

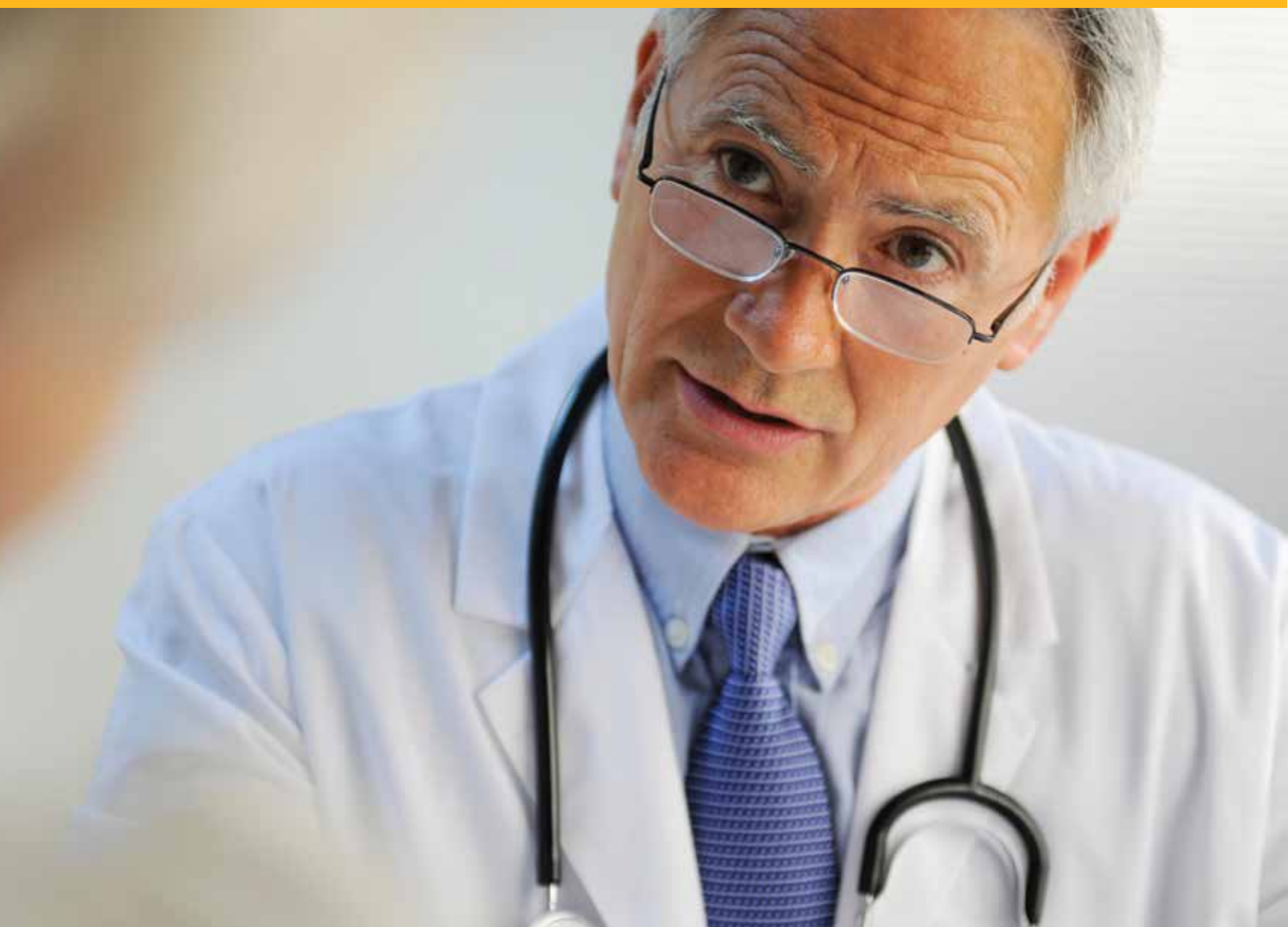
THE TENNESSEE BANKER



Mott Ford

*2019-2020 TBA Chairman
Commercial Bank & Trust Co.
Memphis*

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Wynne Baker & Connie Edwards Join Saltmarsh

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PHOTO: Billy Worboys



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COLIN BARRETT
President/CEO,
Tennessee Bankers
Association

Annual Meeting: reflect on the past, look to the future

THREE THINGS TO DO

1. Learn more about TBA's new small dollar loan initiative, CashPlease, by contacting Stacey Langford at slangford@TNBankers.org.

2. Join us for an upcoming TBA Membership Meeting near you from August 21-30. For more information, contact Penny Powlas at ppowlas@TNBankers.org.

3. Make plans to join the TBA for the 130th Annual Meeting to be held at The Breakers in West Palm Beach, Fla., from June 7-9, 2020.

Thank you to everyone who attended the 129th Annual Meeting of the Tennessee Bankers Association from June 16-18 at The Ritz-Carlton Grande Lakes in Orlando. This new location provided the perfect backdrop for close to 600 bankers and associate members, along with their families, to network and learn from top-notch speakers and industry experts.

The *Annual Meeting* is an important time for us to reflect on TBA's recently completed year and, perhaps more importantly, to look forward at the upcoming year and identify opportunities for growth in each of our service areas to the Tennessee banking industry—government relations, education, and products and services.

We've seen significant growth in each of these areas over the past year, and TBA Chairman John Muse provided a steady hand as the Association laid the groundwork for several new initiatives that will benefit our members and their customers for years to come. John and his wife, Kaye, have become great friends and advisors, and I appreciate their commitment to the industry.

I'm looking forward to working with your new TBA Chairman Mott Ford, members of the board, and each of you in the year ahead. Mott will be focused on the Association's efforts to continue delivering a high level of effective government relations and educational services to meet your bank's needs.

As usual, the outstanding TBA staff will implement our vision and reach our goals. In the past few years, we've benefited from having fresh eyes delving into the Association's core

mission, and our departments have gelled into a highly effective team.

