be valuable. I’d enjoy getting your feedback and suggestions for future content.
- ✓ Register for the *Young Bankers Division Day on the Hill* in Nashville on March 3. You will hear from legislative leaders and policy makers during this popular annual event. For more information, contact Stacey Langford at slangford@TNBankers.org.
- ✓ Book your flight for the annual *Washington Conference* that will be held May 11-13 in Washington, DC. Telling the great story of your bank and community in Washington is essential for the future success of our industry. With over 70 bankers attending, this is always a great time to visit with your peers from across the state. For more information, contact Amy Smith at asmith@TNBankers.org.

with the feedback and engagement.

Also this fall, we relaunched our website. Not only is the look more fresh and streamlined, it also is organized in a more user friendly format making it easier, and more logical, for our members to navigate. We enhanced the security features and added elements that allow you to search the entire website, sort education classes by category, and save information in your shopping cart.

The next step to strengthen our communications lies with *The Tennessee Banker* magazine. Since 1913, the magazine has been the cornerstone of our communications efforts and the way we connect with each of you every month. I am confident that we have one of the strongest

magazines in the country, but there is so much more opportunity for your magazine to tell the great story of Tennessee banking.

Starting this month, you will notice significant upgrades to the magazine. TBA General Counsel Tim Amos and TDFI Commissioner Greg Gonzales will be regular contributors. In addition, we will feature roundtables, interviews, and stories with Tennessee bankers. I know you will enjoy this month's story on Jim Rieniets, president and CEO of Ins-Bank, interviews with Tennessee Senate Commerce and Labor Chairman Jack Johnson and House Banking Chairman Steve McManus, as well as our roundtable discussion with the Financial PSI board as we look

at challenges in the year ahead.

We will keep our popular features, including promotions, bank notes, community corner, job listings, and pictures from TBA events—admit it, we *all* go straight for the pictures!

As we focus more time on developing original and meaningful content, beginning with this January/February issue, we are going to bimonthly distribution of the magazine. While the primary purpose of changing to every other month is to dedicate more time to magazine content, in addition, it will allow us to save money by decreasing publishing expenses.

The magazine, much like our industry, will continue to evolve. We look forward to hearing from you on stories that you would like to read and

to working with you as you help us make the magazine even stronger.

I hope you enjoy the new *Tennessee Banker* magazine, and I welcome your feedback and suggestions. Feel free to call, e-mail, or text (615-483-7580). ■

—Colin

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Photo taken in 1958 as bankers arrived at the Baton Rouge airport.

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What's Ahead in the 109th General Assembly

By Tim Amos, Executive Vice President/General Counsel, Tennessee Bankers Association

When the 109th Tennessee General Assembly convenes on January 13, there will be a slight increase in the Republican majorities in both the Senate and House. The election saw a pickup of two Republicans in each body, increasing what was known as the super-majority to what is being called a “super-duper majority.” While the net increase is small, there are seven new Senators and 16 new House members.

Leadership Changes

The Republican campaign slogan during the recent drive to majority and super-majority status has been, “It matters who governs.” An updated slogan is, “It matters who leads.” This is reflected in the recent challenges to leadership positions within the Republican camp, particularly at the state GOP executive committee level and in the Tennessee House.

At the state party level, conservative members in the 66-member state executive committee supported the challenge by Joe Carr, the unsuccessful challenger to Senator Lamar Alexander’s reelection effort, to defeat current party chair, Chris DeVaney. On a vote of 47-17, Chairman DeVaney prevailed, but the conservative element is pushing for the party to exert more influence in the legislative process.

Conservative Representative Rick Womick (R-Rockvale) made a similar challenge to House Speaker Beth Harwell (R-Nashville) for leadership in the Tennessee House. Speaker Harwell was reelected on a vote of 57-15.

Jeremy Durham (R-Franklin) won a challenge to the House Republican Whip post—a leadership post helping to organize floor votes and election

strategy, defeating incumbent Cameron Sexton (R-Crossville) on a close 38-34 vote. In the Senate, Lieutenant Governor Ron Ramsey and all other officers were reelected without opposition.

Leadership on the Democratic side in the House changed only slightly with the reelection of Representative Craig Fitzhugh as minority leader and the election of Representative Mike Stewart (D-Nashville) as caucus chair upon the retirement of former Representative Mike Turner. Other Democratic leadership positions changed due to realignment from election turnover not from challenges.

The Senate Democratic Caucus, which now has only five members, three of whom are new, saw the election of new members to minority leader and caucus chair. Lee Harris (D-Memphis) was elected the minority leader, and Jeff Yarbrow (D-Nashville) was elected caucus chair. All of the Democratic Senators are elected now from either Davidson or Shelby county.

The challenge to leadership is reflective of internal divisions over policy direction within the parties themselves. Some of these divisions will show up in the discussion of significant legislative issues.

The Top Issues

Fortunately banking matters rarely garner headlines as top issues which drive the Tennessee General Assembly. This year is no exception. While many are not banking specific, they are important to bankers and the TBA legislative team since they influence member relationships and dictate the environment in which all legislation moves through the process.

Many of the issues discussed during the election are left over from the 2014 session. Among the key issues

are common core and school standards; fall-out from the constitutional amendments on abortion, judicial selection, taxation, and charitable gaming; Medicaid expansion; and budget and taxes.

Governor Haslam preempted the discussion on Medicaid expansion with his announcement to provide an “Insure Tennessee” medical plan without calling it “Medicaid expansion.” He called for a special session of the legislature to address this priority issue first. Special sessions have been used by other governors to address tax reform (1999 with no action) and education reform (2010 with the adoption of the “First to the Top Act”).

A special session allows the General Assembly to focus exclusively on topics included in the call and also prevents consideration of other legislative matters. The General Assembly will convene on January 13 in organizational session and for the Governor’s inauguration on January 17. Originally, it was expected to take a two-week recess and then adjourn by the end of April. A special session will take at least two weeks. While no date for the special session has been announced, it may push the regular session into May or accelerate even further a very speedy process for all.

Legislation has been pre-filed to address the abortion limitations, but both Lieutenant Governor Ramsey and Speaker Harwell have indicated that they are willing to accept only limited changes to Tennessee’s law rather than some more sweeping restrictions that are likely to be proposed and pushed by some of the more conservative members in the Republican caucuses.

Important to bankers is the continued look at selection of judges. The TBA endorsed and bankers supported the adoption of Amendment 2 to validate the process of governor appointment of appellate and supreme court justices with the consent of the General Assembly instead of a popular election as had been debated. Mechanics of the actual process are still to be considered. At least one proposal would have the legislature more involved in the initial screening of candidates who are submitted to the governor for his approval. In the interim, the governor's executive order has already created a panel for screening appellate and supreme court judges.

Finally, discussion of available funding and budget priorities is always among the top issues. Early reports calling for a seven percent cut in departmental budgets is more of a planning tool than a realistic expectation. While the state does not engage in a true "zero-based budgeting process," having departments look at a significant reduction is a good management tool for assessing priorities and identifying areas where cuts could be made if needed.

Banking Issues

The TBA Bank Lawyers Committee reviewed a long list of more than 20 issues in its fall meeting. The list was presented to the Government Relations Committee and TBA board in their November meetings. Fortunately, Tennessee bankers are not faced with significant challenges that need to be addressed in the General Assembly. Many of the issues on the list are technical in nature and likely will not generate a lot of controversy or may not even be considered. However, as the session starts, there are always issues that "pop up" and need significant attention. Among the known issues, a few stand out as important. These include:

- Adoption of the Uniform Fiduciary Access to Digital Assets Act - This clarifies the ability of fiduciaries to access digital accounts.
- Taxation of Low-Income Housing Tax Credit Properties - This issue came up last year—whether to include the value of tax credits in a property's appraised value—and was sent to a study committee. Both proponents and opponents of including the value of the tax credits in assessed values will likely push for legislation again in 2015.
- Notary Logs as Public Records - This 2014 legislation came as a surprise to

many due to the attorney general's opinion making notary logs public record. There is some significant discussion on how to address the potential problems raised by opening these records to the public.

- Interchange Fee Caps - Grocers initially indicated an interest in looking at this issue but recently advised TBA that it is not on their agenda for 2015. It continues to be an issue at the national level.

- Elder Abuse - A task force has met several times this fall, but it is unlikely to make recommendations for legislation this year. However, some individual members may introduce legislation independent of the task force.

These are just a few of the issues TBA is likely to address during the legislative session. Bankers can follow complete analysis of issues and tracking of legislation at the TBA website, www.TNBankers.org, and also follow a week-to-week summary by subscribing to the TBA e-newsletter *This Week*.

The TBA legislative effort is an integral part of the association's service to its members. Its success is due to the active involvement and input from all TBA membership. Thank you for your participation in this process. ■

2015 DAY ON THE HILL

The Day on the Hill program, sponsored by the TBA Young Bankers Division, introduces future leaders from banks across the state to the legislative process. Participants will hear from members of the General Assembly and the TBA government relations team about Tennessee's legislative process. Bankers also will observe committee meetings and floor sessions before having an opportunity to call on their own legislators.



TUESDAY, MARCH 3, 2015

Registration: 8:00 am

Program: 8:30 am – 4:00 pm

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THE TENNESSEE BANKERS ASSOCIATION
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In October of 1890, a group of bankers convened in Memphis at the young Men's Hebrew Association Hall to form the Tennessee Bankers' Association. June 7-9 of 2015, bankers from across the state will assemble at The Greenbrier in White Sulphur Springs, WV, to celebrate 125 years since the founding of our organization.

It's not too early to begin making plans for the 125th TBA *Annual Meeting*. Following our tradition, official convention activities begin with the Sunday evening, June 7, reception and conclude with the Tuesday evening, June 9, banquet and entertainment.

RESERVE ROOMS NOW!

Full program information will be sent to our members and associate members this month. However, it is important to make your hotel reservations as soon as possible for this popular destination.

The Greenbrier is holding rooms at the discounted rate of \$255 per night plus tax for standard guest rooms and \$275 per night for intermediate or superior guest rooms. Rates will vary according to

room type and number of people in the room. There are only a limited number of rooms for Friday and Saturday nights, June 5 and 6.

To reserve your accommodations, call The Greenbrier reservations department at 866-634-0817. You may also make reservations online by following the link on the 125th *Annual Meeting* calendar page on the TBA website, www.TNBankers.org/calendar. Please remember to identify yourself as being with the Tennessee Bankers Association meeting.

SPEAKERS CONFIRMED

While the agenda will follow a similar structure as in past years, we have added a morning roundtable with TDFI Commissioner Gonzales, a 125th anniversary fireworks show, and Sunday morning worship service. The program will include Bill Courtney from the Oscar winning documentary "Undeclared," political commentator Stephen Hayes, the always popular David Kemp, a discussion on the future of Tennessee banking, and much more.

Please make plans to join us as we return to The Greenbrier for this special anniversary of the TBA.



The Future of Banking

By Greg Gonzales, Commissioner, Tennessee Department of Financial Institutions

I have some thoughts on our future. Fundamentally, I am very optimistic about the future of community banking in Tennessee. There are two basic reasons for my optimism.

First is the resiliency that Tennessee bankers have shown over the last few years and what they have accomplished in helping the state weather the great recession.

But another reason is that the Haslam administration understands we must have a healthy community bank system in Tennessee to meet the governor's goals for the state. Governor Haslam has been very supportive of our department and has put us in a good position to be successful.

I am not naïve though. There are challenges, as we all know. One of my primary concerns is that the regulatory environment is not doing enough to create the opportunity for community banks to contribute to economic progress.

It appears, at times, that Washington creates the regulatory landscape and then tells bankers to do their best to conform to what Washington created.

Instead, if we really believe that the community bank business model is good for the country, as many profess, then regulators need to do a better job of being more accommodative to that model. Regulators can do more to mold regulation to the community bank business model. That is how we create a better future, and it starts with mission and philosophy.

So what are the signs for the future? Are we making any progress?

The very first thing you want to see is a dialogue about the future, and I am pleased to report that I am seeing an increase in discussions, research, and data regarding community banks.



Commissioner Gonzales speaks at the 2013 TBA Credit Conference.

CSBS–Federal Reserve Research Conference

Something particularly of note is the CSBS–Federal Reserve “Community Banking in the 21st Century” research conference. This fall, we held the second annual community banking research conference, so generously hosted by the Federal Reserve Bank of St Louis. I really commend the Federal Reserve System for being a part of this, because they are helping to create a conversation that is very unique and which we hope will produce future fruit.

The conference drew together academics, community bankers, and federal and state policymakers from across the country to discuss the latest research and trends in the community banking space.

The research and discussions centered around three main focal points:

- new banks and emerging technologies,

- the effect of government policy on bank lending and risk taking, and
- the effect of government policy on community bank viability.

All the research papers presented were insightful. For example, one paper discussed the use of guidance as a macro-prudential tool which can have very meaningful impact on bank behavior but may also cause unintended consequences. The 2006 Commercial Real Estate (CRE) guidance is a good example of this. The guidance curbed CRE concentrations ahead of the crisis, but it also caused a reduction in commercial and industrial (C&I) lending. The reduced concentration in CRE lending may have dampened the impact of the financial crisis, but reduction in C&I lending also may have hastened the economic recession.

DC is a data-driven town. So,
continued on next page

The Future of Banking *continued*



Commissioner Gonzales and Steven L. Antonakes at the TBA 2012 Annual Meeting. Steven L. Antonakes currently serves as the deputy director and the associate director for supervision, enforcement, and fair lending at the Consumer Financial Protection Bureau (CFPB)

while your anecdotes are important and continue to be coveted, it is this research and data—combined with the on-the-ground reports you provide to members of Congress and regulators—that ultimately will move the needle in Washington, DC.

Town Hall Meeting

In addition to the CSBS–Fed conference, we held a town hall meeting during the TBA *Washington Conference* in DC last May, and let me provide just a brief overview of banker comments. Tennessee bankers are clearly concerned about one-size-fits-all regulation. The compliance area was a top example, and the concern extended to the cost of regulation. Some bankers noted a 500 percent increase in compliance costs over the last five years.

With respect to the mortgage rules, bankers were concerned about the complexity of the rules which they believe affects the ability of experienced bank staff to deal with the rules effectively and makes it almost insurmountable for new staff to be acclimated appropriately to the rules. The consensus was that consumers can

expect a longer loan process. Bankers concluded that the federal government should attempt fundamentally to “do no harm” and must be careful about unintended consequences.

Regulatory Right-Sizing

A positive development has been that policymakers and pundits in DC are saying all the right things about community banks. Now, I know there needs to be more actions than words, but I do see this as a positive trend.

I am particularly pleased in Federal Reserve Governor Daniel Tarullo’s remarks about varying prudential regulation for banks. As Governor Tarullo said earlier this year, “The aims of prudential regulation for traditional banking organizations should vary according to the size, scope, and range of activities of the organizations.”

This is what I call “regulatory right-sizing,” and let me briefly tell you what we are doing in this regard to further regulatory balance.

In recent years, we have consistently put the regulatory balance mission in front of our examiners and asked them to ensure safety and soundness but also be mindful of economic development. We also have

asked examiners to give us examples of how they have found this balance.

In October, I met with leadership in the department’s banking, legal, and HR areas to continue pushing this effort forward. As a result, a reference guide for examiners is being drafted to ensure all examiners understand what we are trying to achieve and what regulatory balance looks like. The guide also will instruct as to what regulatory balance is *not* and what questions should be considered in getting there. A key to our effort is to document examples and to integrate a process into the culture of our department. I hope to talk about this publicly early this year.

Governor Tarullo’s comments are encouraging words, and federal regulators have gone beyond just positive speeches.

These efforts include:

- Shifting the Federal Deposit Insurance assessment base to larger institutions to better reflect the risks posed by their nondeposit funding practices.
- Preserving Tier 1 capital treatment for trust-preferred securities held by small bank holding companies through the Collins Amendment.
- Limiting the Consumer Financial Protection Bureau’s examination authority to banks with more than \$10 billion in assets.
- Excluding small banks from Basel III provisions designed for global institutions, such as the new global liquidity rules or more stringent leverage ratio requirements.

Through efforts like these, Congress and federal regulators have recognized the risks and operations of community banks are different. But it is not enough.

Regulators must also allow examiners to exercise judgment and be flexible when supervising financial institutions, especially community banks. A one-size-fits-all approach does not work for bankers looking to

serve the unique needs of their clients and their communities, and it does not work for regulators trying to ensure a safe and diverse banking system.

In addition, policymakers could support the community bank business model better by taking the following actions:

- Design regulations and examination practices that properly account for community banks' relationship lending model, which small businesses and consumers rely heavily upon.
- Grant QM status to all community bank loans held in portfolio.
- Provide community banks with regulatory clarity and transparency regarding fair lending requirements.
- Speed up the application process for community banks by evaluating merger, acquisition, and new activities applications based on their business model and not how application decisions might establish a precedent for large banks to exploit.

still performing quite well and providing critical financial services to customers that might not receive services but for the community bank.