Here's a look at our accomplishments and what's next:

Education

Over the past year our education programs, led by Monique White and Sheena Frech, have seen increased participation, even in light of continued industry consolidation. All of our schools have grown by double-digit percentages, thanks to our trustees and banker support as well as to TBA Director of Schools Ronnie Boling. The schools are stronger than ever as we re-evaluate the curriculum with a focus on the fundamentals of banking while staying on top of industry trends.

In the year ahead, you will see a renewed focus on the TBA Forums, as we identify the best facilitators from around the country to lead these groups. Additionally, the education department is creating career tracks to provide guidance for your employee's educational needs.

Government Relations

Our GR team—Amy Heaslet, Stacey Langford, and Caroline Latham—this year successfully advocated for comprehensive trust reform legislation and the creation of Tennessee *Financial Literacy Week*, while stopping attempts to significantly increase the homestead exemption and mandate a bank's acceptance of powers of attorney.

In the months ahead, they will be reviewing state banking laws and educating legislators on the negative impact of a homestead exemption

increase—an issue that will return in January.

In Washington, our presence increased significantly with half a dozen trips to D.C. over the year. And while a divided Congress continues to cause gridlock, the engagement and support of our Congressional delegation has never been stronger. I especially appreciate Congressman David Kustoff starting the chorus of “stop and study” FASB’s CECL proposal. His letter last fall led to bipartisan support for legislation that could potentially stop this misguided standard.

Moving forward, we will continue to focus on CECL and AML/BSA modernization, while working with the regulatory agencies on the community bank leverage ratio, small dollar lending, and CRA, just to name a few.

Financial PSI

Financial Products and Services Inc., surpassed all goals last year thanks to Jon Goodson and Ted Frizen continuing to grow business by being the leading experts in insurance products for Tennessee banks.

In the coming year, they will continue to grow Tennessee business, while partnering with the North Carolina Bankers Association to meet the insurance needs of our neighbors in the Tar Heel State.

The Year Ahead

These are just a few of the priorities of your Association as we enter our 130th year of serving the Tennessee banking industry. In the coming weeks, you will be hearing more about our recent partnership with CashPlease to provide small dollar loans to your customers and communities as well as the launch of a partnership with Tennessee universities to connect students with the banking industry. While the past year has been a success for your Association, I believe the best is yet to come. 🇺🇸

-Colin

Coming to a city near you...

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August 23: Nashville
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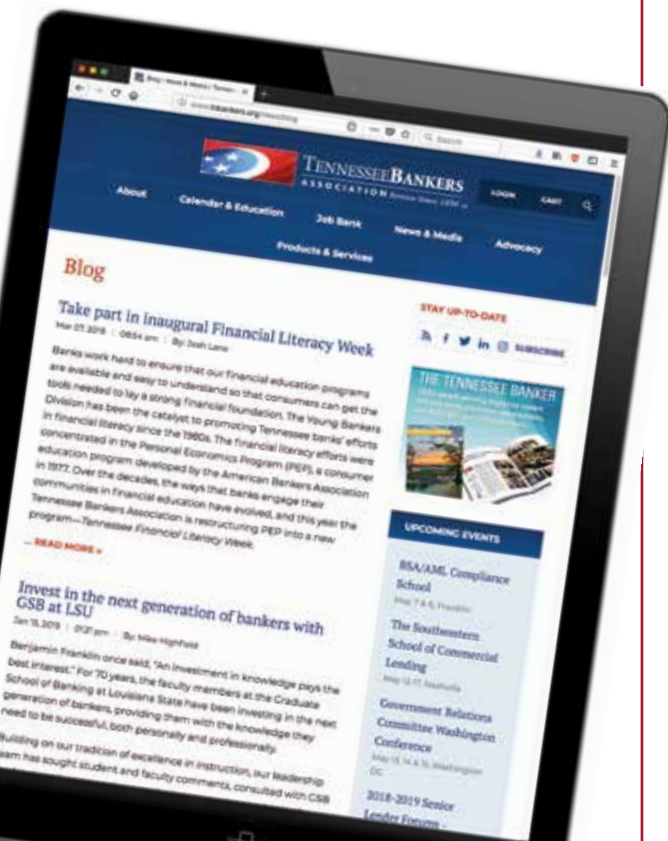
/TNBankers, June 18

Meet your 2019-2020 TBA Executive Team: TBA's Colin Barrett, Past Chairman John Muse (Farmers State Bank), Chairman Mott Ford (Commercial Bank and Trust), Chairman-elect Chris Holmes (FirstBank), and Vice Chairman Allen McClary (UBank). Congrats!



VISIT TNBANKERS.ORG

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



TBA WEBINARS

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

New Security Officer Training: Responsibilities, Best Practices & Skill-Building Tools

August 7

The Bank Protection Act (BPA) and implementing regulations specify security officer requirements. This program will focus on the BPA implementing regulations, especially on Regulation H, to explain what your security program should contain. Although the regulations are very specific, they allow leeway for risk-management decision-making. This webinar will include industry-standard practices and demonstrate (with photos) how to comply. Security officer dos, don'ts, and best practices will be covered.

Developing the Right Strategic Plan for Your Bank

August 13

Your strategic plan should be as unique as your financial institution. Too often, executives and directors construct strategic plans based on old plans, online strategies, or brainstorming grounded in emotion or intuition. Financial services has become a much faster-paced industry than it was 15 or 20 years ago and is impacted by many more forces, challenges, competitors, and opportunities than ever before. These drivers highlight the need for every institution to have a living, breathing strategic plan to thrive and grow. Whether your institution lacks a cohesive strategy, or just wants to review existing plans, this webinar will address your pressing questions.

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ON THE HILL



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

TBA Washington Conference recap

TBA's 2019 Washington Conference was attended by 94 bankers, associate members, and staff. The conference, held May 13-15 and led by TBA Government Relations Committee Chairman Mike Edwards, President/COO, Paragon Bank, Memphis, included meetings with FDIC Chairman Jelena McWilliams, Federal Reserve Board Governor Michelle "Miki" Bowman, and senior staff from the OCC, CFPB, FinCEN, and the FFIEC. Attendees also received briefings from the ICBA, ABA and CSBS; visited with Tennessee's Congressmen and Senators; and participated in a roundtable discussion with TDFI Commissioner Greg Gonzales.