But if two or more community banks decide to merge to create a stronger opportunity to serve customers, then we will do all we can to support their decision.

I make this point because Washington's conventional wisdom seems to see all consolidation as a good thing. Or, at the very least, it is not considered a bad thing or a result of anything that Washington does.

Two Systems

I still conclude that the future of Tennessee banking is bright, but we continue to face current and future challenges to ensuring the health and stability of the banking system we need. There are still struggles to overcome, like understanding the impact of regulation on consolidation, one-size-fits-

compliance regulatory environment, and we are trying to have a positive impact on that in Tennessee.

I agree we need global financial institutions. However, *my* first priority is to local communities and economies that are served by community banks. We must work together to ensure a system where both types of institutions thrive.

It is not about "turf" or picking some banks over other banks. We don't need an "either/or" banking system in this country.

We need big banks AND community banks.

We need federal regulators AND state regulators.

We need national solutions AND local solutions.

So while there are promising examples of regulatory right-sizing taking place, there remains a push in Washington to reform our regulatory structure to better reflect the business models of our largest banks. The solution for these supporters is to consolidate supervisory authority into one behemoth federal agency. I believe these advocates truly think the best financial system for the United States is one that caters to a handful of large, complex, internationally competitive financial firms.

I disagree. We don't need a system that caters to a handful of banks. We need a system that allows you to serve your customers, small businesses, and local and state economies. This is the real strength of our financial system and of our economy.

Conclusion

The future of community banking is not just about the future of community banks, but the future of our communities and our state. The future is about the ability of our state to control its own economic destiny through its regulation of state-chartered financial institutions.

We have inherited an important legacy—a diverse banking system. The Department of Financial Institutions is committed to working with you and national leaders to protect and strengthen this legacy. ■

It is not about "turf" or picking some banks over other banks. We don't need an "either/or" banking system in this country. We need big banks AND community banks. We need federal regulators AND state regulators. We need national solutions AND local solutions.

Consolidation

We cannot talk about the future without considering consolidation and this subject continues to come up around the state.

Consolidation is alarming when it is a result of community banks' not feeling they have any choice, but positive when community banks come together intentionally to create synergies and more viable banks.

I think consolidation can be an important part of our future if it is not a forced option due to a tough regulatory environment.

For many banks, consolidation does not have to be the answer. We see banks, especially in rural areas,

all supervision, and the need to tailor regulation.

Some things have been achieved. I am encouraged by the increase in public symposiums to discuss the community banking system and in increased data and research on the impact of community banks. But more is needed.

Our state/federal system of supervision is one marked with occasional tension and conflicts. This is by design, as we all come from different perspectives based upon our mission, charter, history, and priorities.

It is a mix of state and federal views that gets us to a balanced view. Where there is not that mix, there is not balance. An example of that is the

Q&A



Senator Jack Johnson, R-Franklin

Senator Jack Johnson, R-Franklin, is chairman of the Senate Commerce and Labor Committee. He was first elected to represent the western portion of Williamson County in 2006. Johnson recently left a 23-year career as a private banker at SunTrust and later Pinnacle Bank to focus on his small business enterprises. He is a member of the Williamson County chamber of commerce.

What effect if any will the increased Republican majority in the House and Senate have in terms of business-related legislation?

It's had a very positive impact. In 2010, when Governor Haslam was elected and Republicans gained control of the House and the Senate, there was a clear shift in legislative initiatives aimed at helping improve the business climate, and I think we can expect that to continue in the next two to four years at least.

From an economic standpoint, what will be the major focus of the upcoming session?

First and foremost, it will be the state budget. It's the most important thing we do, and in fact it is the legislature's only constitutional duty. And unlike Washington, we have to adopt a balanced budget. So the major focus will be on adopting a state budget that shows fiscal discipline without raising taxes.

The second major focus is going to be education. Governor Haslam has led the way to make significant reforms in education, but we have a long way to go. Education is absolutely an economic development issue. Employers need an educated workforce. Businesses looking to expand or relocate here are looking closely at our education system—not just K-12 but also higher education. They are looking 20 to 30 years down



Senator Jack Johnson with Kaitlin Crook, June Crowell, and Vanessa Harrington at 2013 Day on the Hill.

the road in deciding whether to make an investment here or not.

In your view, what are some of the biggest changes in the legislature since you were a freshman?

Without a doubt, it is the shift to control of state government by the Republican Party. When I was first elected in 2006, Governor Bredesen had just been re-elected, and the Democrats firmly controlled the House. I was honored to vote for Ron Ramsey as the first Republican lieutenant governor since the current constitution was adopted in 1870. I have been there for the complete transition, which was completed by the election of Governor Haslam and a Republican majority in the House. I must add that the Democrats dealt us a good hand before they left, but there were certainly issues that the Democrats were less likely to marshal through, such as tort reform, an overhaul of workers' compensation and unemployment compensation, and the TEAM Act which I carried for the governor that changed

the way we can hire and fire state employees.

What is the best way for individual bankers to let you know their views on legislation that affects their business?

First of all, the TBA staff—Colin, Tim, Amy, and Stacey—does a great job representing the banking industry. They are well-respected and are a valuable resource for us, not just on banking issues but also on general business issues. But in terms of individual bankers, it is not so much how they let me know their views but that they do it, that they remain engaged.

I wear two hats—one representing my constituents in Williamson County and a second one as chairman of the Senate Commerce and Labor Committee, where most banking-related legislation goes through. I value the input of bankers from across the state. I have a completely open door policy, and they can contact me directly at any time. I not only welcome their input, I urge it.

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Q&A



Representative Steve McManus, R-Cordova

Representative Steve McManus, R-Cordova, is chairman of the House Insurance and Banking Committee. First elected to serve suburban Shelby County in 2006, McManus is a veteran investment adviser for FTB Advisors, a subsidiary of First Tennessee Bank. Previously, he was an adviser at J. C. Bradford & Company, which was later acquired by Paine Webber and then UBS. McManus is finance chairman of the Shelby County Republican Party and serves on its executive committee.

What effect if any will the increased Republican majority in the House and Senate have in terms of business-related legislation?

It certainly will have some effect, but I think generally that most Democrats have always understood that maintaining a healthy business environment is good for their constituents. I think of people like Representative Craig Fitzhugh. He and I may disagree on certain issues, or on the best way to get to a final answer, but generally speaking we can work through those to get to legislation that is good for business.

From an economic standpoint, what will be the major focus of the upcoming session?

Each year, the legislature strives to create a more competitive economic environment, which ultimately leads to job creation by existing businesses and new business startups. The state budget is based on balancing revenues with spending, and I think most of our revenue should come from job creation. I think the focus will continue to be on reducing regulations to empower small businesses so they can compete better with bigger businesses. That



2014 Day on the Hill - Rep Steve McManus, third from left, visits with Kirby Thompson, Robby Moore, Lauren Smith, Stacey Langford, Suzanne Walker, and Debbie Reid.

creates jobs and has a ripple effect across the economy.

On the banking side, Dodd-Frank has been a huge burden on community banks, and many of them have more compliance officers than loan officers. But that is a federal law that's beyond our scope. What we can do is have hearings about its impact and provide a forum for Commissioner Gonzales and others to implore Washington to strike a better balance.

In your view, what are some of the biggest changes in the legislature since you were a freshman?

When I was elected to the Legislature in 2006, the House was 52 Democrats and 47 Republicans. The governor and speaker were Democrats. In 2015, the makeup will be 76 Republicans and 23 Democrats, with a Republican governor and speaker. Now, that is a big change!

A change I think has had a significant impact is when Speaker Harwell put limits on the number of bills that an individual legislator could intro-

duce. That has allowed us to really focus on issues and to prioritize what is important to our constituents. We used to be in session until June, and last year we ended in April. That saves money for the taxpayers and I think has produced better legislation.

What is the best way for individual bankers to let you know their views on legislation that affects their business?

Definitely a phone call or written letter is the best way to get my attention. I think my office is on everyone's e-mail blast list, and I have an assistant who spends a lot of time editing out e-mails that are not from constituents. I always tell people that old-fashioned written correspondence is effective, because it shows that a person took the time to put their thoughts on paper, put it in an envelope, put a stamp on it, and get it to the post office

continued on next page

Johnson Q&A *continued*



Senator Jack Johnson. Day on the Hill 2014.

How would you rate the business climate in Tennessee, and what are some ways that it could improve?

It's excellent, but don't just take my word for it; look at all the well-respected business publications, such as *Forbes*, that rate Tennessee highly in terms of the management of the state and the business climate. But there's always more to do.

I have already mentioned education reform, and the budget is getting precarious. We are losing revenue through companies that are finding legal loopholes in the franchise and excise taxes, and that is hurting us. We need to address that. And we are going to have to take a look at how to fund our infrastructure needs adequately. The gasoline tax has remained the same since 1989, and while I'm not saying I support increasing that tax, which is more like a user fee, I do agree with the governor that we need to start having that conversation. Having an adequate highway system and infrastructure is definitely an economic development issue. It's something businesses look at in deciding to expand or relocate here.

What's on your personal wish list for the legislature this year?

I really don't have any personal bills that I'm contemplating introducing. At this point, I'm just taking the temperature on a lot of different issues that will be coming before the Commerce and Labor Committee and getting ready to give them a thorough, impartial hearing. I'm really waiting to see what will be in Governor Haslam's legislative agenda this year. ■

McManus Q&A *continued*



Representative Steve McManus. Day on the Hill 2013.

How would you rate the business climate in Tennessee, and what are some ways that it could improve?

CEO Magazine ranked Tennessee the third-best state for doing business in 2014. We have no income tax, no gift tax, and we are phasing out the inheritance tax by 2016. We have a balanced budget, a healthy reserve fund, and one of the lowest tax burdens per person in the nation. These are among the reasons our general obligation debt is ranked AA+ by S&P, AAA by Moody's, and AAA by Fitch. There are very few states in the nation with these rankings and no state income tax.

In 2013, *Bankrate* magazine named Tennessee the best state to retire for many of these reasons. And those factors give Tennessee a very healthy business climate. But I think there are some specific things we can do to make it even better. We address the high marginal corporate income tax rate, reduce the sales tax burden, eliminate the Hall income tax, and improve the graduation rates at our state's community colleges.

What's on your personal wish list for the legislature this year?

As chairman of the Insurance and Banking Committee, it is always my goal to recognize and guide good legislation for our state through the committee system. As chairman, I do not sponsor legislation that comes before my committee, because my policy is to be fair and impartial. If a Democrat brings a good piece of legislation, I will work with them. And I will be glad to sign on to legislation after it gets out of my committee.

In terms of my wish list, I just want to see legislation that helps small businesses create jobs and that helps everyone, from banks to consumers. ■

InsBank's Jim Rieniets

Find What You're Good at and Be Better than Your Competitors

Looking back on his childhood in Houston, TX, InsBank President and CEO Jim Rieniets doesn't remember wanting to be anything in particular when he grew up. "Maybe a superhero," he says with a smile.

Years later, however, he left Houston for Vanderbilt University with the intention of getting his medical degree.

"I soon realized there were more fun things to do while in college than spend all my time in the chemistry lab," says Rieniets (pronounced Ree-nits), and he heeded the advice of adults in his life and decided to study something he found interesting.

"They told me that, unless I were going to be an engineer or a doctor, it really didn't matter what my degree should be."

So Rieniets majored in Latin American Studies—an interdisciplinary focus that included history, political science, language, anthropology, and sociology—without a particular idea of what he would do with it. Maybe the CIA. Maybe international business in Brazil.

Instead, he got a job out of college in banking at National Bank of Commerce in the commercial banking group. Like several other prominent Tennessee bankers, Rieniets considers former NBC Chairman Tom Garrott to be his early career mentor, someone he says was both "tough" and "a visionary."

Although he went on to get his MBA, Rieniets says that his undergraduate studies in a nontraditional banking track prepared him well. And he thinks there is plenty of room in the industry for people who do not take a more traditional path.

"I think the biggest thing for someone considering a banking career is to develop their decision-making skills and their people skills. They are every bit as important as the numbers skills. We use simple math, not rocket science. We're



InsBank President and CEO Jim Rieniets

not doing linear algebra managing a bank balance sheet.

"As a banker, I put the ability to work well with people, and problem-solving and decision-making skills, ahead of what your technical training in college was."

That approach has worked just fine for Rieniets, who today is leading one of the state's most successful small banks, which has carved a niche in serving primarily commercial clients. InsBank's deal last year to partner with the Tennessee Medical Association to create TMA Medical Banking, a division of InsBank, is a reflection of Rieniets' philosophy of taking advantage of what it does best.

"I think, increasingly, banks are going to have to differentiate themselves from their competitors," he says. "In a lot of cases, that objective can be met by developing niche expertise in certain lines of business."

InsBank had an existing relationship with the TMA and was serving as the association's bank as well as providing services to a number of individual physicians. The TMA had previously entered into "en-

dorsed provider" agreements with other banks, but it approached InsBank about developing something beyond that. The result, TMA Medical Banking, operates as a division of InsBank and offers a range of products and services tailored for physicians.

"The approach we took is the same one we take on a daily basis throughout the bank, and that is not to try to be all things to all people, but to take our core competencies and do them well. If you look at the landscape of the medical world today, doctors are facing a multitude of challenges, and we can deliver bankers who know the business of health care and will focus on their business needs."

In Rieniets' view, those opportunities exist for other banks. "We all have our limits and capacity. I think, especially for community banks, it's a matter of looking for niche lines of business they can be damn good at, that are going to be hard for some of their competitors to be as good at."

continued on next page

InsBank's Jim Rieniets *continued*

Rieniets got his start at InsBank when he was approached with the opportunity in 2000 to head up the credit department for what was then the Insurors Bank of Tennessee, a new bank that was born out of “fear and uncertainty” on the part of independent insurance agents in Tennessee following the Financial Services Modernization Act of 1999.

“It was originally a pet project of the independent insurance agents who feared banks’ getting into their business,” he said. “The idea was they would have a bank to call their own and refer their clients to.”

The bank started as a joint venture between Cumberland Bank (later Civitas) and the agent-owned InsCorp with only \$6 million in capital, which

Rieniets says in hindsight was not enough. But the team, which included Chairman Mike Qualls, slowly built the bank through a primarily commercial focus.

“We had a statewide footprint, and with referrals from insurance agents across the state, we knew early on that delivery was going to be a challenge. We could not have a branch on every corner, so we had to develop alternative systems. We were an early adopter of remote banking technologies, and we sensed that was the direction our industry was heading.”

As it turned out, Rieniets says, the competition feared by the independent agents did not materialize. Most banks that got into insurance either acquired large agencies or sold off-the-shelf



InsBank President and CEO Jim Rieniets

consumer insurance products. “So basically, the agents were not getting their noses bloodied as they had feared. And since they were commission salespeople, their time and

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energy were spent selling insurance rather than worrying about how to grow our little bank.”

By 2006, the bank was growing its business through second- and third-generation referrals and naturally morphed over time into a general, small commercial bank. The holding company raised \$14 million in capital. With that, it bought out Civitas’ share and had needed capital to fund continued growth. It also re-branded the bank as InsBank.

“We thought two syllables were better than eight,” Rieniets says about the name change. “It allowed us to maintain a link to our heritage while shortening our name and reducing the confusion about what kind of bank we were.”

In 2007, Rieniets became bank president and added the CEO title in 2010. InsBank since has grown to \$250 million in assets and enjoyed healthy profits and loan growth during 2014. Rieniets is equally proud of the bank’s efficiency, pointing out that it has about \$8 million in assets per employee.

In talking to Rieniets, it is clear he enjoys his job. It’s also clear that he’s a big booster for Tennessee’s banking industry and is quick to trumpet the benefits of being involved in the Tennessee Bankers Association.

“Being involved in the TBA is a real smart thing to do,” he says, “especially for young bankers. There’s plenty of education to be had, and there are great networking opportunities, not just for finding a new job, but to connect with peers who can be a valuable resource for your career. Lenders can develop relationships with other lenders that can lead to loan participation opportunities, for example.

“Being around people with similar concerns and outlooks about the industry is very valuable from the standpoint that it can help them with their career path in their own organization. It’s an effective way to become more tuned in to what’s going on and become a better banker.” ■

Jim Rieniets On ...

Public Perception of Banks Post-2008:

I think many people have a hard time understanding the intricacies of most industries, not just banking. Actually, I think a lot of people understand that the (financial crisis) wasn’t community banks’ fault, and that it was primarily the Wall Street investment banks that fueled the crisis. Community banks suffered more than they deserved, and I think a lot of people understand that. Also, I think time heals a lot of wounds, and I think today there is a greater appreciation that community banks are one industry and the big Wall Street banks are another, separate industry. I think that has been more understood by the public and even in Washington on both sides of the aisle, to a certain extent. The political extremists don’t see it that way, of course.