This year's conference marked renewed efforts to achieve legislative and regulatory reforms. Advocacy by bankers was well received due to new heads of the regulatory agencies, all of whom have banking experience. We're

also fortunate to have one of the strongest Congressional delegations for the banking industry. Three Tennessee freshmen members of the House—Tim Burchett, Mark Green, and John Rose—and Sen. Marsha Blackburn, serving her first year in the Senate, have proven to be strong supporters of the banking industry. Attendees visited with all of them as well as the other members of our state's Congressional delegation. Those face-to-face meetings provided ideal opportunities to advocate for our issues.

Top issues bankers advocated for during the trip were: modernizing CRA; delaying and studying CECL; updating AML/BSA; enacting uniform cybersecurity standards for all entities that handle consumers' financial and personal information; and leveling the playing field with credit unions and the farm credit system.



FDIC

FDIC Chairman Jelena McWilliams, during a lunch briefing with the group, candidly discussed her first year serving as chairman. As former general counsel of Fifth Third Bank as well as having worked at the Federal Reserve and in the United States Senate, Chairman McWilliams brings a fresh, diverse perspective as head of the agency. Her determination to make meaningful, thoughtful changes was evident and welcomed by the bankers.

One of McWilliams' priorities is working with the OCC and other regulatory agencies to modernize the Community Reinvestment Act's implementing regulations. With the OCC as the lead agency on this initiative, McWilliams will push to ensure that modernization recognizes that assessment areas are no longer geographically limited and clarification is needed on qualifying activities.

Chairman McWilliams also plans to revisit the FDIC's approach on brokered deposits and address issues related to the agency's methodology behind the national rate calculation. In fact, she indicated to our group that addressing the national rate cap issue will occur in the immediate future.

Another issue McWilliams and the group discussed was the community bank leverage ratio at 9%. She explained the reasoning behind the selection of 9% and made clear it was not selected simply because it was in the middle of the 8 to 10 range established in Sen-



ate bill 2155. In fact, she warned bankers that had the agencies chosen 8%, it would have come with restrictions that would have made it significantly more complicated for banks.

Federal Reserve

Our group also visited with Federal Reserve Governor Bowman—the first person to fill the community bank seat on the board. A former community banker and then banking commissioner in Kansas, Governor Bowman was interested to hear our bankers' thoughts on the economy and issues facing the banking industry.

FDIC Chairman Jelena McWilliams is the former general counsel for Fifth Third Bank.

From banking hemp and related products to CRA modernization and the need for tailored regulations, Governor Bowman understood the issues we brought to the table. From Governor Bowman's perspective, the Federal Reserve believes in the need to maintain flexibility in regards to banks' compliance with CRA regulations while still recognizing the intent of the act—ensuring that banks are serving their communities.

Although the Federal Reserve does not have a direct role in overseeing banks' role in banking marijuana-related businesses, her advice to our group was that although the Fed does not tell banks who their customers can be, it does expect banks to "know your customers." This is in line with other regulatory guidance issued recently encouraging banks to verify that any hemp-related business is properly licensed and in good standing with regulators.

Additionally, bankers raised concerns with the CBLR ratio being set at 9% and the need to delay and study CECL. Governor Bowman acknowledged these concerns and that they are shared throughout the industry.

FinCEN

During last year's Washington Conference and again this year, bankers focused their dialogue with FinCEN staff on the need to update outdated BSA/AML regulations. Bankers continue to identify BSA/AML compliance as one of the most costly and burdensome regulations. The basic compliance structure is nearly 40 years old, yet banking, law enforcement, and technology have undergone significant transformations.

Bankers specifically addressed the need to increase the threshold for filing Currency Transaction Reports, which has never been increased from \$10,000. If adjusted using the Consumer Price Index, the threshold would be close to \$60,000. Recognizing such a significant jump is unlikely, bankers pushed for a more modest increase. However, even that was not well received by FinCEN staff, with them citing the need for this data to be collected and shared among various intelligence agencies in order to collectively gather all information possible to investigate and intervene in criminal activities.

In fact, just days before our conference, the House Financial Services Committee voted to advance H.R. 2514, which would make several positive changes to BSA, including creating a feedback loop between law enforcement and banks and indexing the CTR threshold to inflation. This legislation became a top talking point during our visits with Congressional members.

Another recently introduced bill before the House Financial Services Committee is H.R. 2513. This would require legal entities to disclose their "beneficial owners" to FinCEN at the time the entity is formed, rather than requiring banks to collect and report this data.

OCC

Senior staff of the OCC led the meeting and discussed their efforts on CRA modernization. As other agency heads noted during the conference, there is ongoing interagency conversations about what updates should be made, including what is covered; what qualifies; how compliance is measured and what goes into ratings.

OCC staff also noted that this continues to be a top priority of Comptroller Joseph Otting, and he would like to see a rule proposed by the end of summer. However, they added that this was an aggressive timeline, and it may not be possible so quickly.


CFPB

Our visit with CFPB staff focused on a relatively new agenda for the bureau with Director Kathy Kraninger having been in the position for only six months. With an overall goal of shifting the agency from enforcement actions and fines to preventing consumer harm by creating a culture of compliance, the bureau's regulatory approach starkly contrasts to what it was just a couple years ago.

But that doesn't mean the bureau is finished with their rulemaking. In fact, CFPB staff mentioned several initiatives they are working on, including fair debt collection practices and clarifying the meaning of "abusive" within the Dodd-Frank Act.

Our group also pushed CFPB staff on the need for banks to engage in small dollar lending in a way that is not cost prohibitive and will not subject them to increased regulatory scrutiny. This has been an area of focus for TBA, bankers across the state, and Commissioner Gonzales.

Conclusion

The *Washington Conference* is one of the best events TBA hosts each year. Not only does it provide great opportunities for bankers to advocate directly to regulators about top issues for the industry but it also provides tremendous networking opportunities among TBA members and lawmakers. Those relationships are the foundation of the successes we've seen from Washington recently. I hope to continue to see a large turnout for the conference and, in turn, continued legislative and regulatory successes for our industry. 



LEFT: FinCEN's Thomas Lawler discussed the status of updating the outdated BSA/AML regulations.

BELOW: CFPB discussed initiatives they were working on, including fair debt collection practices and clarifying the meaning of "abusive" within the Dodd-Frank Act.



ABA and ICBA staff members hosted the Tennessee Bankers group to update them on their efforts in Washington and throughout the country.

THANK YOU TO THE PARTICIPATING AGENCIES, ASSOCIATIONS, AND SPONSORS

TBA would like to thank our sponsors, the various agencies and associations and their staff who met with the bankers and made the trip productive and informative. These include the ABA, CFPB, CSBS, FDIC, FFIEC, FinCEN, ICBA, OCC, Commissioner Greg Gonzales, and Tennessee's senators and representatives.







Time to finish reg relief for community banks



REBECA ROMERO RAINEY
President/CEO,
Independent Community
Bankers of America,
Washington, D.C.

With this week marking the first anniversary of the signing of the S. 2155 community bank regulatory relief law, now is a good time to review its impact on these institutions and where we go from here. While much of the law is being successfully implemented to support localized lending and economic growth, key provisions providing for simpler community bank capital rules and call reports remain unfinished business. Regulators have an opportunity to change that.

Fortunately for community banks and the communities they serve, federal banking regulators have moved ahead swiftly on many provisions of the Economic Growth, Regulatory Relief and Consumer Protection Act. For instance, provisions providing “qualified mortgage” status for portfolio mortgage loans at most community banks, expanding eligibility for the 18-month exam cycle, exempting most community banks from the Volcker Rule, restricting new Home Mortgage Disclosure Act reporting requirements to lenders that make more than 500 mortgages a year, and improving regulatory treatment of reciprocal deposits are already in effect.

But there’s a huge opportunity for regulators to further help consumers and small businesses by heeding Congress on provisions to provide highly capitalized community banks with relief from onerous capital rules and excessive reporting requirements.

First, the banking agencies proposed that qualifying banks and bank holding companies with less than \$10 billion in assets with a tangible equity-to-assets leverage ratio of greater than 9% would be able to opt into a community bank leverage ratio, or CBLR, framework and not be subject to other risk-based and leverage capital requirements. These institutions would also be considered “well capitalized” under the banking agen-

cies’ Prompt Corrective Action framework. While Congress authorized regulators to establish a CBLR as low as 8%, the agencies are proposing a 9% ratio. This is unnecessarily high. As proposed, the leverage ratio would leave out roughly 600 highly capitalized community banks that would be eligible under the 8% level authorized by Congress.

Lowering the CBLR to 8% would calibrate it more closely to current risk-based capital requirements for well-capitalized banks, including the common equity Tier 1 ratio of 6.5% and the Tier 1 risk-based capital ratio of 8%. It would also put the ratio closer to the current 5% leverage ratio requirement for well-capitalized banks and exceed the 7% statutory net-worth requirement for federally insured credit unions. Community banks shouldn’t be subject to a leverage ratio that exceeds that of credit unions by 200 basis points. That only widens an already unlevel playing field.


Senate Banking Committee Chairman Mike Crapo, R-Idaho, the lead sponsor on S. 2155, and committee member Jerry Moran, R-Kan., recently called on the agencies to implement the 8% threshold that Congress authorized. This would ensure relief while setting “a high bar for the amount and quality of equity capital held by community banks,” they wrote. With other lawmakers beginning to join the chorus, regulators should reconsider their proposal.

The relief law’s other bit of unfinished business is its provision requiring regulators to create a short-form call report for banks with assets of less than \$5 billion to be filed in the first and third quarters of each year. The agency proposal released in November would merely allow eligible community banks to file the FFIEC 051 Call Report during these quarters, effectively eliminating data fields that few community banks use anyway.

This offers little meaningful relief from unnecessary reporting burdens for institutions that are still required to file the full call report at midyear and year-end. The regulators themselves have admitted as much, projecting that their plan would reduce reporting burdens by just 1.18 hours for institutions with assets of less than \$1 billion.

Community bankers, who submitted roughly 1,100 comment letters on the call report proposed rule, believe regulators are failing to meet the intent of Congress. Many lawmakers seem to agree. A December letter from a bipartisan group of 19 senators led by Moran said the proposal would have little impact on eligible community banks and the communities they serve. They called on regulators to enact meaningful reporting relief, as Congress intended.

The S. 2155 regulatory relief law has advanced numerous pro-Main Street reforms long sought by community banks. But that law, and many other high-priority policy

issues, remain a work in progress. Let's finish the good work we started for the benefit of communities and consumers nationwide—Main Street is counting it. 

This was originally published in the May 24 edition of American Banker.

 There's a huge opportunity for regulators to further help consumers and small businesses by heeding Congress on provisions to provide highly capitalized community banks with relief from onerous capital rules and excessive reporting requirements.



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Mott Ford installed as 2019-2020 TBA chairman

More than 600 bankers, associate members and guests traveled to The Ritz-Carlton Grande Lakes in Orlando, Fla., for TBA's 129th Annual Meeting.

This year's event tackled the ever-evolving trends, strategies, and innovations that are constantly taking place in the banking industry. The two general sessions, presided over by TBA Chairman John Muse, featured business leaders and experts who offered their views about the future.

The Monday, June 17, business session included remarks from Congressman David Kustoff, an economic report from the FDIC's Dr. LaVaughn Henry, and culture expert Dennis Snow explained how to deliver world-class customer service.

The business session on Tuesday, June 18, featured Pathway Lending's Clint Gwin, a panel discussion with ABA and ICBA representatives, and Michael Durant, who was the inspiration for the movie *Black Hawk Down*, shared his experience in the Battle of Mogadishu.

The *Annual Meeting* also featured the opportunity for attendees to customize their own experience with six industry insight sessions. They included talks from Christopher Olsen as he explored the latest M&A trends, and Chris Nichols explained the must-have tactics to acquire high-quality relationships.