Connecting with the Millennials:

E-commerce from smartphones and other devices is the direction all consumers are heading, not just younger people. It’s similar to the phenomenon that finds grandparents as the fastest-growing demographic on Facebook. From a banking marketing and delivery channel perspective, everyone is trying to figure out what’s the most effective way to make that transition. Some are diving headfirst into marketing to the Millennials . . . and someday that generation will have a lot of deposit dollars, but not today. Banks need to be readying their strategies to be in the business of e-commerce. At the same time, I would recommend that bankers not forget which market segments constitute their largest depositors today. It may be that empty-nesters and seniors have the lion’s share of deposits, and there are still quite a few of them who are not comfortable doing their banking on a smartphone. Someday that is going to change, but we’re not quite there today.

Pet Peeves:

I don’t get high and mighty because I have more flaws of my own than I can count. I try not to judge other people. But in this industry, I always laugh at how many bankers are unable to get to a decision on a loan. So many banks just string people along, and that annoys the hell out of the client. And it doesn’t do the bank any good. Also, I do hate it when I talk to a prospective customer and they say, “Now I’m going to be honest with you,” or “I’m not going to lie to you.” It just makes me cringe and want to fold up my portfolio and say, “I’m afraid we’re all loaned up right now . . .”

E-mail Management:

I have thousands and thousands of unread e-mails from people I don’t know. I scan my inbox, and the ones that look relevant to me I open, and the ones that don’t I just keep going. My philosophy is if I don’t know you and you are trying to get in touch with me, my phone number is not hard to find. I just don’t have the time to read random e-mails. Probably once a month I sort my inbox by sender and delete them en masse.

Perfect Buddy Trip:

I can sign up for a couple of different ones. I enjoy the outdoors, and a great time would be a couple of days paddling a Class 2 or 3 river and camping along the way. Build a campfire, drink some whiskey, and just detach and have a good time. Now I’m not into the death-defying paddling because I have kids, but what I like about whitewater kayaking is that it is something that requires a level of focus that allows you to forget about the stresses of running a business. I can also be tempted by a golf trip that might involve some gambling . . . but not for any more than I would spend on dinner. ■



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Building Momentum for the Year Ahead

By Frank Keating, President and CEO, American Bankers Association

After a year of persistent, targeted advocacy by bankers, the final days of the 113th Congress came to a close with some modest yet strategically important victories for our industry.

Just days after ABA's Government Relations Council administrative committee arrived in town to hammer out key priorities for 2015, lawmakers passed long-sought legislation that raises the asset threshold for small bank holding companies eligible for regulatory relief from \$500 million to \$1 billion. The small bank holding company relief bill—which for the first time applies to S&L holding companies, too—will make it easier for community banks and thrifts to issue debt and raise the capital needed to increase lending to local economies.

Congress also passed a spending bill that included a repeal of a Dodd-Frank Act ruling related to derivatives trading. That represents the first successful legislation to revisit a Dodd-Frank provision that went too far and that even regulators admitted was unworkable.

Together, the bills provide regulatory relief to banks small and large. But they were just two of a host of regulatory relief measures that ABA and the state bankers associations pursued this year. While the other measures didn't cross the finish line, they advanced far enough—some even passing the full House—to position them well for action in the 114th Congress. These include bills that would: deem mortgage loans held in portfolio “qualified mortgages”; clarify the CFPB's points-and-fees test; provide a way for banks in rural areas to appeal the CFPB's “rural” designation; establish an independent ombudsman for exam appeals; and

eliminate annual privacy notice requirements for banks that haven't changed their privacy practices.

Passing these bills early in the new Congress will be one of ABA's top priorities in 2015. That was a loud-and-clear conclusion of the GRC administrative committee, which spent hours discussing the issues of greatest importance to banks. The committee members, who represent every state and institutions of all sizes and charters, agreed that the issues fall into a handful of strategic categories:

- **Level Playing Field/Charter Choice.** Citing the outdated tax advantages and mission creep of credit unions and the Farm Credit System, the committee recommended holding these institutions' feet to the fire. It also recommended that ABA pursue charter flexibility and capital options for savings institutions—while continuing efforts to fix the unfair impact Basel III capital rules and other rules have on Sub S banks.

- **Impediments to Serving Customers.** Bankers reiterated that overzealous regulation and costly compliance hurts consumers by inhibiting banks' ability to meet their needs. Mortgage rules, Bank Secrecy Act reporting, and complex capital requirements are just a few examples of regulations in need of simplification.

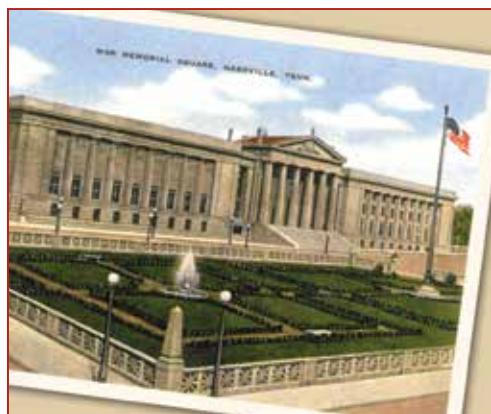
- **Payments System.** We must ensure that all participants—banks and non-banks alike—abide by the same rules in order to protect consumers and discourage risk to the system.

- **Cybersecurity and Data Breaches.** The committee stressed that those responsible for a breach must be held liable for its costs. The members also stressed the importance of all parties sharing the same notification and data security standards as banks.

- **More Appropriate Regulation.** Given the heavy cost that ill-fitting regulation places on financial institutions—traditional community banks in particular—the group agreed that we need a new model for bank regulation. Specifically, rules should be fair and efficient, tailored to an institution's risk and business model and arbitrary asset thresholds should be removed.

The potential impact that each of these areas has on our industry's competitive future is enormous. By working with ABA and fellow bankers to distill the many challenges facing banks into those of greatest strategic importance, the GRC has helped create a blueprint for engagement in 2015.

It's a road map we will use in our advocacy efforts next year—as we build upon the advances made in the 113th Congress. ■



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Cyber Showdown: Security Will Be Top Washington Priority in 2015

By **Lily Thomas**, ICBA Vice President and Senior Regulatory Counsel
and **Aaron Stetter**, ICBA Senior Vice President of Congressional Relations and Advocacy

The rising visibility of data breaches and the pervasiveness of hacking ensure that cybersecurity and data protection will be top Washington priorities in 2015. Despite the public's apparent apathy to the seemingly daily reports of cyberthreats, Congress and the regulators are under increasing pressure to act in the aftermath of breaches at Home Depot, Target Corporation, and other major retailers.

For ICBA and community banks, this represents a new set of opportunities and challenges—to improve the nation's cyber-defenses and require greater data protections among retailers without incurring additional and unnecessary regulatory burdens. By supporting cybersecurity information-sharing and consistent data-security standards for all payments system participants, ICBA is looking to reduce security risks for community banks by bringing others up to their standard.

Bipartisan Opportunity

While 2015 will have no shortage of Washington partisanship, Republicans and Democrats appear to share common ground in pursuing data-security and cybersecurity reform in the 114th Congress. Following an executive order from President Obama, the National Institute of Standards and Technology last year released a cybersecurity framework that is voluntary and focused on aligning policy, business, and technological approaches to address cyber-risks in all critical infrastructure sectors. Similarly, a Republican task force

recently issued an innovation agenda for the new Congress that emphasized public-private partnership, individual rights, and a nonregulatory approach.

Several congressional committees will have a hand in crafting legislation on cybersecurity and data protection, so the process might get unwieldy at times. But if policymakers stick to these core principles of voluntary standards and collaboration, community banks will have ample opportunity to achieve successful reforms of both data-security and cybersecurity policies.

Data Duties

Data security is front and center in Washington due to the onslaught of massive data breaches at major retailers. ICBA's data-security objectives focus on ensuring all participants in the payments system—including merchants—are required to play by the same kinds of rules and regulations. That means applying standards such as those in the Gramm-Leach-Bliley Act on all participants and requiring the costs of data breaches to be borne by the breached party.

ICBA also will continue to support a national data-security breach and notification standard that will replace the current patchwork of state laws. Further, ICBA opposes efforts to make banks liable for losses incurred by business customers as a result of their poor security practices. And while community banks continue to move to chip technology for debit and credit cards, policymakers and other stakeholders should understand that these technologies alone would not prevent future data breaches and do not protect against fraud in card-

not-present transactions, such as online purchases.

Community banks had to reissue more than 4 million payments cards following the data breaches at Target and Neiman Marcus at a cost of more than \$40 million, according to an ICBA study. This doesn't begin to include the subsequent breaches at Home Depot, Kmart, PF Chang's, and countless other merchants. Together, ICBA's data-security initiatives are designed to reduce the cost of retailer data breaches for community banks while ensuring the breached merchants pay their fair share. With the power that the lightly regulated retail sector wields in Washington, increasing merchant accountability will not be easy. But ICBA and community banks will do everything we can to promote a fairer system for our industry.

Information Sharing

In the realm of cybersecurity, ICBA is working to ensure Washington recognizes that community banks take the issue seriously and already comply with a bevy of mandates under existing federal and state laws, regulations, and guidance. Community banks and others in the financial sector are on the frontlines in defending against cyber threats. Protecting the confidentiality and integrity of consumer data and mitigating the risks of hacking and cyberfraud are part of the community bank business.

To improve how we, as a nation, combat this persistent threat, the public and private sectors must be willing and able to share advanced threat and attack data in a timely

manner and among financial institutions of all sizes. This principle of equitable information-sharing is a central part of ICBA's cybersecurity platform, and fortunately it is a top issue for policy-makers as they consider legislation to encourage two-way information-sharing among the public and private sectors, including liability protections for private-sector institutions that would encourage them to share cyberthreat information with the government.

Further, ICBA opposes efforts to make banks liable for losses incurred by business customers as a result of their poor security practices and is working with the industry to enhance card security by implementing chip technology, tokenization, and end-to-encryption. While community banks are diligent in managing these vendors, mitigating cyberthreats to these outside parties is a challenge. As a result, we're calling on regulators to be aware of the significant interconnectivity of these third parties and to collaborate actively to mitigate their risks.

Tools of the Trade

The impact of the upcoming Washington action on cybersecurity and data security remains to be seen, but there are available resources to help community banks protect themselves and their customers from persistent threats. For instance, banking regulators are encouraging all financial institutions to participate in the Financial Services Information Sharing and Analysis Center.

FS-ISAC provides alerts and real-time information on security threats. The member-owned organization, which offers memberships starting at nominal fees, is designed to foster collaboration, gather and validate information, and disseminate insights on security issues. Meanwhile, ICBA continues to offer data- and cybersecurity

resources on its website, including a toolkit to help community banks respond to retail data breaches.

The stubborn threat of cybercrime that plagues the public and private sectors has put the onus on Washington to act in 2015. ICBA and community banks will work diligently to maximize the effectiveness of our nation's response while mitigating the

potential for negative consequences for our industry and the communities we serve. ■

Lilly Thomas (*Lilly.Thomas@icba.org*) is ICBA vice president and senior regulatory counsel, and **Aaron Stetter** (*Aaron.Stetter@icba.org*) is ICBA senior vice president of congressional relations and advocacy.

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2015 Outlook Hinges on Oil and the Fed

By **Chris Low**, Chief Economist, FTN Financial

Oil prices and Federal Reserve policy are likely to be the primary determinants of economic growth next year, not just in the US but around the world. Neither is entirely predictable, and each one will affect the other. Oil prices tumbled in 2014, but they may not stay low in 2015. And the Fed insists it will raise rates, but low inflation and a global slowdown may delay the fed-funds liftoff.

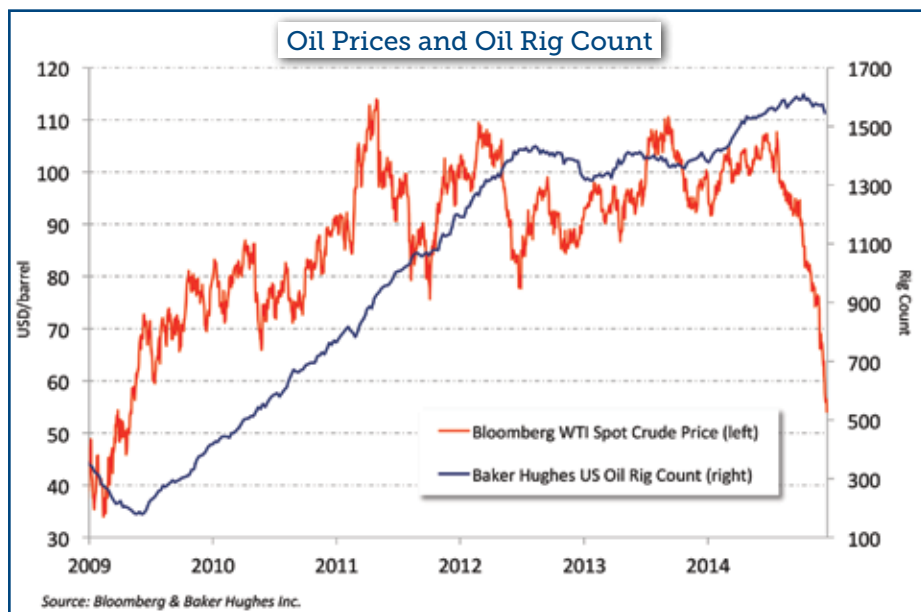
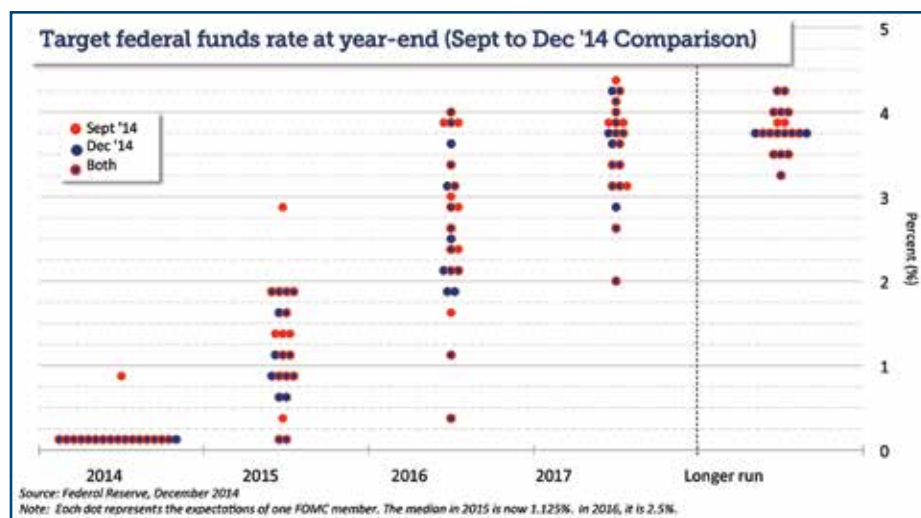
The Federal Reserve began moving toward tightening in 2014 by gradually shrinking the size of QE asset purchases then ending them altogether in October. The dollar began to increase in value against other currencies in January when traders became convinced the Fed would tighten as other central banks were still easing, but it was after the Fed surprised traders with its resolve to tighten *despite* low inflation and weak financial markets that the dollar rose to a cycle high late in the year.

The strong dollar led to the initial declines in commodity prices. Companies doing business in euros or yen can't afford as many raw materials when the dollar rises. Multiply the effect across the world, and consumption of raw materials falls until suppliers cut prices. The drop in commodity revenues, which reduces income in emerging markets even in countries with a dollar peg, puts additional downward pressure on prices around the world.

Two other important factors contributed to falling oil prices, too. When oil fell through \$100 in September and through \$90 in October, China failed to support the market as it has done almost every prior time since early 2009. Without

Chinese buying, prices kept falling. It turns out China has completely filled the first of four planned strategic oil reserve facilities in the third quarter, ending eight years in which Chinese oil purchases spiked every time oil prices dropped. The next storage facility will not be finished until late in next year's first quarter.

A huge increase in US oil production was a factor, too. US oil production has increased from 5.5m barrels per day in 2011 to almost 9m bpd this year. Add Saudi Arabia's decision at the last OPEC meeting not to cut production, and oil prices are now low enough not only to drive inflation lower but to have a very real economic impact.



From Cheap Oil—Pain, Then Gain

If it sticks—and that's a big if—the 50 percent drop in oil prices since August will affect the US economy in three ways next year:

- First, the economy will slow. There is almost \$1 trillion in energy-sector capital spending under review, and some projects have already been shelved. Applications for drilling permits fell in November and are likely to tumble in December and January. The result could be near zero GDP growth for a quarter or two.

- Low oil prices benefit the economy too, but with a longer lag. Consumers tend to increase saving for a few months before their spending habits change. As a result, the benefits of low oil prices are likely to be felt after the pain.

- Inflation will fall in 2015, and not just headline inflation. Oil prices affect costs through the economy. Food gets cheaper thanks to lower fertilizer costs; airfares fall thanks to lower fuel costs; and manufactured goods prices fall because energy is cheaper, and so on. Did we mention linoleum, paint, plastics, and resins, all made from petroleum? Big changes in oil prices affect core inflation in a significant way, with lagged effects evident as much as a year later.