There were also plenty of events allowing guests to network with new professional acquaintances and catch up with old friends, while enjoying all that Orlando has to offer.

Activities included exploring a behind-the-scenes tour of Walt Disney World, a visit to an Everglades and wildlife park, the TBA golf tournament, and an ice cream social featuring local wildlife.



Mott Ford, chairman and CEO of Commercial Bank & Trust Co. in Memphis, was installed as chairman of the Tennessee Bankers Association during ceremonies at the closing banquet on Tuesday, June 18.

Ford accepted the chairman's gavel from John Muse, chairman, president and CEO of Farmers State Bank in Mountain City. Muse will remain a member of the Association's board of directors for the next three years to help ensure continuity of leadership.

Delegates from TBA-member institutions elect new executive officers and new board members each year during the annual convention, with members receiving one vote per charter.

Executive officers elected for 2019-2020 are:
Chairman—Mott Ford, chairman and CEO, Commercial Bank & Trust Co., Memphis
Chairman-elect—Chris Holmes, president and CEO, FirstBank, Nashville
Vice Chairman—Allen McClary, president and CEO, UBank, Jellico

Newly-elected Chairman Mott Ford accepts the gavel from outgoing Chairman John Muse.



In addition to the executive officers, TBA members elected one new director from each of the three grand divisions of the state. Directors serve three-year terms on the TBA board. New directors are:

East Tennessee—Chris White, president and CEO, Peoples Bank of East Tennessee, Madisonville

Middle Tennessee—Mark Hayes, chairman and CEO, First National Bank of Pulaski, Pulaski

West Tennessee—Randy Huffstetler, CEO, Greenfield Banking Company, Greenfield

Completing their terms of service were:

George Shirley, chairman, president and CEO, Citizens Bank and Trust Company of Grainger County, Rutledge

H. McCall Wilson, Jr., president and CEO, Bank of Fayette County, Piperton

Continuing their terms on the board are:

Brandon Hull, president and CEO, Greeneville Federal Bank, Greeneville

DeVan Ard, president and CEO, Reliant Bank, Brentwood

Andrea Browning, president and CEO, Centennial Bank, Trezevant


David Reynolds, CEO, president and director, Peoples Bank of the South, LaFollette

Gene Henson, president, Memphis/North Mississippi Region, Trustmark National Bank, Memphis

Ted H. Williams, president and CEO, TriStar Bank, Dickson

Jim Rieniets, Jr., president and CEO, InsBank, Nashville



As TBA's governing body, members of the board are always available for members to share questions, thoughts, or suggestions concerning the TBA and the banking industry. Visit www.TNBankers.org/about/board-of-directors for a complete list of TBA leadership. 

TOP: The 2019-2020 TBA Board Officers: TBA President/CEO Colin Barrett, Past Chairman John Muse, Chairman Mott Ford, Chairman-Elect Chris Holmes, and Vice Chairman Allen McClary.

ABOVE: The new TBA directors are Chris White for East Tennessee, Randy Huffstetler for West Tennessee, and Mark Hayes for Middle Tennessee.

Banker to Banker

Newly elected vice chairman and directors of the TBA



ALLEN McCLARY
TBA Vice Chairman

President & CEO,
UBank,
Jellico

Allen McClary is the president and CEO of UBank in Jellico, Tennessee, a \$65 million bank located on the Tennessee—Kentucky border in East Tennessee. After graduating from the University of Tennessee, McClary joined UBank fulltime in 1984 and has been president since 1995. McClary is a 1990 graduate of the Graduate School of Banking at LSU and has served as city councilman, president of the Campbell County Chamber of Commerce, and Chairman of the Board of Jellico Community Hospital. He currently serves on the boards of Seeds of Hope Food Pantry, Springs of Life Addiction Recovery Center, and spearheads Gem City Proud—a downtown revitalization project in Jellico. He and his wife, Diane, have two boys, Matt and Jake, and enjoy spending time with their granddaughters Myli, Cali, Bentley, and Ava Grace, and grandson Easton.

What banking or career advice have you received that has stuck with you throughout your career?

In my first job out of college, well before the days of computers, I was so impressed with my supervisor because he always had the right answer to any question. When I asked his secret, he replied “You don’t have to know the answer to every question—you just need to know where to go to find it.” Of course, today that is Google.

If someone were new to TBA, which event would you recommend as a must attend?

From a CEO perspective, I would definitely recommend the *CEO Forum*, a great way to learn from your peers.



CHRISTOPHER WHITE
East Tennessee
Director

President and CEO,
Peoples Bank of East
Tennessee,
Madisonville

Chris White began his banking career in 1983 after graduating from Tennessee Wesleyan College and has spent the majority of it working in community banks. White has served Peoples Bank of East Tennessee as president and CEO for 18 years. The bank started in 1997, and now has total assets of \$217 million and offices in Monroe, McMinn, Loudon, and Polk Counties in Tennessee and one in Fannin County, Ga. He is a graduate of The Southeastern School of Banking as well as all of the lending schools offered by the TBA, along with The Graduate School of Banking at LSU class of 1997. He and his wife, Tonya, have been married for 32 years and have three daughters, Sara, Mei Lia, and Ciana.

What banking or career advice have you received that has stuck with you throughout your career?

I have been blessed with several great mentors over the years, but one that I had early in my banking career who helped form many

of my thoughts about community banking is Tom Tuck. Tom always took advantage of every teachable moment and he enjoyed sharing his knowledge and experience in banking. As president and CEO, I try to mirror his willingness to help others to become better bankers by sharing and mentoring them and doing all I can to prepare them for a successful future in community banking.

If someone were new to TBA, which event would you recommend as a must attend?

This is a great question, but a difficult one because there are so many great opportunities with the TBA for bankers and their financial institutions. If I had to narrow it down, I would encourage them to participate in the *Washington Conference* to experience how the TBA leads an impressive number of Tennessee bankers to the hill each year to meet with lawmakers and regulators and further the cause for banking through a collective voice.



MARK HAYES

*Middle Tennessee
Director*

*Chairman and CEO,
First National Bank
of Pulaski,
Pulaski*

Mark Hayes is the chairman and CEO of First National Bank of Pulaski, an \$850 million bank serving three counties in southern middle Tennessee and two counties in Alabama.

Hayes got his start in banking early on as a college student intern working three summers with the Farm Credit System before obtaining his B.S. in agriculture and MBA with a concentration in finance and management, both from the University of Tennessee, Knoxville. After graduation Hayes entered banking, working for First American National Bank and Commerce Union before joining First National Bank of Pulaski in 1991 as a loan officer. Hayes and his wife, Cindy, have two children. His son, Brian, works as a commercial airline pilot and daughter, Sarah, is employed by Truxton Trust.

What banking or career advice have you received that has stuck with you throughout your career?

The greatest advice given to me was not through words but through actions demonstrated each day by Mr. Parmenas Cox. Mr. Cox went to great lengths to make certain every customer, employee, and guest to First National Bank was made to feel and know that they were valued as individuals.

If someone were new to TBA, which event would you recommend as a must attend?

A new member to TBA should take advantage of the numerous education opportunities. The TBA's depth of curriculum provides great assistance in developing knowledgeable, well-rounded banking professionals.



RANDY HUFFSTETLER

*West Tennessee
Director*

*CEO,
Greenfield Banking
Company,
Greenfield*

Randy Huffstetler serves as the CEO of Greenfield Banking Company, a bank just over \$60 million assets headquartered in Greenfield, Tenn., where he graduated high school.

Randy has worked at the bank since 1999, after spending 5 years right out of college at Terra International. Randy is a graduate of University of Tennessee at Martin, and later graduated from The Southeastern School of Banking. He and his wife of 23 years, Sherri, have two children, Abby and Grant.

What banking or career advice have you received that has stuck with you throughout your career?

The best advice I've received for banking and my career is: Treat people the way you would want to be treated, and if you support your community, they will support you.

If someone were new to TBA, which event would you recommend as a must attend?

The TBA event that I would say is a must attend would be the *Credit Conference*. It is an awesome summary of the TBA and the relationships this great organization has, with their members, regulators, and vendors that support our industry. 🇺🇸

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Elliott Davis, Franklin, Tenn.—*Wifi in Business Sessions*

Federal Home Loan Bank of Cincinnati, Cincinnati, Ohio—*Banquet Reception*

ICBA Bancard and TCM Bank, Washington, D.C.

—*Continental Breakfast in Exhibit Hall, June 17 and June 18*

Saltmarsh, Cleveland & Gund, Brentwood, Tenn.—*Lunch in Exhibit Hall, June 18*



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Farmers State Bank, Mountain City, Tenn.—*Refreshments at Registration*

First National Bankers Bank and FNBB Capital Markets, Birmingham, Ala.

—*Pens/Grand Prize Giveaway*

Harland Clarke, San Antonio, Texas—*June 17 Coffee Bar*

Helms Briscoe, Atlanta, Ga.—*TBA Board Dinner*

KraftCPAs PLLC, Nashville, Tenn.—*Mobile App*

Mauldin & Jenkins CPA, LLC, Chattanooga, Tenn.—*Banquet Wine*

Pugh CPAs, Knoxville, Tenn.—*Banquet Table Centerpieces*

Raymond James, Memphis, Tenn.—*Photography Session*



BRONZE

Bone McAllester Norton PLLC, Nashville, Tenn.—*CEO Roundtable*

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RAYMOND JAMES

Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.



Platinum Sponsor FinancialPSI sponsored the *Annual Meeting* banquet. Left, Ted Frizen, Jon Goodson, and Brian Mobley catch up with FPSI customer Don Moore from Decatur County Bank.



Exhibits

For those who joined TBA at The Ritz-Carlton Grande Lakes in Orlando, Fla., the exhibit hall was on the to-do list. With 47 exhibitors participating, guests explored products and services that could benefit their bank and registered for an array of prizes. The \$1,000 Grand Prize Drawing, sponsored by First National Banker's Bank and FNBB Capital Markets, went to Sandy Tuck with TNBANK of Oak Ridge. 🇺🇸

EXHIBITOR LIST

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Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.



Golf Tournament

On Monday, June 17, TBA members experienced one of the most naturally beautiful championship-level golf courses in Florida—The Ritz-Carlton Golf Club® Orlando, Grande Lakes. Designed by the legendary, two-time British Open Champion, Greg Norman, the 18-hole hotel course featured challenging greens and wide fairways while incorporating natural Central Florida landscape into the setting and hazards. The tournament, sponsored by Pathway Lending, was a challenging but fair test of a golfer's abilities. 🇺🇸



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Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.



Photo Recap



Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.



Photo Recap



Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.



MIDDLE: Artist Joe Everson performed the National Anthem while painting to open Annual Meeting. The piece was auctioned to attendees with proceeds benefiting the Summer Food for Kids program in Tennessee.

Photo Recap

This year's Convention featured economist Dr. LaVaughn Henry (1.), former Disney executive Dennis Snow (2.), an ICBA and ABA panel led by Mott Ford with Robert Fisher and Laurie Stewart (3.), plus keynote speaker Michael Durant whose story was retold in *Black Hawk Down* (4.).

1.



2.



3.



4.



Visit TNBankers.org
for more photos.

Annual Meeting

JUNE 16-18

THE RITZ-CARLTON ORLANDO, GRANDE LAKES, ORLANDO, FLA.





Ford takes the helm



West Tennessee banker wants to help TBA evolve.

STORY BY ROGER SHIRLEY
PHOTOS BY BILLY WORBOYS

Mott Ford is assuming the chairmanship of the Tennessee Bankers Association with his eyes wide open. He was introduced to the TBA at an early age through his father, the late R. Molitor Ford, and he has years of TBA leadership experience, including serving as chairman of the government relations committee and on the board's executive committee.

Continued on next page



Mott Ford and other members of TBA's Washington Conference trip met with Rep. David Kustoff in 2018

"Obviously, I've never been the chairman, but I have an idea of what that entails," he said, "and I'm really looking forward to working closely with Colin Barrett. I want to be a resource and a sounding board to help them keep the Association moving in the best direction possible and help Colin run the best banking association in the country."