Between oil and natural gas production, the US became the world's largest energy producer in 2013. In 2014, we surpassed Saudi Arabia to become the biggest crude oil producer, too. Between drillers, support services, transport, and the rest, oil contributes hundreds of billions to the economy every year. Zooming in on one specific example, Berkshire Hathaway earns \$1 billion a day transporting oil to refineries by train. The increase in production between 2012 and 2014 was remarkably rapid, indicative of hundreds of billions in capital spending in a fairly short period of time. A 30 percent drop in capital spending would more than offset growth in the rest of the economy,

according to a recent calculation by *Bloomberg News*.

But what if oil prices don't stay low? China plans to start buying for phase two of its strategic reserves in April. And US production is more flexible than some might think. Fracking technology is so good now, wells can be turned on and off in a month. Add that the half-life of a fracked well is much shorter than a conventional one, and supply could adjust even faster than demand.

We don't expect oil to bounce all the way back to \$100 or more. But a partial recovery to \$70-80 is certainly possible. That's high enough to undo a lot of the economic damage to the US and to stabilize emerging market producers, too, while low enough to keep inflation close to 1 percent.

Determination from the Fed

Through the third and fourth quarters, traders kept looking for the Fed to back away from tightening, but the Fed never did. Chair Yellen explained their determination at the December meeting.

"With respect to deflation," she said, "we see downward pressure on headline inflation from declining energy prices. We certainly recognize that that is going to be pushing down headline inflation, and may even spill over to some extent to core inflation. But at this point . . . we see these developments as transitory. And the committee continues to believe—especially with the improvement we're seeing in the labor market, which we expect to continue—that inflation will move back up to our 2 percent objective over time."

The Fed is very much wed to the Keynesian view that inflation comes from tight labor markets by way of wage inflation. But in the real world, the old linkages between the unemployment rate and inflation that were so reliable in the '60s and '70s began to breakdown in the '80s and have been useless since the '90s. In an increasingly global economy, labor scarcity can lift wages only so



Chris Low delivered an economic update during TBA's 2013 Annual Meeting.

far before producers find ways to source goods or to move production overseas.

In effect, labor slack is as temporary as the temporary factors dismissed by Yellen at the press conference. Nevertheless, it's likely the Fed will start tightening around midyear. Yellen's determination to keep inflation contained in the long run, coupled with the Fed's old-fashioned beliefs about the cause of inflation, precludes them from doing anything else.

The Fed does not have to hike in a straight line from 0 percent to 3.75 percent, the median target for rates in 2017, however. Yellen rejected tightening at a measured pace, the Fed's code for 25bp per meeting at every meeting. This opens the committee to pausing or stopping early.

Longer interest rates will be contained by global capital flows. The US remains the safest place to invest and offers higher returns than reserve-currency alternatives. Given our expectation of a 1 percent fed funds rate at year end, the yield curve is likely to be much flatter at the end of next year than it is now. ■

Roundtable Discussion



As *The Tennessee Banker* embarks on its new bimonthly frequency and new focus, we are pleased to introduce the “Roundtable Discussion,” designed to give the banker’s point of view on trending issues affecting our industry. For the inaugural article, members of the Financial Products and Services, Inc, board of trustees were asked:

“What do you perceive as the challenges facing your community in the first two quarters of 2015, and what is your bank’s role in contending with these challenges?”

John Barker
President/CEO,
Citizens Tri-County Bank, Dunlap

I think our challenge as a true community bank is getting loans. The loan demand in our area is way down, and I’m not sure where they’re coming from. They haven’t rebounded yet since the downturn. The challenges of getting those and how to help the community are hard. I don’t know how to fix it except just go out and try to get people to start doing things, start building homes, and things like that. So, that challenge is very hard. ■



Jim England
Chairman,
Decatur County Bank, Decaturville

Well, I think our continuing challenge—and I know it will be the first two quarters of this year—is housing. Residential real estate lending has become almost nonexistent in rural areas because of the regulations that have been passed for qualified mortgages. And, particularly in rural areas, we have very few people in our market who can qualify for the type of mortgage our regulators want them to be given. Most of them are nonqualifiers, have been and will continue to be, and that particularly is a problem for young entrepreneurs who start their own businesses. A big part of our market in all rural Tennessee, are the young

entrepreneurs who start a sole-proprietorship or operate the family farm or sawmill, simply because there are not a lot of other opportunities and that is their field of expertise.

These customers are typically the next generation in a long line of bank customers who work hard, keep deposits on hand, and have an excellent loan performance history. Now with regulations concerning ability to repay, it is much harder, if not impossible, to make the backbone of our communities—home construction or mortgage loans—like we did for their parents, grandparents, and so on. We work hard to be sure that those



people are taken care of. It seems like a lot of times, we are working against our industry’s regulators to do that, and it’s difficult on us, our communities, and the nation’s economy. That, I think, is one of our biggest challenges today and in the near future. ■

Shane Hite
Executive Vice President/COO,
Andrew Johnson Bank, Greeneville

In our community, we are still experiencing high unemployment rates. In addition, we continue to have a void of retailers in our community, both “mom & pop” businesses and national chains. We have a very historic downtown, but, unfortunately, there are many empty store fronts.

In the past, our community was driven primarily by manufacturing and a strong agriculture base. Over the last decade, our manufacturing sector has been forced to diversify,

and we have lost many part-time farmers. The changing tobacco industry has negatively affected many farmers in our county, thus reducing the farming income.

As a hometown bank, we are headquartered in our downtown district. Due to the changing landscape of community banks, we are trying to increase our charitable giving and volunteer involvement. We also work feverishly to assist local small businesses with their financing needs. The new lending regulations



have made it much more difficult to approve many loans, but we still try to invest and partner with our clients. ■

John Muse
Chairman/President/CEO,
Farmers State Bank, Mountain City

Our community had a lot of housing going on at one time, but it has suffered as others have when the economy slowed a few years ago. One of the hardest hit areas in our community has been in home building. That was a real driver of our economy. There was a demand for secondary homes and retirement and vacation homes, and that provided many local jobs in our community. When new home con-

struction slowed, many of those folks had to find work elsewhere. They often had to drive out of the area or even move outside the community. One challenge facing our community is the need to bring back jobs, and we are now beginning to see an increase in home construction, which is helping to bring back job opportunities. Our bank will help meet this challenge by providing home construction loans



and home mortgages to qualified borrowers. ■

Radford West
President/CEO, Macon Bank
and Trust Company, Lafayette

In our area, which is a rural area, the challenge that we have is jobs. About 50 percent of the people in our area have to drive out of town for work. We have a lack of manufacturing jobs. It will take more than two quarters, because it's taken years now, to get manufacturing jobs to an area that's not really on an interstate highway. We've got good highways coming to our area, but the first thing prospective companies ask is, “How close are you to the in-

terstate highway?” They want to be close to the interstate. So that has an impact. We need to attract jobs, manufacturing jobs, to our area to keep 50 percent of our workforce closer to home. Now, how will we as a bank work to help with that? We'll attend meetings when there are prospects, work with the local county and city governments as they're bringing in people to see our area, and offer any assistance that we can by making loans



and financial services available to potential businesses that want to relocate. ■

Generation Y: Why They're Worth a Second Look

By **Stephen Nikitas**, Senior Strategist, Harland Clarke



With an unemployment rate of more than 13 percent¹ and an average salary of \$39,700,² financial institutions might be inclined to dismiss Gen Y, the demographic group also known as “Millennials.” They may be currently struggling, but Gen Y is still very optimistic about their financial future. Nearly 90 percent of those 18-34 believe they have enough money now or expect that they will in the future.³ You should be optimistic too.

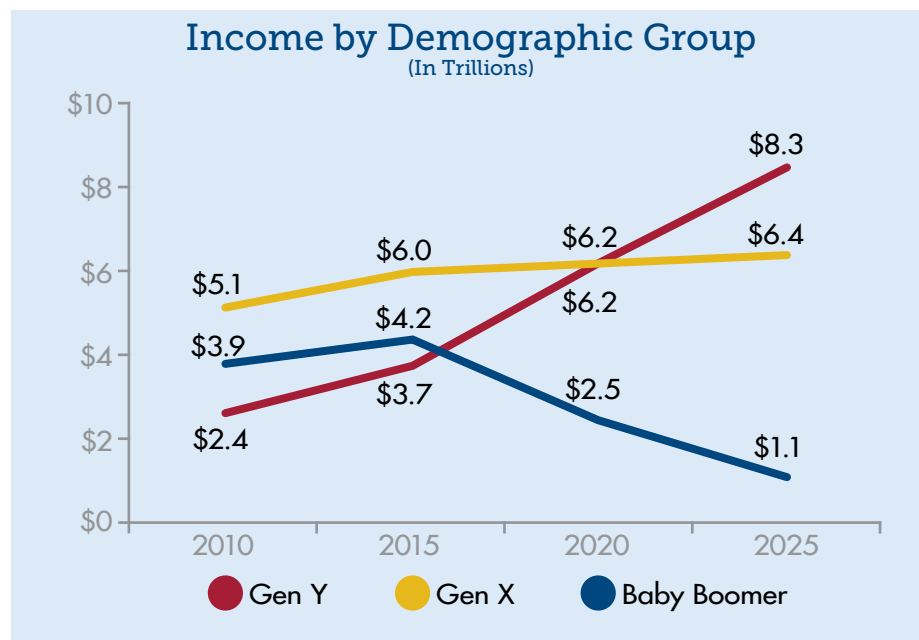
According to Javelin Strategy and Research, by 2015, Gen Y income will exceed that of Baby Boomers. By 2020, their income is projected to exceed that of both Baby Boomers and Gen X.⁴ That's just five years away.

By 2025, Gen Y's combined income is expected to account for 46 percent of the nation's income.⁵ Gen Y consumer spending is expected to grow to \$1.4 trillion annually and represent 30 percent of total retail sales by 2020.⁶ So, while Gen Y might not have assets or a lot of spending power today, they will. And unless you go after this crowd now and get them firmly entrenched, you'll miss a huge opportunity.

Tech-savvy? Yes, but Gen Y Prefers Branches for Account Opening

Gen Y doesn't write a lot of checks, but they still need tools to manage their money.

You might be very surprised that, while they embrace online and mobile banking, Gen Y is more likely to *open* accounts in a branch. Only 30 percent of consumers under 30 said they ex-



pect to open their checking account at a bank or credit union website. Of the 30-39 age group, only 41 percent said they expected to open their accounts online. Furthermore, 58 percent of those under 30 said they wouldn't even consider opening an account at a bank that didn't have a branch nearby!⁷

What this means is that you should actively target young consumers in and moving to your neighborhood to drive them into your branches. At this early stage in their financial lives, they are looking for information and tools to help them effectively manage their money. In addition to checks and deposit slips, they will welcome a few new account basics like:

- Interactive voice response and online account management tools
- Educational information on money

management, investing, insurance, and other services they might need

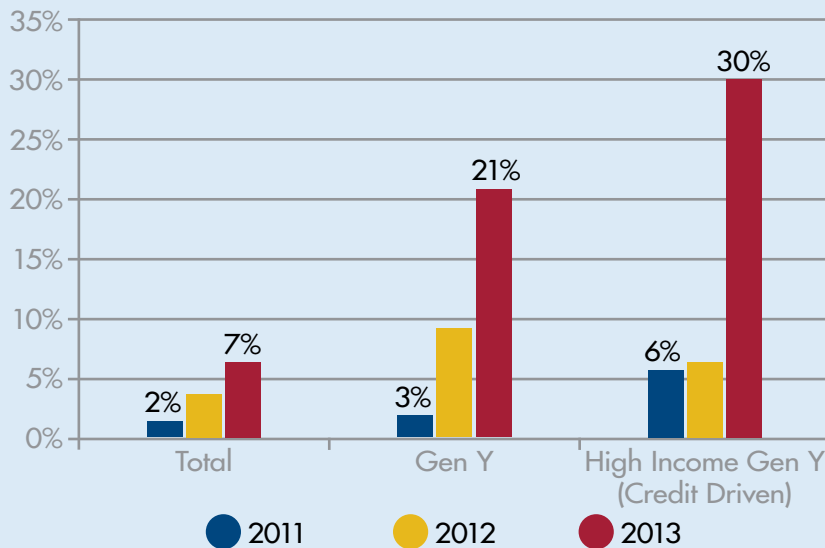
- Instant issue debit cards and ATMs for easy payments and fast access to their cash

Debit cards and ATM machines make it easy for Gen Y to spend, and, of course, increased card usage generates more interchange revenue for your institution.

Similar to the “Silent Generation,” Gen Y has experienced firsthand the pitfalls of a bad economy. Though they dream of better days ahead, they are learning to live with less in the meantime. Aside from student loans, Gen Y typically doesn't like to borrow. So, debit cards enable this highly debt-averse group to control spending.

Perhaps the desire to stretch their dollars and avoid debt fuels Gen

Mobile Deposit Capture



Source: Raddon Financial Group, National Consumer Research, Spring 2013

Y's love for deals. They are coupon clippers and thrift store shoppers. If your Gen Y account holders won't commit to a debit card, you might offer prepaid cards as an entry point to a relationship with your institution. One in six Gen Y customers chooses prepaid cards as their preferred banking instruments.⁸ Fifty-three percent of Gen Y consumers say rewards would encourage their adoption and use of prepaid cards.⁹

A prepaid card—with your name on it of course—helps Gen Y manage their expenditures while building credit histories. Offer to reward them for using your prepaid or debit card, and your Gen Y prospects might bite. Remember, Gen Y consumers are seeking assistance in managing their money, so giving them services that are convenient and meet their short-term needs will likely be appreciated.

Go with Gen Y to Next-Level Banking through Online Services

Once young account holders have come to the branch to open an account, use the technology they prefer to keep them connected—to their assets and your institution.

Online and mobile banking, as well as online bill pay, are popular

among Gen Y account holders, as is evident from recent Bain & Company research¹⁰:

- People under age 35 comprise the largest group of mobile users, and people ages 25 to 35 are the heaviest mobile banking users.
- In the US, 32 percent of customers surveyed in 2012 used their smartphones or tablets for some type of banking interaction during the previous three months.
- Customers with a higher frequency of mobile transactions are more likely to recommend their bank than low-frequency users.

Remote deposit capture (RDC) is one mobile banking service that is experiencing explosive growth, particularly in the Gen Y segment. According to Raddon

Financial Group, 21 percent of all Gen Y households and 30 percent of higher income (greater than \$50,000 annually) Gen Y households use mobile deposit.¹¹

In addition, customers who used mobile remote deposit increased their monthly number of deposits by two percent. With these current usage trends, even a nominal “per deposit” fee could generate a significant amount of monthly income for your institution.

Pushing digital channels isn't only a marketing must; it's also a must for the bottom line.

The ABCs of Engaging Gen Y

So, knowing how Gen Y prefers to engage with financial institutions, how do you make it work to your advantage? Some simple ABCs might work for this group.

Appeal. As with all marketing, successfully appealing to the values of the target audience is the way to go. In other words, your target audience needs to know WIIFM or “what's in it for me?”

We know that Gen Y values:

- **Attention:** Inviting Gen Y to your branch where you educate them on financial basics, as well as products and services they need makes them feel welcomed and appreciated. After you have acquired a Gen Y account holder, it's important to stay in touch and promote services that are beneficial to him or her. A careful outreach program, via the right channel at the right time with the right message, is absolutely imperative.

continued on next page

About the Author



Stephen Nikitas has more than 30 years of experience in strategic planning, marketing, public relations, and executive speechwriting. He has been a senior executive at financial institutions in New York, California, and Massachusetts, developing and implementing sales and marketing programs that resulted in significant growth rates in loans, deposits, and accounts.

As a senior strategist at Harland Clarke, Nikitas now provides consultative services to banks and credit unions, helping them craft marketing and retail strategies and campaigns that take advantage of existing market and financial conditions in order to grow targeted portfolios. ■

Generation Y *continued*

- **Convenience.** Whether it's a convenient debit or prepaid card, shared ATM network, free or low-cost online bill pay, mobile check deposits, or other conveniences your institution offers, you must promote them effectively to Gen Y. Again, they appreciate your looking out for their needs.

- **Technology.** Gen Y is the most tech-savvy generation yet. They *expect* to be able to do what they need to do, when they want to do it, using the channel that's most convenient at the moment. Let them know that you recognize their high-tech needs by offering multiple ways to stay connected to their accounts *and* your institution.

Banking Habits

Your goal with Gen Y should be to create the right banking habits, where Gen Y account holders turn to you in whatever channel they prefer to meet their financial needs today, and then into the future.

According to Javelin, the door is open. Only 38 percent of Gen Y states that they are "very satisfied" with their primary financial institution, versus 45 percent for all consumers.¹²

Financial institutions have enormous opportunities with Gen Y. According to Javelin¹³:

- Only one out of every two Gen Y consumers has a credit card.
- Only 20 percent of Gen Y has a mortgage.
- Only 11 percent of Gen Y has stock or investment funds.

Are these numbers so low because Gen Y doesn't need these products? Perhaps. But they will!

Naturally, at this point in their financial lives, Gen Y might be more driven by channel than by needs. But their needs will grow. And if you don't have them on board, cross-selling credit cards, mortgages and other loans, and financial management products won't happen.

So, the key is to focus on promot-

ing the right types of services in the early years of the Gen Y relationship. Online and mobile banking and bill pay present the best opportunities and also keep your costs low. Then, as Gen Y-ers mature into their huge financial potential, they are already in relationship with your institution and ready to hear about the products and services you can offer them at the next life stage.

Communication

From a cycle perspective, the cadence of a post-acquisition welcome—outreach at 30-day, 60-day, 90-day, and 365-day intervals—is on target for Gen Y. The key is how to do it.

Incorporating multiple channels is a must: digital, e-mail, texting, phone, and direct mail are all complementary. Epsilon noted, "As consumer channel preference continues to evolve, marketers need to integrate the various sources consumers turn to when seeking brand and product information. Two to three channels are the most common way to communicate and build trust with a consumer."¹⁴

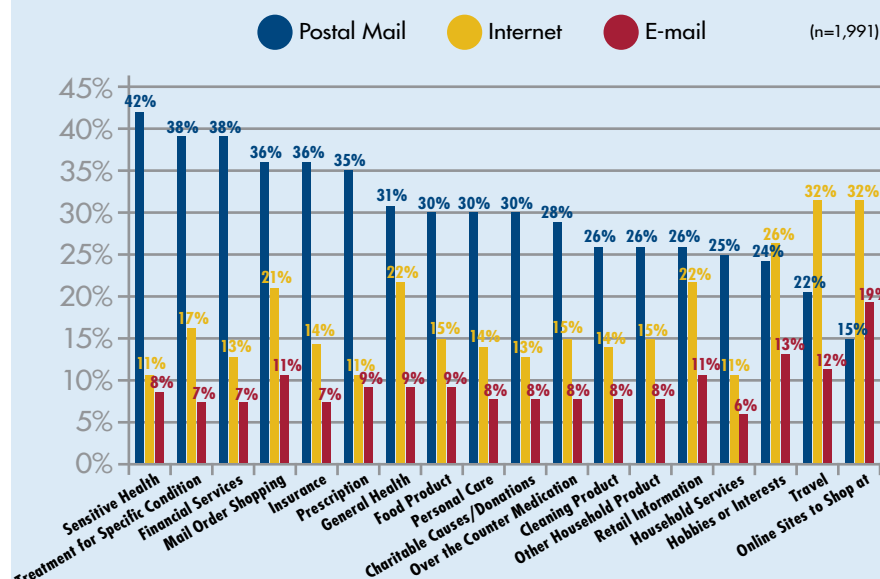
And even though Gen Y is a tech-

nology-centric crowd, more recent research from Epsilon tells us that direct mail is the most preferred channel for receipt of communications about financial services. According to Epsilon's 2013 *Channel Preference Study*, 38 percent of US consumers agree that direct mail is the preferred channel to receive financial services information. Note that this number is up by two percent since Epsilon's 2011 Channel Preference Study.

Epsilon further states that, "Interestingly, US consumers report an emotional boost from receiving direct mail, with 60 percent agreeing that they 'enjoy checking the mailbox for postal mail.'"

In fact, direct mail is a very strong communication channel for Gen Y, with 92 percent of Gen Y consumers choosing this medium when selecting a store. They also find an average of 75 percent of their mail valuable. Another 73 percent say they have made a purchase using a coupon they received in the mail.¹⁵ Clearly, this group does read and respond to direct mail offers. So, you definitely should

Stated Preference for Receiving Information (US)



Source: Epsilon, Channel Preference for both the Mobile and Nonmobile Consumer, Epsilon, 2012

include direct mail in your media plan for Gen Y.

If you haven't considered Gen Y in your growth plan, now is the time to change your mind. This dynamic group has the potential to become the highest earning generation to-date. A few simple tips can earn you their business and their loyalty:

- Pay attention to Gen Y and share their optimism regarding their financial future
- As they earn more, offer them products and services at every lifecycle that will help them achieve their financial goals
- Allow their technology preferences to dictate the channels in which you will communicate and keep them connected to their assets

Harland Clarke can help you onboard Gen Y successfully. Our "Acquisition Solution" welcomes and

engages new Gen Y account holders through a series of targeted, data-driven, multi-channel communications. We also help reduce attrition and increase cross-sell opportunities, while effectively transitioning new accounts into satisfied, profitable, and loyal relationships.

To learn more about our expertise with Gen Y, call 800-351-3843, e-mail us at contactHC@harlandclarke.com, or visit harlandclarke.com/Marketing-Services. ■

Endnotes

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An In-Depth Study of Appraisal and Evaluation Compliance Review

Interagency Guidelines and USPAP

With the beginning of a new year, TBA is pleased to announce a new addition to the education schedule. An *In-Depth Study of the Appraisal and Evaluation Compliance Review* is a hands-on workshop that will focus on the key points banks need to be aware of relating to reviewing appraisals and evaluations for minimum compliance with the Interagency Appraisal and Evaluation Guidelines, as well as the most recent revisions to USPAP.

TBA will offer the workshop one date and one site only—February 26 at the TBA Barrett Training Center in Nashville. The instructor is Eric Collinsworth, owner of Appraisal Advisory Associates, LLC, and co-owner of Evolve Valuation Compliance Services, LLC. Collinsworth, a certified appraiser, has been actively involved in the appraisal industry since 2004.

Who Should Attend

Members of the bank who are involved with writing or reviewing appraisals and evaluations, as well as other employees that rely on appraisals will find the information delivered in this program beneficial. In addition to appraisal department members, this may include credit officers, loan officers, credit analysts, loan review officers, credit administration supervisors, and loan assistants.

Attendants qualify for 6.5 hours of CPE credit in the areas of specialized knowledge and application.

Participation in TBA programs is limited to members, associate members, and nonmembers from an eligible membership category.

Program Highlights

The following are among the topics Collinsworth will cover:

- Qualified review personnel—a discussion of who is considered appropriately qualified to review appraisals, as well as how to document their qualifications
- Reviewer independence—a discussion of the steps necessary to ensure reviewer independence is maintained
- Minimum expectations of the compliance review—a discussion of when compliance reviews are required and why they are an important part of the overall valuation process
- Minimum regulatory guidelines—a discussion of the minimum appraisal and evaluation requirements of the Interagency Guidelines for Appraisals and Evaluations
- Understanding USPAP—a thorough discussion of the various parts of USPAP and what reviewers should be looking for in the appraisal report to ensure compliance with USPAP
- Understanding the various types of reviews—the instructor will discuss the differences between a USPAP compliance review and a USPAP standard 3 review along with outsourcing reviews to qualified personnel
- Handling deficiencies in the report—how to handle items of concern with the appraiser or evaluator and stay within the regulatory guidelines and what to do with a rejected report

The afternoon session will consist of several case studies—residential and commercial—involving step-by-step reviews of an evaluation and residential and commercial appraisal reports to demonstrate how to apply the knowledge gained from the discussion items above.

Attendance will receive a reference manual that included resources and sample appraisal and evaluation review checklists.

Program Instructor



Collinsworth



About the Instructor

Eric Collinsworth received the certified residential appraiser designation in 2006. For the first four years of his appraisal career, he worked exclusively on residential property appraisal in the Middle Tennessee area, with a focus on OREO and high-end properties. Since 2008, he has worked for and with community banks in Tennessee and throughout the Eastern United States, completing over 10,000 compliance reviews during that timeframe.

Collinsworth served in a supervisory role for a multi-billion dollar financial institution headquartered in Middle Tennessee and was responsible for developing compliance forms, appraisal policies, appraisal reviews, appraisal training, and market analyses, as well as the management of the day-to-day operations of the appraisal department.

In October of 2011, Collinsworth formed Appraisal Advisory Associates, LLC, in order to share his grow-

continued on next page

Appraisal and Evaluation Compliance Review *continued*

ing knowledge and expertise and to fill a need he recognized within smaller community banks for sound advice relating to the regulatory changes in the real estate valuation portion of the industry. He works closely with community bankers associations in many states to provide training on how to apply the regulatory requirements and guidelines for the real estate valuation process.

In 2014, Evolve Valuation Compliance Services, LLC, was created in order to provide appraisal and evaluation review services to a growing client base. Collinsworth also works closely with a Nashville-based appraisal management company to provide full appraisal management services to community banks.

Registration and Hotel Information

Registration fees for this program cover instruction, the reference manual, continental breakfast, refreshment breaks, and lunch.

February 19 is the deadline for early registration. Fees for registrations received in the TBA office by the end of business on February 19 are \$220 for TBA members and associate members and \$440 for nonmembers.

After February 19, fees increase by \$30 across the board to \$250 for members and \$470 for nonmembers.

All at-the-door registrants will be assessed an additional \$50 late registration fee, so please register in advance of the program.

TBA has not reserved sleeping rooms for this workshop, but those who need

overnight accommodations can find information and phone numbers for hotels close to the TBA Barrett Training Center in the program brochure and the online event listing.

Visit the calendar page of the TBA website, www.TNBankers.org/calendar, to register online for *An In-Depth Study of the Appraisal and Evaluation Compliance Review* or to download a copy of the program brochure containing complete information and a printable registration form.

If you have questions about the workshop, please contact Debbie Brickles via e-mail to dbrickles@TN-Bankers.org or call her in the TBA office at 615-244-4871 or 800-964-5525. ■



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The Southeastern School of Consumer Credit

Discounted Tuition Deadline Is February 10

The Tennessee Bankers Association is currently accepting applications for the 2015 session of *The Southeastern School of Consumer Credit* (TSSCC), which will be held March 8-13 at the TBA Barrett Training Center in Nashville. One of three lending schools conducted by the Tennessee Bankers Association in cooperation with the Georgia, Louisiana, and Mississippi Bankers associations, TSSCC is an intermediate-level, week-long school focusing on the major issues consumer lending managers face.

The school is designed to increase knowledge of consumer lending as a retail banking function and a source of bank income.

Curriculum

TSSCC's curriculum, developed in cooperation with the American Bankers Association, industry experts, and TSSCC's board of trustees, addresses the managerial aspect of consumer lending operations, especially how the bank's loan portfolio can increase profitability and improve competitive positions. It also emphasizes the development of both administrative and human relations skills to equip the student to manage bank assets and meet customers' financial needs.

The curriculum incorporates over 35 hours of classroom instruction in 17 courses arranged into five course clusters.

Admission & Graduation Requirements

Applicants to *The Southeastern School of Consumer Credit* should have a minimum of one year's experience in consumer lending or five years of general banking experience, plus completion of certain AIB or college courses.

Faculty



Ronnie L. Boling, Financial Services Consultant, Brentwood, TN
Application Generation and Credit Investigation
Evaluation and Quality Assurance
Loan Closing and Practical Application of the Lending Process
Loan Policy Administration
Loan Pricing, Structuring, and Documentation



Michael G. Comer, Executive Vice President/Chief Operating Officer, Citizens National Bank, Sevierville, TN
Relationship Management/Sales and Services



Connie Edwards, CRCM, President, Banc Compliance Group, Inc, Franklin, TN
Regulatory Compliance and Fair Lending



Craig Holland, Williamson County President, First Farmers and Merchants Bank, Franklin, TN
Retail Credit Analysis and Underwriting: Direct Lending, Indirect Lending, and Open-End Credit



David L. Kemp, President, Bankers Management, Inc, McDonough, GA
Collection Management and Credit Counseling
Role Play: Consumer Bankruptcy



Thomas H. Payne, PhD, Dunagan Chair of Excellence in Banking, The University of Tennessee, Martin, TN
Evolving Trends in Retail Banking



Each student must complete a pre-test prior to the school session and bring it with them to class.

Those qualifying for graduation must achieve a composite score of 70, with the mid-term exam counting 40 percent, final exam counting 40 percent, and faculty and staff evaluations counting 20 percent. Attendance at all classes is mandatory, and students are required to reside at the Loews Vanderbilt Hotel for the week.

Participation in TBA programs is limited to members, associate members,

and nonmembers from an eligible membership category.

TSSCC graduates qualify for 35 hours of CPE credit in the area of specialized knowledge and application.

Tuition & Housing

TSSCC tuition covers instruction, the comprehensive manual, housing, breakfast, lunch, and refreshment breaks. Evening meals are on your own.

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Citizens Bank, Carthage	BB&T, Knoxville
CapitalMark Bank & Trust, Chattanooga	Clayton Bank and Trust, Knoxville
Cohutta Banking Company, a Div of Synovus Bank, Chattanooga	Home Federal Bank of Tennessee, Knoxville
First Volunteer Bank, Chattanooga	Citizens Bank of Lafayette, Lafayette
F&M Bank, Clarksville	Macon Bank and Trust Company, Lafayette
Legends Bank, Clarksville	Peoples Bank of the South, LaFollette
Southern Heritage Bank, Cleveland	Lawrenceburg Federal Bank, Lawrenceburg
Peoples Bank, Clifton	First Freedom Bank, Lebanon
BankTennessee, Collierville	Wilson Bank & Trust, Lebanon
The Bank of Fayette County, Collierville	First Commerce Bank, Lewisburg
First Farmers and Merchants Bank, Columbia	Community Bank, Lexington
Bank of Putnam County, Cookeville	FirstBank, Lexington
Putnam 1st Mercantile Bank, Cookeville	American Bank & Trust of the Cumberland, Livingston
<i>Equias Alliance, Cordova</i>	Peoples Bank of East Tennessee, Madisonville
First Alliance Bank, Cordova	Volunteer Federal Savings Bank, Madisonville
Cumberland County Bank, Crossville	Peoples Bank & Trust Company, Manchester
Highland Federal Savings and Loan Association, Crossville	Citizens Bank of Blount County, Maryville
Community National Bank, Dayton	Foothills Bank & Trust, Maryville
Decatur County Bank, Decaturville	Homeland Community Bank, Mc Minnville
TriStar Bank, Dickson	Security Federal Savings Bank of McMinnville, McMinnville
Citizens Tri-County Bank, Dunlap	The First National Bank of McMinnville, McMinnville
Mountain Valley Bank, Dunlap	Commercial Bank & Trust Co, Memphis
First Citizens National Bank, Dyersburg	Evolve Bank & Trust, Memphis
Citizens Bank, Elizabethton	Financial Federal Bank, Memphis
Traditions First Bank, Erin	Paragon Bank, Memphis
Bank of Frankewing, Frankewing	Triumph Bank, Memphis
Franklin Synergy Bank, Franklin	Trustmark National Bank, Memphis
Tennessee Bank and Trust, a Div of Farmers Bank and Trust Company, Franklin	The Bank of Milan, Milan
Bank of Gleason, Gleason	HomeTrust Bank, NA, Morristown
Greeneville Federal Bank, FSB, Greeneville	Southern Bank of Tennessee, Mount Juliet
Citizens Bank, Hartsville	Farmers State Bank, Mountain City
	Johnson County Bank, Mountain City
	MidSouth Bank, Murfreesboro

Avenue Bank, Nashville
 CapStar Bank, Nashville
 Citizens Savings Bank and Trust Company, Nashville
 Fifth Third Bank, Nashville
Financial Products and Services, Inc, Nashville
KraftCPAs PLLC, Nashville
Meyer-Chatfield Corporation, Nashville
 Pinnacle Bank, Nashville
 Regions Bank, Nashville
 Renasant Bank, Nashville
 SunTrust Bank, Nashville
 Tennessee Bankers Association, Nashville
 The Bank of Nashville, a Div of Synovus Bank, Nashville
 US Bank, NA, Nashville
 Wells Fargo Bank, NA, Nashville
 Citizens Bank, New Tazewell
 Home Federal Bank Corporation, New Tazewell
 Newport Federal Bank, Newport
 The First National Bank of Oneida, Oneida
 Tennessee State Bank, Pigeon Forge

First Farmers and Commercial Bank, Pikeville
 The Farmers Bank, Portland
 Volunteer State Bank, Portland
 First National Bank of Pulaski, Pulaski
 Bank of Ripley, Ripley
 The Hardin County Bank, Savannah
 Citizens National Bank, Sevierville
 Sevier County Bank, Sevierville
 First Community Bank of Bedford County, Shelbyville
 Commerce Union Bank, Springfield
 First Century Bank, Tazewell
 Farmers and Merchants Bank, Trezevant
 American City Bank of Tullahoma, Tullahoma
 First Vision Bank of Tennessee, Tullahoma
 Southern Community Bank, Tullahoma
 First State Bank, Union City
 Reelfoot Bank, Union City
 Wayne County Bank, Waynesboro

*Total as of December 22, 2014

The Southeastern School of Consumer Credit, *continued*

Payment-in-full is required with applications. Applications received in the TBA office by the close of business on February 10 qualify for discounted tuition of \$1,500 for TBA members, associate members, and members of the sponsoring state associations and \$1,700 for nonmembers.