As was the case with most of his predecessors at the helm of the board, Ford, who is CEO of Paris-based Commercial Bank & Trust Co., doesn't have grand plans to make any sweeping changes; rather, he wants to help the Association evolve in its core deliveries of government relations and education, and encourage bankers to be engaged and stay engaged.

We Know Our Industry Best

"I realize we all have different areas of the industry that we are passionate about, and not everyone may be passionate about government relations, and that's OK. There are many ways to plug in, whether that is education or some of the other initiatives like financial literacy. But bankers need to realize that no one knows our industry better than we do, and we know the impact that legislation will have on our industry. The responsibility is on us to share that information with these lawmakers."

That starts, he said, with developing relationships with lawmakers at the state and federal levels. "All bankers will tell you that banking is a relationship business, and that is so true; but that extends beyond building relationships with your customers and potential customers.

It includes building relationships within the broader community and certainly with legislators. It's just part of doing business to advocate for the good of the industry."

An example of that is the outreach the Association is heavily invested in on the financial literacy front. This year, the TBA took the lead in getting the legislature to adopt Tennessee *Financial Literacy Week* in April and initiated a campaign to increase participation by member banks. The result was a doubling of banks doing public programs in their communities compared to participation levels under the old PEP initiative.

"It was time to revamp the PEP program," Ford said. "And the concentrated effort during Financial Literacy Week was a huge success. I think we'll be looking at what worked and find ways to improve and build on the momentum we established this year. It is critically important that we do so.

"Today's bankers understand the importance of financial literacy, and know that it's part of our professional responsibility to help educate people on how to manage their money. I am sure we will see even more banks participating next year."

Willing To Evolve

On the education and training front, Ford doesn't see any need for any big changes. But that doesn't mean there will be nothing new. "We should always be willing to evolve with the changing needs of banks and their bankers, and our education department has done just that.

"A case in point is the expansion of webinars and online training. Banks are running leaner and time away from the bank is costly. We've seen a great response from our bankers to the webinars, but I don't want to understate the importance of in-person training. Not only are some sessions more effective in person, they also provide the additional benefit of interacting and networking with fellow bankers. The relationships that we develop with our peers are critically important. We can learn a lot from our peers, in conversation and in fostering relationships with them.

"As our industry continues to change, and it has changed dramatically, I know our educational offerings will change along with our methods of delivery."

Another necessary component of education, Ford says, is the outreach to college students to increase the numbers of those interested in

Continued on page 40

Ford's past, present, and future

Mott Ford grew up in a banking family in Memphis. His father, R. Molitor Ford, who passed in February at age 79, was a banker at First Tennessee Bank for 20 years before retiring and then acquiring Commercial Bank & Trust with a partner in 1983.

When the younger Ford headed off to college at the University of Tennessee, he decided to major in psychology and earned spending money working as a bartender. Perhaps it was fate, but when a friend told him he was leaving his part-time job at a Knoxville supermarket branch of National Bank of Commerce and that they were looking for a replacement, Mott jumped at the chance.

After graduating, Ford remained with NBC, moving back to Memphis and working at a branch inside a Kroger. There, he did a little bit of everything: from sales and opening accounts to teller transactions and making loans. He was later promoted to assistant branch manager. A few years later, he moved to National Commerce Bank Services, where he consulted with client banks all over the country helping them open supermarket branches.

Working with banks in different parts of the country was a great experience for Ford, who says he was exposed to a variety of banks and bankers, from whom he learned new ideas and strategies.

Ford met his wife while working at NBC, and when they were expecting their first child he decided to make the move to Commercial Bank & Trust Co. in 1995, first in Paris and then moving back to his hometown to open the bank's third branch there and help guide CB&T's Memphis growth plans. Ford remains based in Memphis, where CB&T now has three branch offices, and he and his wife, Mary Call, have three sons, the youngest of which just graduated from high school.

A few weeks before the annual meeting in Orlando, The Tennessee Banker asked Ford to reflect on becoming TBA chairman:

What are you looking forward to most in your role as chairman?

I'm looking forward to meeting other bankers that I do not get to see as often as I do others. There are many that I don't get to see unless we're on a Washington trip, or unless they're at *Credit Conference*. There's a pretty consistent group of us who go to Washington and who I see at different events, but I am looking forward to traveling the state at the Membership Meetings and getting to know a new group of peers.



Mott's father, Molitor Ford (pictured third from left), was TBA Chairman in 1995-96.

Your father was a big influence on you. Talk about the impact he had, especially regarding the importance of TBA.

I worked for NBC for eight years before I came to work at Commercial Bank, and it wasn't long after that my dad was chairman of the TBA. But I knew early on he felt it was very important for us (at Commercial Bank) to be involved in the Association. He felt we could learn a lot, and that the relationships we would develop would be very meaningful, both professionally and personally.

In April, I attended a past-presidents' meeting and many of the TBA past presidents were peers of my dad. It caught me a bit by surprise how impactful it was to see those folks again, because a lot of them are not as active day-to-day anymore in their banks—they've retired. It was really nice for me to see them and for them to talk about how much they enjoyed working with both my mom and my dad. Mom enjoyed the friendships through the TBA as well. It was so much fun to reconnect with their friends and hear them talk about the days when they were active together in the TBA, and how much the relationships and friendships meant to all of them over the years.

I'm sure you'll be thinking about your dad when you formally receive the gavel from John Muse.

Absolutely, yes. I'm sorry he didn't live to see it, but I'm glad he knew that I was going to have the opportunity.

When we talked in 2015 for your magazine feature as chairman of the government relations committee, you told me about your love of duck hunting, and I asked if you had a bird dog. You said no, but that your middle son was one of the best retrievers you'd ever seen. Did your youngest son pick up the slack?

Not as good a retriever, but it's funny you brought that up. My middle son (who lives in Memphis) picked up a duck dog yesterday. It's a black lab puppy and we are crossing our fingers that he'll be doing the retrieving! 🐕



Mott Ford with Lisa Smith and Brett Stoots.

banking as a career. The Association is launching a partnership with Tennessee universities to connect students with the banking industry, and Ford thinks this effort is very important in attracting talented young people to the industry.