After February 10, standard tuition is \$1,700 for members and \$1,900 for nonmembers.

TBA cannot accept applications after February 20.

Tuition covers housing in double rooms at the Loews Vanderbilt. Through February 10, single rooms are available for an additional \$500 fee. After February 10, the fee increases to \$600 and rooms may not be available.

Brochures containing complete information about *The Southeastern School of Banking*, including the application form, are available. Visit the TBA website at www.TNBankers.org and click on the Southeastern

2014-15 Board of Trustees



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Schools page under the Education tab at the top of the home page to download a brochure or to register online. If you have questions about this school, or any

of The Southeastern Schools, contact Susan Taylor, CMP, via e-mail to sr-taylor@TNBankers.org or call her at 615-244-4871 or 800-964-5525. ■

Credit Conference

Early Registration Deadline Is January 21

TBA's annual *Credit Conference* is just around the corner, February 5 and 6, at the Omni Hotel in downtown Nashville. Register by January 21 to qualify for early registration fees and save \$30 over standard registration prices or \$80 over at-the-door late registration fees.

Conference Overview

Thursday

Credit Committee Chairman John McDearman will call the conference to order at 9:00 am on Thursday, February 5. The day's agenda features a morning general session with two speakers, a special luncheon speaker, and two sets of three afternoon breakout sessions—a total of six workshops.

General session presentations and speakers include:

- *Economic and Financial Market Outlook: What Can We Expect from the Federal Reserve in 2015?* – Joseph T. Keating, chief investment officer, executive vice president, and head of wealth management, CenterState Bank, Birmingham, AL
- *The Road Ahead: Five Questions for Bank CEOs and Directors* – Richard J. Parsons, author and consultant, Charlotte, NC

Following lunch, participants will hear an inspirational presentation delivered by Inquoris "Inky" Johnson, former University of Tennessee football player and currently the sports and health coordinator for JustLead, the flagship program of Emerald Youth Foundation, a non-profit ministry for youth in inner-city Knoxville.

Afternoon workshops are:

- Workshop I – FASB's CECL

2014-15 Credit Committee



John C.
McDearman, III

Chairman: John C. McDearman, III, Executive Vice President, Wilson Bank & Trust, Lebanon

Michael L. Ayer, Chief Credit Officer, First Farmers and Merchants Bank, Columbia

Scott Bagwell, Robertson County President/Chief Lending Officer, Commerce Union Bank, Springfield

John W. (Bill) Beard, Senior Credit Officer/East Tennessee Region, HomeTrust Bank, NA, Johnson City

Joel Beavers, Credit Administrator, First National Bank, Lenoir City

J. Michael Blackwell, Chief Credit Officer, First Advantage Bank, Clarksville

Robert Bradley, Executive Vice President/Senior Credit Officer, Bank of Tennessee, Johnson City

Tina Cline, First Vice President/Senior Compliance and CRA Officer, First Century Bank, Tazewell

Larry Estepp, Executive Vice President, Citizens Bank, Kingsport

Philip Fons, Chief Credit Officer, INSBANK, Nashville

Emily B. Gray, Senior Vice President/Senior Credit Officer, The Hardin County Bank, Savannah

Mark Harrison, Chief Credit Officer, First Volunteer Bank, Chattanooga

Charles Hooks, Executive Vice President/Chief Credit Officer, Sumner Bank & Trust, Gallatin

Kevin W. Horne, Executive Vice President/Chief Credit Officer/Chief Operating Officer & Area President, Mountain Commerce Bank, Johnson City

Beverly L. Horner, CPA, Member, KraftCPAs PLLC, Columbia

Monte Jones, Community President, Commercial Bank & Trust Co, Jackson

Chris Loyd, CPA, CGMA, Member, Crowell & Crowell, PLLC, Franklin

Ricky Sample, City President, Home Banking Company, Savannah

Brent Scott, CPA, CIA, CGMA, Partner, Scott-Riddle Consulting PLLC, Jackson

Elizabeth W. Sims, Attorney, Butler Snow LLP, Nashville

Steve Weaver, Regional Bank President, First State Bank, Collierville

Timothy E. Wilson, Executive Vice President, The Bank of Jackson, Jackson



Model: What Next? – Todd Sprang, principal, Clifton Larson Allen, LLP, Oak Brook, IL

- Workshop II – *Pay for Performance: A Key Element to Succession Planning (how to Keep Your Lenders, Shareholders, and Regulators Happy with Strong Compensation Plans for Retaining,*

Recruiting, and Rewarding!) – Kathy Orr Smith, president, Bank Compensation Consulting, Plano, TX

- Workshop III – *Pros and Cons of Asset-Based Lending* – John Cochran, principal consultant and trainer, Cochran Associates, LLC, Jefferson City, MO

- Workshop IV – *Here There Be Dragons: or Thar's Gold in Them Thar Fields!* – Steve Issacs, PhD, professor, Agricultural Economics, University of Kentucky, Lexington, KY

- Workshop V – *Documentation, Internal Controls, and Subpoenas: Avoiding Regulatory and Litigation Issues* – Ty Howard and Todd Presnell, partners, Bradley Arrant Boulton Cummings LLP, Nashville, TN

- Workshop VI – *Appraisals and Evaluations: Lessons Learned* – John Cochran, principal consultant and trainer, Cochran Associates, LLC, Jefferson City, MO

The first day of the conference will end with a reception from 5:00 to 6:00 pm, sponsored by Financial Products and Services, Inc. Dinner that evening is on your own.

Friday

The business portion of the *Credit Conference* will resume on Friday morning with four general session presentations.

- *Young Bankers Division Update* – Emily Gray, president of the Young Bankers Division and senior vice president/senior credit officer, The Hardin County Bank, Savannah, TN

- *State and Federal Legislative Update* – Timothy L. Amos, executive vice and general counsel, Tennessee Bankers Association, Nashville, TN

- *The Interest-Rate Outlook* – William R. Emmons, assistant vice president and economist, Federal Reserve Bank of St Louis, St Louis, MO.

- *Straight from the Commissioner* – Greg Gonzales, commissioner, Tennessee Department of Financial Institutions, Nashville, TN.

Registration Fees

Credit Conference registration fees cover instructional materials, lunch and the reception on Thursday, and continental breakfast and refreshment breaks on both days of the conference.

TBA is offering a team discount for multiple registrations from the same institution. For registrations

Thank You to Our Sponsors

Crowe Horwath LLP, Franklin, TN – *Mobile App*

Crowell & Crowell, PLLC, Franklin, TN – *Printed Registration List*

Elliot Davis Decosimo, Greenville, SC – *Thursday Afternoon Coffee Break*

Financial Products and Services, Inc, Nashville, TN – *Reception*

First National Banker's Bank/FNBB Capital Markets, Birmingham, AL – *Pocket Agenda*

KraftCPAs PLLC, Nashville, TN – *Thursday Morning Coffee Break*

Mauldin & Jenkins CPA, LLC, Chattanooga, TN – *Thursday Breakfast Coffee*

ServisFirst Bank, Memphis, TN – *Printed Handout Booklets*

Southeastern Commercial Finance, LLC, Memphis, TN – *Thursday Lunch Dessert*

Download the Credit Conference App

- Download the Guidebook App for your Tablet, iPhone, Android, or Blackberry phone

- Link to our event with the redeem code **CREDIT15**

- Enjoy custom schedules, program maps, speaker bios, push notification reminders, and extended information about this year's conference!



For additional questions or inquiries contact:

Matt Radford at mradford@tnbankers.org

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made at the same time, only the first registrant pays the full fee, with a \$25 per person discount applicable to additional registrants. Remember, this applies *only* to registrations made at the same time and in advance of the day of the conference.

Registrations received in the TBA office by the close of business on January 21 qualify for early registration fees. After January 21, standard fees apply. All day-of-program registrants will be assessed an additional \$50 late registration fee.

For complete registration fees and conference information or to register online, visit the TBA website, www.TN-Bankers.org/calendar, to download a copy of the *Credit Conference* brochure.

Hotel Information

The TBA reserved a block of rooms at the Omni Hotel, site of the conference, at a special group rate. January 14 was the cutoff for the block.

TBA was advised by the hotel that it would be sold out for the *Credit Conference* dates with the TBA and two additional groups.

Any rooms available after the January 14 cutoff date or after the TBA block sold out will be at standard rates.

If you have questions concerning TBA's 2015 *Credit Conference*, please contact Susan Taylor, CMP, via e-mail to srtaylor@TNBankers.org or call 615-244-4871 or 800-964-5525. ■

Southern Operations and Technology School

Early Bird Pricing Ends January 31

The *Southern Operations and Technology School* provides banker students with exposure to the important issues that operations and technology personnel deal with in today's banking environment. Conducted by the Georgia Bankers Association in partnership with the bankers associations in Alabama, Florida, Louisiana, South Carolina, and Tennessee, the goal of this comprehensive operations and technology school is to provide students with the educational foundation necessary to make a significant impact at their bank.

The 2015 session of the *Southern Operations and Technology School* (SOTS) is scheduled for May 3–8 at the UGA Hotel and Conference Center at the Georgia Center on The University of Georgia campus in Athens. Students are housed on the University of Georgia campus.

Beginning with this year's on-campus session, the SOTS becomes a one-year program instead of two. "The school's administrative committee reviewed and revamped the curriculum, resulting in a fresh, current, challenging, and applicable course load that will benefit students professionally and personally every day," said Sandy Robinson, SOTS director and senior vice president and director of internal audit at Ameris Bancorp, Inc, Moultrie, LA.

Sessions concentrate on the traditional operations and technology areas with an emphasis on compliance, risk management, profitability, and people-related issues. Topics are integrated into a rigorous schedule of lectures, discussions, and a home study project.

The school's faculty is composed of experienced bankers, UGA faculty, regulatory officials, attorneys, and others with expertise in their subject



"The Arch" is a popular landmark at the University of Georgia. UGA will serve as the site of the SOTS.

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GBA

GEORGIA BANKERS ASSOCIATION
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areas and proven ability to teach other professionals.

Students use an online learning system to submit home study assignments, chat with fellow students, consult with their facilitator, read articles recommended or assigned by their instructors, and communicate with their instructors.

Tuition and Application Process

Tuition for the SOTS is \$1,875. Applicants who register and pay by January 31 receive the early bird price of \$1,750.

Tuition includes instruction; supplemental materials; double occupancy accommodations for Sunday–Thursday nights at the UGA hotel, including parking; and daily breakfast, lunch, and

Southern Operations and Technology School

Purpose and Philosophy

Bank operations are central to the business of commercial banking. Specialists and generalists in the field of commercial banking need broad-based as well as in-depth understanding. The purpose of the SOTS is to provide that knowledge through:

- Strengthening management skills
- Increasing awareness of the regulatory and compliance issues that affect banking today
- Exposing participants to current technologies and products within the financial services industry
- Understanding the relationships of key operations areas and how they contribute to the bank's profitability
- Promoting an understanding of other functional areas of the bank and how bank operations units relate to them

refreshment breaks.

The school is currently accepting applications. Register online at www.gabankers.com or download the application form found online, complete it, and mail it to the GBA.

Applications must be submitted by March 25 to guarantee a hotel room. Applications submitted between March 26 and the application deadline of April 17 are welcome, but a hotel room cannot be guaranteed for those applicants.

If you have questions about the *Southern Operations and Technology School*, please contact Kathy Friestad at the Georgia Bankers Association, kfriestad@gabankers.com or 404-420-2024. ■

New TBA Peer Group Forum for Retail Banking Officers

First Session Receives High Marks

In 2014, our member banks began asking about additional resource training for their retail banking professionals. Gauging from the success and participant reviews of TBA's existing peer group forums, the education department determined this would be an ideal avenue to fulfill the training needs of retail banking officers.

With the assistance of a facilitator, the forums provide an opportunity to be with fellow banking professionals facing similar challenges and opportunities. They allow for the discussion of new ideas and new and more efficient ways of addressing similar operational considerations and concerns facing bankers today.

The *Retail Banking Officer Forums*, moderated by Dianne Barton, founder and president of Performance Solutions, Inc, provide a platform and opportunity for retail banking officers to exchange ideas freely, examine pressing issues in today's ever-evolving regulatory, cost-conscience, and productivity-driven environment. TBA is pleased to provide this program where individuals who are responsible for retail banking issues in their institutions have the opportunity to discuss those concerns and explore collaborative solutions to challenges they face on a day-to-day basis.

The *Retail Banking Officer Forums* are scheduled to meet three times annually at the TBA headquarters, and the first session was held November 6. Participants gave the forum high marks and are eagerly looking forward to the second session, scheduled for April 1. The agenda for each session flows based on feedback from participants in the forum group. As necessary, subject matter experts will be brought in to cover specific issues and topics based on responses from the forum members.



Members meet in the TBA Gilliam Board Room for the first *Retail Banking Officers Forum*.

What Participants Are Saying

"Great group. Really glad I chose to participate. The entire group is full of experienced and knowledgeable bankers who openly share their experiences and opinions. Dianne is a great facilitator and keeps the group moving and focused. Looking forward to our next gathering."

Clark Oakley
Eastern Regional President
Wilson Bank & Trust

"I was very excited about the new Retail Officer Forum, and I felt the first meeting was exactly what I had hoped it would be. What a great way to share 'best practices' with your peers!"

Paula DeBerry
Retail Executive Officer
Commerce Union Bank

"The opportunity to gain knowledge on different products and processes that were successful at other banks was great."

Janice Simpson
Branch Administration Manager
Community First Bank & Trust

TBA was not surprised at the positive feedback on the *Retail Banking Officer Forums*. Peer-to-peer forums have proven very successful for the other TBA membership focus groups—the *CEO Forums*, *CFO Forums*, *Senior Compliance Officer Forums*, *Human Resources Director Forums*, *Senior Lender Forums*, and *IT/Operations Forums*.

There is still time to join this new forum group before the upcoming April session. For more information about the *Retail Banking Officer Forum*, or any of the other peer group forums offered by TBA, please contact Debbie Brickles, dbrickles@TNBankers.org. ■

2014 BANK DIRECTORS RETREAT PHOTO RECAP

NOVEMBER 19 & 20 - THE HERMITAGE HOTEL, NASHVILLE

IN CONJUNCTION WITH



VISION STRATEGY LEADERSHIP



Independent Bankers Division President Ted Williams called the program to order.



TDFI Commissioner Greg Gonzales addressed the future of banking.



Trent Fleming discussed director liability in a connected world.



"Doc" Bodine's topic was the director's evolving role in compliance.



Speaker Karl Nelson focused on building and retaining a high-performing bank board.



Economist Edmond Seifried reviewed the state of the economy and discussed Federal Reserve policies.





The 2014 Bank Directors Retreat opened with a get acquainted reception on Wednesday evening.

Human Resources Conference

A Day in the Life of HR

The agenda for TBA's annual *Human Resources Conference* is set, and this year's theme is *A Day in the Life of HR*. The conference is scheduled for March 24 and 25 at the Embassy Suites/Conference Center in Murfreesboro.

Human resources professionals and support staff, branch managers, and supervisory personnel would all benefit from the information they will gain from attending.

The *Human Resources Conference* features general business sessions both Tuesday and Wednesday mornings, with Tuesday afternoon devoted to concurrent workshops.

Tuesday, March 24, Agenda

The *HR Conference* gets underway at 8:30 am on March 24 with registration and continental breakfast. FinancialPSI is sponsoring the breakfast.

Bonnie Autry, chairman of the Human Resources Committee and

vice president/human resources director of Carroll Bank and Trust, Huntingdon, will call the program to order at 9:00.

The first presentation on the agenda is *A Passion for Your Profession*, featuring **Becky McCrary**, a certified speaking professional and author who spent 20 years in financial services. Webster defines "passion" as an intense or violent emotion. Society defines it as an all-consuming channel of activity. Perhaps you define your passion by your attitudes. Attitudes motivate, inspire, encourage, tear down, disable, and more. McCrary says that it doesn't matter what *you* think your attitude looks like—all that matters is what *they* think it looks like. McCrary will show you why passion equals productivity and help you discover what inspires and motivates you.

The next speaker is **C Eric Stevens**, shareholder with Littler Mendelson, PC, the largest global employment and labor law practice with more than 1,000 attorneys in over 60 offices worldwide.

His topic is *The Toxic Employee*. In the current economy and employment environment, it can be harder for employers to manage employees who have nowhere to go. As the financial industry demands greater efficiency and productivity, employees who refuse to keep up can become toxic, manipulating legal protections to avoid searching for a new job. Unprepared or untrained management only worsens the problem. Stevens will show you how to respond when constant negativity damages morale and zaps company resources.

Lunch, sponsored by the Ross Group at Morgan Stanley Wealth Management, is the bridge between the morning general session and the afternoon workshops.

The first set of three concurrent workshops begins at 1:00 and runs until 2:15. They include:

- **Workshop 1 – *Getting a Grip on Change*, Becky McCrary, CSP.** It



happens. Someone gets promoted. Someone retires. The data processor expires. The economy shifts. Children leave home. Children come back home. We were working our plan, and now it's useless. Planning for change is something we tell ourselves we'll do next time. Well, next time has arrived, and it isn't too late. McCrary will teach you five techniques to get ahead of change. They will help you leverage your existing skills, find a place to fit in, and put it in perspective.

- **Workshop 2 – You Be the Judge,** M. Kim Vance, shareholder, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC. Yes! You get to be the judge in this interactive session based on the *Toxic Employee* video vignettes. Participants will work in teams to identify as many employment law issues as possible in the videos. Vance will award prizes to the best “judges.” In addition, the session includes a discussion of the current status of the law regarding the issues you spot and best practices for reducing legal risks.

- **Workshop 3 – Conducting Practical Workplace Investigations,** Kara E. Shea, member, Butler Snow LLP. This presentation incorporates the facts and themes from the *Toxic Employee* general session, diving deeper into a detailed discussion of how to document and investigate issues with problem employees and other workplace issues. The session will focus on conducting effective workplace investigations, including tips on gathering relevant documents and information, interviewing witnesses, and compiling an investigative report, as well as deciding what actions to take depending on your investigation results. The workshop will be interactive and include real-life examples and practical tips, and will outline legal ramifications of and limitations on workplace investigations, including how your investigation may help or hurt you in a lawsuit.

Following a 15-minute break, the

second set of concurrent workshops will begin at 2:30 and conclude at 3:45.

- **Workshop 4 – Keeping Your Wellness Program from Making You Sick—A Discussion of the Good, the Bad, and the Ugly Regarding Wellness Programs,** Stacie L. Caraway, attorney/partner, Miller & Martin, PLLC. With the advent of the ACA, employers are being challenged to revise their health insurance plans in light of rising premiums. Wellness programs can be an important part of this process as a means to improve employee health and lower these costs. However, what you don't know about wellness program *can* hurt you. Caraway will look at the legal pitfalls employers must be aware of—even if you choose to outsource your wellness program to be administered by a third party.

- **Workshop 5 – Repeat Workshop 2 – You Be the Judge**

- **Workshop 6 – Repeat Workshop 3 – Conducting Practical Workplace Investigations**

Financial Products and Services, Inc, is sponsoring a reception from 4:00 to 5:00 pm to close out the Tuesday agenda.

Wednesday, March 25, Agenda

The *Human Resources Conference* will reconvene at 8:30 am on Wednesday morning with the call to order from Committee Chairman Bonnie Autry. Continental breakfast will be available at 8:00.

Managing in a Toxic Environment is the title of the first presentation of the day. The panel discussion will be moderated by **Thomas Anthony “Tony” Swafford**, partner with Adams and Reese, LLP, and features panelists **Tara Presness**, shareholder with Littler Mendelson, PC; **Kara Shea**, member, Butler Snow LLP; and **M. Kim Vance**, shareholder, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC. Now that attendants have examined the various legal challenges to effective management in toxic situations, this panel of attorneys will answer your questions, provide their insights on ad-

Program Speakers



Caraway



Feuer



McCrary



Presnell



Shea



Stevens



Swafford



Vance

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addressing these situations proactively, and update you on recent legal developments that may be implicated.

The final session on the conference agenda is *If Disney Ran Your Bank*, with presenter **Louis C. Feuer**, MA, MSW, president, Dynamic Seminars & Consulting, Inc, and creator,

continued on next page

Human Resources Conference *continued*

OurComment Center. Put on your Mickey Mouse ears as Feuer takes you back to the Magic Kingdom and translates the Disney business strategy mission, and concept for use in your bank. Feuer interprets key business strategies for instant placement in your bank environment and a quick change in your corporate banking culture. Learning from your colleagues is great, but learning from the successes of others brings you an outstanding educational experience. You will learn:

- To understand the philosophy and mission of one of the nation's leading corporations and how to apply it to your financial institution
- To identify practice and business strategies that will affect the customer experience in a positive manner and increase revenues at your financial institution
- To understand how the Disney workforce philosophy can affect your productivity and staff efficiency at your bank.

The *Human Resources Conference* is scheduled to adjourn at 11:30.

Hotel Information

The *Human Resources Conference* is being held at the Embassy Suites Hotel & Conference Center in Murfreesboro. TBA has arranged for a limited number of rooms at a special group rate of \$140 single/double.

Midnight on March 2 is the deadline to reserve your accommodations at the special rate. When the allotted room block is sold out, room rates return to standard prices on a space-available basis, even if it is before the March 2 deadline. Please make your arrangements early to assure you receive the TBA special group rate.

Call the Embassy Suites at 615-890-4464 to make your reservations

2014-15 Human Resources Committee



Bonnie Autry

Chairman: Bonnie Autry, Vice President/Human Resources Director, Carroll Bank and Trust, Huntingdon

Stacie Caraway, Attorney, Miller & Martin, PLLC, Chattanooga

Michelle Davis, Vice President/Human Resources Director, Southern Heritage Bank, Cleveland

Gretchen Dodson, Vice President Human Resources, Peoples Bank and Trust Company of Pickett County, Byrdstown

Jon Goodson, Insurance Consultant, Financial Products and Services, Inc, Milan

Amy Harrison, SPHR, Assistant Vice President/Human Resources, Greeneville Federal Bank, FSB, Greeneville

Renee Morris, Senior Vice President/Human Resources Director, Farmers & Merchants Bank, Trezevant

Catherine Nave, Vice President/Human Resources Director, Tennessee State Bank, Pigeon Forge

Jennifer Nunley, Executive Vice President & Cashier/Chief Operations Officer, Security Bank, Dyersburg

Sandra K. Phillips, Customer Services Manager/Executive Administrative Assistant/Assistant Vice President, Peoples Bank & Trust Company, Manchester

Kara Shea, Member, Butler Snow LLP, Nashville

C. Eric Stevens, Shareholder, Littler Mendelson, PC, Nashville

Thomas Anthony Swafford, Partner, Adams and Reese, LLP, Nashville

Tammy Tigner, Assistant Vice President/Human Resources, Merchants & Planters Bank, Bolivar

Kim Vance, Shareholder, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, Nashville

and be sure to specify that you are attending the Tennessee Banker *Human Resources Conference*.

Registration Fees

Registration fees for the conference include instructional materials, continental breakfast and refreshment breaks both days, and lunch and reception on Tuesday March 24.

Registrations received in the TBA office by the close of business on March 10 qualify for early registration fees of \$350 for TBA members and associate members and \$700 for nonmembers. After March 10, fees increase by \$30 to \$380 and \$730, respectively.

All day-of-program registrants will

be assessed an additional \$50 late registration fee, no exceptions.

Participation in TBA programs is limited to members, associate members, and nonmembers from an eligible membership category.

Visit the TBA website at www.TNBankers.org/calendar and navigate to the *Human Resources Conference* link to register online or to download a copy of the program brochure containing complete information and a printable registration form.

If you have questions about the *HR Conference*, please contact Susan Taylor, CMP, in the TBA office at 615-244-4871 or 800-964-5525. ■

Bank Notes

Several attorneys, with **Adams and Reese, LLP, Nashville**, received honors from *MidSouth Super Lawyers*. Rising Stars awards went to **Brad Lampley**, governmental relations, and **Tony Swafford**, labor and employment, transportation, and maritime. Super Lawyers awards went to **Phil Kirkpatrick**, IP litigation, personal injury defense, products, and business litigation; **Larry Brock**, business litigation; **Lynn Morrow**, entertainment and sports; **Linda Edell Howard**, entertainment and sports; **Jay Campbell**, mergers and acquisitions; **Emily Taube**, business litigation; **Hank Shelton**, bankruptcy and creditor/debtor rights; **Lucian Pera**, business litigation; **James McLaren**, real estate; **Cannon Allen**, class action/mass torts; and **Mark Norris**, business litigation.

Robert C. Bigelow, an attorney with **Dickinson Wright PLLC, Nashville**, was named to the board of directors of the Nashville Bar Association.

Leisa Gill, Director of marketing strategy at **Lattimore Black Morgan & Cain, PC, Brentwood**, was honored with the *Paul Harris Award* at the Brentwood Rotary luncheon in November. The *Paul Harris Award*, named after the Rotary Founder, goes to individuals who strive to make a difference in their communities.

Rebecca McKelvey Castañeda, an attorney with **Stites & Harbison, PLLC, Nashville**, received the *Harris Gilbert Pro Bono Volunteer of the Year Award* from the Tennessee Bar Association at a ceremony in January. Castañeda was recognized for a number of time-intensive pro bono cases she handled in 2014 and her service on the board of the Tennessee Justice Center.

John Knox Walkup, an attorney with **Wyatt, Tarrant & Combs, LLP, Nashville**, was named a *Mid-South Super Lawyer*. Walkup's specialty is business litigation. ■

Community Corner

Sevier County Bank, Sevierville, partnered once again with Sevierville Kiwanis Club this holiday season to help local families in need of food. Bank officials and club members asked the public to donate cash, canned goods, and other nonperishable food items for this cause.

Melissa Dove, vice president of Sevierville Kiwanis said, "The need in our community is enormous, but often goes unseen. On an average week, the folks at Sevier County Food Ministries help approximately 1,600 families. And unfortunately these numbers only increase during the colder months."

Collection boxes, designed and brightly decorated by children at the local Boys and Girls Clubs and Key Clubs, were placed at each of Sevier County Bank's six locations. Collection of food items continued until December 5 and then donated to Sevier County Food Ministries.

"We're so glad that the Kiwanis Club wanted to join forces with us again this year to help meet this tremendous need in our community," said **Matthew A. R. Converse**, president and chief executive officer of Sevier County Bank. "We are happy to help in getting the word out that there is a critical need for food right here in our own backyard. I thank our loyal SCB customers and our neighbors in the community, both individuals and businesses, for responding with their hearts and helping us just like they did in overwhelming measure last year."

Tennessee State Bank, Pigeon Forge, is proud to support local charities by giving back to the communities they

serve. Employees of Tennessee State Bank donate one dollar each Friday for the privilege of wearing jeans. The TSB employees took advantage of the "double your donation" day at Second Harvest Food Bank of East Tennessee when they presented a check in the amount of \$1,200. ■

Promotions



Sanders

Wilson Bank & Trust, Lebanon, has promoted **Kevin Sanders** to city president in the bank's Mount Juliet market. In addition to managing the Mount Juliet branch at 1476 North Mount Juliet Road—the largest office in assets in the bank's West Wilson/Davidson County area—Sanders will oversee banking operations throughout Mount Juliet, including branches at Hwy 70 and Providence. As city president, Sanders will be a primary administrator of city-wide bank assets totaling more than \$270 million.

One of the first employees to complete WB&T's management training program, Sanders has worked in banking for nine years, all with WB&T. His roles have included manager and assistant manager, and he most recently served as office manager at the Providence branch in Mount Juliet since that location opened for business in 2011.

First Freedom Bank, Lebanon, has added **Kimmie Dale** as a customer service representative, **Amy Gregory** as customer service representative manager, and **Hope Moses** as a deposit operations clerk to their staff. Previously, Dale was employed as senior teller at BB&T Bank, Kingsport, while Gregory was a certified nurse aide/medical assistant with

continued on next page

Vanderbilt University Medical Center. Moses brings eight years of operations experience in community banking to her new position.

Franklin Synergy Bank, Franklin, has promoted **Millie Williams** to assistant vice president, mortgage banking. In addition, **Michael Hazlett**

has joined the bank as vice president, community banker. Previously, Hazlett was vice president, commercial lender, with Wilson Bank & Trust.

At Finworth Mortgage LLC, an InsBank company, **Tim Cornwell** has joined the Nashville office as a loan originator, and **Matt Freije** has joined

as a mortgage loan officer. Previously, both Cornwell and Freije held similar positions with Farmington Mortgage.

InsBank, Nashville, has named **J. Scott Gupton** as senior vice president and chief operating officer. With nearly two decades of banking experience, Gupton will oversee the bank's operations, marketing, human resources, information technology, and corporate and regulatory reporting. Gupton is rejoining InsBank where he served as first vice president from 2000-2007. Prior to his new role at InsBank, Gupton most recently served as chief operating officer at First Advantage Bank in Clarksville and previously as COO and principal financial officer at Sumner Bank & Trust, Gallatin.

Pinnacle Financial Partners, Nashville, has welcomed **Crystal Glover** and **Jolene Thompson** as service specialists. Previously, Glover was a branch manager with SunTrust Bank and Thompson was a teller with The Bank of Nashville.

Matthew Noggle has joined **Bradley Arant Boult Cummings LLP, Nashville**, as an associate.

Bass, Berry & Sims, PLC, Nashville, has added **Taylor Ashley**, **Dustin Carlton**, **Adrienne Coronado**, **Jonathan "Devon" Holbrook**, **T. Mitchell James**, **Clark Milner**, **Amy Poe**, and **Ashley Thurman** as associates. In addition, **Sarah Miller** has joined the firm as an attorney.

Concept Technology, Nashville, has added **Will Enochs** as an IT support analyst. Previously, Enochs was an IT specialist with Tennessee Technological University. In addition, **Lizzie Laster** has joined as a marketing coordinator. She previously was on the sales and marketing staff at Gaylord Opryland Hotel. ■

LOAN-SOME?



Why not loan a lot?

Let BancAccess increase your loan production. Whether your community bank's looking for new business loans or wants to expand existing business loan relationships, BancAccess, Inc. has the answer that can give your bank a competitive edge by increasing revenues and controlling expenses. Call Ben Rudd today at 731.616.2505 today to learn what we can do for you. BancAccess, Inc.'s owners are community banks working together in a cooperative manner.

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Employment Opportunities

POSITIONS WANTED

1501-1 CLO, CCM

Experienced banker in both credit and lending. Credit risk certified (CRC) professional designation from The Risk Management Association (RMA). MBA from Tulane University. Seeking Middle Tennessee position in credit administration and/or commercial lending. Contact Thomas J. Kern by e-mail at kern@tulanealummi.net or by phone at 615-772-1822.

1405-2 SRO/CFO

Community bank executive with 15 years of experience as chief financial officer. Has MBA with super-regional bank training and community bank experience. Experienced in asset liability management, accounting, liquidity management, financial analysis, strategic planning, and budgeting. Contact Brian Hawkins via e-mail Brian.Hawkins2014@gmail.com or call 706-340-1078.

POSITIONS AVAILABLE

1412-7 INFORMATION SECURITY OFFICER

First Volunteer Bank has an opening in Chattanooga for an information security officer. If you are interested in this position please go to www.firstvolunteer.com and click on "View Our Job Postings." The information security officer develops and implements security policies, procedures, and programs and determines appropriate levels of security controls and systems monitoring. The information security officer designs, promotes, and assists with the implementation of organization-wide security solutions that align the business objectives of the company with its information technology infrastructure to protect information resources from inappropriate alteration, physical destruction, and unauthorized access. The information security officer manages information security risk as well as business continuity planning. This position requires a bachelor's degree in information systems or computer science or the equivalent in education and work experience and at least 3 years of experience in application management, information security, network communications, and client/server technologies. EOE. M/F/D/V

1412-4 BUSINESS BANKER/COMMERCIAL LENDER

Middle Tennessee community bank is seeking an experienced business banker/commercial lender in Davidson, Rutherford, Sumner, and Wilson counties. Qualified applicant should have 5 or more years of experience in small business/commercial lending. Bachelor's degree in finance or related field is preferred but experience or trained professional in specified field shall be considered. Applicant will be required to possess solid credit analytics, good work ethic, strong sales ability, and clear communication skills. Serious and qualified applicants please e-mail resumes to ppowlas@TNBankers.org with "Employment 1412-4" in subject line or mail to: #1412-4, c/o Penny Powlas, Tennessee Bankers Association, 211 Athens Way, Suite 100, Nashville, TN 37228-1381.

1412-3 CREDIT RISK MANAGER

CapitalMark Bank & Trust has an immediate opening for a credit risk manager. This position will be located in the Chattanooga, TN, office and will support the lending and credit administration management functions of the bank. Responsibilities include analysis of financial statements, developing projections, and preparing underwriting documents relating to all commercial loan types. Duties also include review of complex account relationships to determine risk grade and ensure adherence with bank policies and procedures. Candidate must be proficient in global cash flow analysis with background in underwriting skilled nursing facilities, and residential/commercial construction considered a plus. Prefer bachelor's degree in accounting, finance, or economics. A minimum of 3 years' credit analysis and/or loan review experience, preferably within the banking industry, is strongly desired. Requires proficiency in Microsoft Excel and related software. Ideal candidate must be able to work in a fast-paced environment, meet strict deadlines, and communicate effectively with internal and external clients. Work requires judgment and is performed generally according to standard procedures with minimal supervision. Interested candidates should send a resume and letter of interest to: Human Resources, CapitalMark Bank & Trust, PO Box 671, Chattanooga, TN 37401 or to HumanResources@capitalmark.com.

1412-1 COMMERCIAL AND RESIDENTIAL LENDING - ALL POSITIONS

Bank of Camden, consistently ranked as one of the top performing community banks in the US, is seeking commercial & residential lending personnel for Knoxville office. Positions available include portfolio manager, loan administration, special assets manager, credit analyst, remarketing, and loan servicing/collections. Candidates should have relevant financial industry experience. Urgency and attention to detail is required. Please e-mail resume, cover letter, & salary expectations to bank.tn@gmail.com.

1411-6 SPECIAL ASSETS MANAGER

Growing and profitable East Tennessee bank seeks seasoned special assets manager. Candidate should have extensive knowledge of loan/legal documents and financial statements. Experience should include successful management of performing and nonperforming commercial real estate loans. Urgency and attention to detail are required. Please e-mail resume, cover letter, & salary expectations to bank.tn@gmail.com.

1411-5 COMMERCIAL LOAN OFFICER

Areawide Development Corporation is seeking an experienced commercial loan officer, preferably with government lending experience. ADC is a provider of SBA, USDA, and other government lending products located in Alcoa, TN. Duties of the position include marketing the loan programs to potential borrowers, obtaining loan information, spreading and analyzing financial information, presenting loan packages to loan committee, preparing loan application packages, seeing loans through approval, and closing of loans. Basic qualifications include: minimum of 3 years in commercial lending, including credit training and proven success in developing new business; degree in business, economics, or finance a plus; ability to maintain effective relationships with lending partners and customers;

strong verbal and written communication skills with the ability to communicate with all levels internally and externally. Local travel and some overnight travel required. Qualified individuals please submit resume by e-mail to cburt@etdd.org. No phone calls please. EEO/AA/F/Vets/Disability

1411-4 EXECUTIVE DIRECTOR

Waller, a law firm based in Nashville, TN, is seeking an executive director (ED) for their Financial Services Industry Team. The executive director is responsible for helping to position the firm and the industry team as a leader in the marketplace and for developing qualified opportunities from prospective and existing clients that have the highest potential to generate new business. The ED will work with the firm's marketing department to generate qualified opportunities based on the business plan developed by the industry team and the ED. This position reports via dotted line to the client service and development partner for the purpose of coordinating efforts among other executive directors at the firm and will report directly to the chair of the financial services industry team for purposes of establishing and implementing the industry team's agenda and strategic goals. Primary responsibilities include coordinating meetings of industry team steering committee as well as client and industry sector teams; directing the production of client pitches/presentations; developing, in conjunction with the attorneys and marketing department, responses to RFQs and RFPs; coordinating and managing industry specific blogs, CLEs, and related content; developing and managing allocation of the budget for the industry team; and other duties as required. ED will lead chair and industry team steering committee in drafting and implementing a strategic business plan; direct market research to identify qualified prospects; report on industry conditions with recommendations for targeting; and identify appropriate pursuit teams specific to each opportunity. In addition, this individual will expand the firm's network of contacts within the identified industry sectors; facilitate meetings between attorneys and external industry decision makers; develop, manage, and maintain relationships with clients, prospects, and peers that lead to new revenue growth; and participate in continuing education to remain aware of activities and developments in the financial services industry. Bachelor's degree required, preferably in business or sales and marketing. Prefer management-level experience in the financial services industry with prior success converting business development opportunities into sales. Requires minimum 5-year track record in legal/professional services-related or solutions-based sales; network of contacts that can be leveraged to firm's benefit; proven track record of working effectively with organizations having complex structures and diverse workforces; a professional attitude and approach; ability to travel as business requires. Must have working knowledge of legal or professional services concepts and be articulate in both written and oral communications. Requires ability to drive a multifunctional team through a consultative selling process; to interact effectively at high levels within client organizations; to identify and capitalize on client needs as well as provide feedback on client and market demands; to

continued on next page

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 - ppowlas@TNBankers.org, Tennessee Bankers Association, 211 Athens Way, Ste 100, Nashville, TN 37228-1381 • 1-800-964-5525 or 615-244-4871

Employment continued

work productively and collaboratively with multiple contacts at multiple levels, rather than relying upon a single champion. Interested and qualified candidates should apply online at <https://app.smartsheet.com/b/form?EQBCT=3cb2e07533b14c06a38f8e-a3bdadb803>.

1410-7 MORTGAGE LOAN OPERATIONS SPECIALIST

Reliant Bank is a fast-growing community bank locally owned and operated in Brentwood, TN. We are currently seeking a loan operations specialist to join the Reliant Bank mortgage services team. This is an excellent opportunity for a motivated professional to work in a challenging and rewarding environment. This nonexempt position reports to the assistant vice president, loan operations officer. This position provides operational support to the day-to-day mortgage loan transaction processes including data entry, tracking, and verification; ensures that mortgage loan documentation is maintained properly; and provides support to various areas of mortgage regarding mortgage loan operations. Acts as backup administrator for loan platform including administration requirements, product changes, software revisions/enhancements. Assists senior operations officer & compliance officer with consumer compliance, safety and soundness examinations, and records retrieval. College degree or equivalent professional experience in loan servicing or operations preferred. Attention to detail and accuracy of work is essential. Requires good general math and analytical skills, strong Microsoft Word and Excel skills, and the ability to input and retrieve data in various systems; discretion in handling confidential information and sensitive documents. Must demonstrate a commitment to accuracy and quality while meeting deadlines. Requires strong organization skills, ability to communicate effectively through both written and oral formats, ability to multi-task and prioritize, and excellent customer service skills. Reliant Bank offers competitive compensation and full benefits including medical, dental, vision, health savings accounts, flexible spending accounts, life insurance, long-term disability, and 401(k). Qualified candidates may submit their resume via e-mail to HR@reliantbank.com. Reliant Bank is an Equal Employment Opportunity/Affirmative Action Employer.

1410-5 INFORMATION MANAGEMENT SPECIALIST

CapitalMark Bank & Trust has an immediate opening for an information management specialist. This position will provide support related to computer systems, including end-user devices as well as servers, network hardware, and related applications. Key responsibilities include assisting with management of the information technology system, monitoring applications for performance and reliability, and handling end-user support issues. Position involves understanding and applying regulatory requirements to bank information technology and communicating with auditors and examiners, as needed, regarding associated risks. Bachelor's degree or equivalent certifications and information technology experience required. Experience with SQL server and other database server applications required. Excellent written/verbal communication, attention to detail, and exceptional client service skills are essential. Limited travel involved. The ideal candidate must be able to work in a fast-paced environment, be dependable, meet strict deadlines, and possess the flexibility and knowledge to handle various tasks. This position will be located in Chattanooga and report to the Operations/Technology Group Head. Interested candidates should send a resume and letter of interest to: Human Resources, CapitalMark Bank

& Trust, PO Box 671, Chattanooga, TN 37401 or to HumanResources@capitalmark.com.

1410-4 LOAN PRODUCTION ASSOCIATES

BancAccess, Inc., a multi-community bank-owned company created to provide loan referral services to its owner banks, seeks full-time and part-time loan production associates. Preferred applicants will have developed prospecting skills and a proven track record of loan production. Responsibilities include, but are not limited to, relationship development with community banks and commercial borrowers. Compensation package includes base salary plus a percentage of monthly interest income from loans produced for the life of the loan with no income cap. Interested candidates should submit a cover letter and resume to b.rudd@mybancaccess.com.

1409-4 MORTGAGE LOAN ORIGINATOR – CHATTANOOGA, KNOXVILLE, & COOKEVILLE, TN – ATLANTA, GA

The mortgage loan originator will originate loans and work with customers to meet their financial goals. Help customers by partnering with them and assisting them through the mortgage lending process. Listen to what works best for the clients and help them assess the impact on them of their mortgage decision will have on them. 2+ years of experience as a Mortgage Loan Originator, preferably working with a residential mortgage lender. Qualifications: book of business preferred; high school diploma required; proficient with lending compliance standards and regulations; excellent customer service approach; computer savvy with software experience preferred; excellent written and verbal communication skills, including professional demeanor; strong organizational skills with strict attention to detail. FSGBank is an equal opportunity employer and does not discriminate on the basis of race, color, gender, religion, age, sexual orientation, national or ethnic origin, disability, marital status, veteran status, or any other occupationally irrelevant criteria. Qualified individuals please submit resumes to jobs@fsgbank.com.

1409-3 GOVERNMENT LENDING BUSINESS DEVELOPMENT OFFICER – CHATTANOOGA, TN

We are looking for a government lending business development officer (BDO) who can demonstrate a high level of sales performance with at least 5+ years of financial service industry coupled with 2+ years of government lending experience. FSGBank is a top producer in our markets for SBA and government lending ranking in the top 10 in originations for the year. This BDO will be responsible for development of a strategy around calling on commercial real estate brokers, business brokers, business/professional associations, accountants, lawyers, etc to solicit SBA/government loan opportunities. The BDO is responsible for originating government guaranteed loans (SBA, USDA etc), as well as other bank products, throughout the bank's footprint and surround areas. Responsibilities: partner with commercial loan officers, branches, and other line of business officers to be a product expert and calling officer for the market. Responsible for the success and growth of assigned sales territory; for the sales life cycle, including lead generation and sourcing, loan policies and structure, product knowledge, and financial analysis. Qualifications: prefer 5+ years' commercial financial sales experience; bachelor degree in business, finance, accounting, real estate, or equivalent work experience or equivalent work experience; understanding of SBA lending guidelines, policies, and procedures; 2+ years' SBA lending experience; experience selling in the East Tennessee, North Georgia, and Alabama markets; good credit skills; and experience selling business and/or commercial related financial products.

FSGBank is an equal opportunity employer and does not discriminate on the basis of race, color, gender, religion, age, sexual orientation, national or ethnic origin, disability, marital status, veteran status, or any other occupationally irrelevant criteria. Qualified individuals please submit resumes to jobs@fsgbank.com.

1409-2 BRANCH MANAGER – MADISONVILLE, TN

The branch manager is responsible for overall profitability by directing sales and business development, meeting operational objectives, and ensuring the branch achieves its annual goals. Management and leadership duties include: employee development and engagement, ongoing coaching, performance management, and sales leadership. Must adhere to the requirements of federal registration under the SAFE Act. Requires bachelor's degree (BA) from a 4-year accredited college or university or equivalent work experience. Demonstrated leadership and minimum of 3 years' branch sales experience. Minimum 2 years' managerial experience or proven leadership ability. Fundamental understanding of profitability. Excellent communication, written, and interpersonal skills. Proven ability to demonstrate and coach world-class level of customer service. Demonstrates effective time management and organization skills. Demonstrated strong knowledge of business banking products, services, and client relationship management. Required to interact with customers in an open, face-to-face work environment. Able to make periodic customer "offsite" calls/visits away from the branch to achieve sales goals.

FSGBank is an equal opportunity employer and does not discriminate on the basis of race, color, gender, religion, age, sexual orientation, national or ethnic origin, disability, marital status, veteran status, or any other occupationally irrelevant criteria. Qualified individuals please submit resumes to jobs@fsgbank.com.

1408-12 MORTGAGE LOAN ORIGINATOR

Tennessee Bank & Trust seeks experienced mortgage loan originator with 3 years of experience in mortgage lending. Bachelor's degree in business, finance, or related field is preferred but not required. Essential duties and responsibilities include, but are not limited to the following: knowledge of conventional, FHA, and VA mortgages, including knowledge of regulatory and compliance criteria and awareness of deadlines; knowledge of secondary market loan products; capable of developing and implementing a marketing strategy to capture new clients and increase referral base; possess established relationships with local real estate agents; capable of initiating and completing a mortgage loan application; capable of monitoring loans and assisting loan processors in completing loan files for approval; and capable of working on a commission-based income. To perform this job successfully, qualified applicant must be able to perform each essential duty satisfactorily. A qualified applicant must also have a demonstrated ability to interact constructively and effectively with all constituencies and possess a demonstrated skill in establishing work priorities, organizing work, and meeting deadlines. Applicant must be capable of working under time constraints and handling a variety of duties. Must also attain the technical knowledge and proficient utilization of the bank's mortgage lending software programs. Must be personable and possess excellent interpersonal and communication skills, both verbal and written. Applicant must be responsive and sensitive to the needs and concerns of the borrower. Please submit resumes to employment@tennbank.com. Tennessee Bank & Trust is an Equal Opportunity Employer

Professional Development Calendar

January 6, 7, 8

CEO Forums – Session 1 of 3

TBA Gilliam Board Room, Nashville

January 13

NEW Retail Sales & Bank Marketing Conference

TBA Barrett Training Center, Nashville

January 14, 15, 16

2014-2015 Senior Lender Forums – Session 2 of 3

TBA Gilliam Board Room, Nashville

January 21

2014-2015 Risk Management Officer Forums – Session 2 of 3

TBA Barrett Training Center, Nashville

January 22

HMDA . . . Hmm, Is My Data Accurate?

TBA Barrett Training Center, Nashville

January 27 & 28, 28 & 29

Fundamentals of Compliance

Knoxville, Nashville

February 4

Legislative Reception

War Memorial Auditorium, Nashville

February 5 & 6

Credit Conference

Omni Hotel, Nashville

February 10, 11, 12

CFO/Controller Forums – Session 1 of 3

TBA Gilliam Board Room, Nashville

February 18

2014-2015 Senior Compliance Officer Forums – Session 2 of 4

TBA Barrett Training Center, Nashville

February 23–25

The Southeastern School of Advanced Commercial Lending

Loews Vanderbilt Hotel, Nashville

February 24

Call Report Preparation

TBA Barrett Training Center, Nashville

February 26

An In-Depth Study of Appraisal and Evaluation Compliance Review

TBA Barrett Training Center, Nashville

February 26 & 27

Essentials of Commercial Lending

Loews Vanderbilt Hotel, Nashville

March 3

Young Bankers Division “Day On the Hill”

Tennessee State Capitol, Nashville

March 3, 4, 5

Basic IRA Seminar

Knoxville, Nashville, Jackson

March 6

Introduction to Banking

TBA Barrett Training Center, Nashville

March 8–13

The Southeastern School of Consumer Credit

TBA Barrett Training Center, Nashville

March 10, 11, 12, 26

Tennessee Deposit Account Administration

Jackson, Knoxville, Kingsport, Nashville

March 24 & 25

Human Resources Conference

Embassy Suites Hotel & Conference Center, Murfreesboro

March 24 & 25, 26 & 27

Implementing the Integrated Disclosures Rules

Nashville, Knoxville

March 31

Branch Management Series – Session 1 of 4

TBA Barrett Training Center, Nashville

April 1

2014-2015 Retail Banking Officer Forums – Session 2 of 3

TBA Barrett Training Center, Nashville

April 2

IT/Operations Officer Forums – Session 1 of 3

TBA Barrett Training Center, Nashville

April 7 & 8

BSA/AML Compliance School

Nashville Airport Marriott, Nashville

April 9 & 10

Strategic Technology Conference

Embassy Suites Hotel & Conference Center, Murfreesboro

April 21

Safe Deposit Legal Updates and Compliance

TBA Barrett Training Center, Nashville

April 22, 23, 24

NEW Basic Personal & Business Tax Return Analysis

Knoxville, Nashville, Jackson

April 22

2014-2015 Senior Human Resources Forums

– Session 2 of 3

TBA Barrett Training Center, Nashville

April 23

2014-2015 Senior Compliance Officer Forums – Session 3 of 4

TBA Barrett Training Center, Nashville

April 26–28

Leadership Convention

The Peabody Memphis, Memphis

April 28, 29, 30

CEO Forums – Session 2 of 3

TBA Gilliam Board Room, Nashville

May 7

IT Audit for Financial Institutions

TBA Barrett Training Center, Nashville

May 11–13

Washington Conference

Capital Hilton, Washington, DC

May 13, 14, 15

2014-2015 Senior Lender Forums – Session 3 of 3

TBA Gilliam Board Room, Nashville

May 14

2014-2015 Risk Management Officer Forums – Session 3 of 3

TBA Barrett Training Center, Nashville

NOTE: While this calendar represents current programs for 2015 scheduled by TBA at print time, occasionally other “hot topics” are added to the calendar throughout the year. We encourage you to look at the monthly calendar in *The Tennessee Banker* magazine and visit www.TNBankers.org for the most current information about TBA events and programs.



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PROVIDING A SAFE, NON-COMPETITIVE
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30 YEARS

For more than 30 years, community banks have found FNBB to be a non-competitive ally that they can rely on year after year. First National Bankers Bank has been a consistent, trusted partner providing correspondent banking services to our shareholders and customers. With service beyond comparison, we have proudly supported the banks we serve and will continue to help them achieve their goals well into the future.

SERVICES INCLUDE

Cash Management Services
Image Exchange Network
Fed Funds
International Services
Investment Sales
Asset Liability Management

Bond Accounting
Safekeeping
Broker Dealer / 401K Services
Bank Owned Life Insurance
Loan Participations
Holding Company Loans

Loan Review
Compliance Audit Services
Internal Audits
IS Audits
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