"We want to help college students understand what a career in banking looks like, what the benefits are, the kind of skill sets they need and the personality they should have to become good bankers," he said. "So our education outreach should not only be aimed at current bankers but also at college students making decisions about their career paths. We must approach it on both of these fronts."

This effort, which will depend on bankers getting involved, will be increasingly important as the competition for talent continues to intensify. While many banks target their recruiting toward experienced bankers with existing business portfolios, there are only so many to go around. And the industry must reload at the entry-level positions out of necessity, Ford notes. That's why he believes it is critical to recruit new talent at the college level.

Constant Change

As Ford enters his year as TBA chairman, he sees an organization that is sound, strong, and flexible.

"When you talk about the TBA's greatest strength and the opportunities, it sounds cliché but our greatest strength is no doubt our great staff and the membership as a whole. Everyone understands the only constant is change, as they say, and we have seen dramatic changes in the last 30 years, and we will continue to see change. The TBA has done an exceptional job of evolving with the times.

"We are going to continue dealing with nonbank competitors, with delivery channels, with consolidation; but banks and the Association have risen to the challenges over the years, and we will rise to the challenge again. We must be flexible, open-minded, and willing to change in order to continue meeting the needs of customers in the communities we serve, and meeting the needs of our TBA members." 

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Voice search: Ways your financial institution can answer



RACHEL SCHEUERMAN
Director,
Engagement Solutions,
Harland Clarke

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Voice search and voice-powered experiences are two of today's hottest topics—and for good reason. According to a recent Yext webinar, the use of voice-enabled speakers will grow 130% over the next year. So, there's no doubt voice recognition is shaping the emerging customer experience and will have a direct impact on businesses of every kind, including financial services (if it hasn't already). So, exactly how does voice search impact your financial institution, and most importantly—how can you keep up?

Speak and you shall receive.

For starters, voice search functionality marks a seismic shift in how consumers get results. In fact, over 20% of all Google mobile searches are now voice-command interactions. Siri cofounder has even called voice search a “defining characteristic of computing” over the next 10 years. But, unlike a text search you do on your computer, voice search results provide just one answer at a time, meaning there's only one best answer. This “one result only” model really puts the pressure on financial institutions when it comes to things like:

- Your financial institution's digital knowledge
- Optimizing your Google results
- Ensuring you become/retain the best search result available

It's important to note that on the whole, consumers are not consuming less traditional media, they are instead interacting with more media in more forms—often at the same time. As a result, many businesses spend just as much on traditional (paid) media, but then add owned and earned channel spend on top. As one can imagine, this becomes quite costly.

Now, back to voice.

It's important to note how younger generations access and consume information through the internet. This might be a no-brainer, but today's teens and children know of no time in their lives when they didn't have access to the internet, and most have always had access through a mobile device. It's critical to understand these behaviors when thinking about how a young person might interact with voice search and the result offerings. While it may seem like a leap for us, for teens this is just more of the same, and soon could be the norm for many industries.

Behavior-wise, consumers are being taught how to ask devices the right questions, which is a natural extension of their current behavior. People type questions differently than when they say them out loud. This is because we can speak more words per minute than we can type and also because we are less deliberate with our words when we speak. So, this has resulted in an increase in “conversational search.” Think about the rise of Alexa and Google Home, particularly with older people. These devices make it easier for people with growing, age-related challenges to accomplish simple tasks. Order more dog food, check the weather, understand their calendar for the day, and so on. There's no reason why banking tools and search for financial topics couldn't become an everyday voice search all over your community and one day, the globe.

So, how is it powered?

“Intelligent services” triggered by voice rely on your financial institution's structured data to provide “rich” experiences. This creates an importance to ensure the data about your brand is structured in a way these services understand. A program called Schema Mark-

up helps your website speak the language of intelligent services, so they can understand, categorize, and structure the information about your brand. An enhanced, consistent, and accurate digital knowledge published everywhere can help offer a positive consumer experience.

By complying with these best practices, businesses become a part of that circle of trust around the content showcased to consumers via voice search. Yext puts you in control of all of the public facts about your brand. With Yext, you can be sure consumers find rich, accurate, and consistent information about your brand—wherever they are, in all the ways they search. Every time. 🌐



With voice search technologies such as Alexa and Google Home becoming more popular with consumers, it's time to leverage this tech for your bank.

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The 'plat' thickens... or when is a plat not a plat?



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In the world of real estate and title insurance, the terms “plat,” “survey,” “plat of survey,” and “survey map” are frequently used interchangeably. But while plats and surveys both depict tracts of land and share some similarities, they are different documents that serve different purposes; and it is necessary that underwriters should understand their differences and recognize their respective purposes.

A plat is a map showing the divisions of a piece of land. Many U.S. cities and towns were developed based on plats showing the division of land into blocks with streets and alleys, with the blocks divided into numbered (or lettered) lots that were sold to individuals, merchants, or professionals. Once the plats were filed in the public records, they were used as a convenient method for describing the lots as shown on the plats.

Plats, typically drawn up by surveyors, are still used today for the division of property. In addition to subdividing tracts of land into smaller parcels, plats can also:

- Combine two or more parcels to create a single large parcel
- Combine two or more parcels and then re-subdivide in order to relocate property lines and create different parcels
- Dedicate roads or other rights of way
- Create and vacate easements
- Dedicate land for public uses
- Correct, amend, or vacate prior plats

In order to be recorded, plats must be signed by the owner(s) of the property, and reviewed and approved by the appropriate municipal department, commission, or board.

Surveying is the science and profession of determining points on the earth and the distances and angles between them. The resulting survey is a map that typically delineates property lines for ownership and shows the location of buildings and other improvements, utilities, plottable easements, wetlands and waters on or abutting the property, and zoning setback lines.

Surveys most commonly seen in real estate transactions are:

ALTA/NSPS Survey

This is the standard survey prepared in compliance with the guidelines of the American Land Title Association (ALTA) and the National Society of Professional Surveyors (NSPS). It is “all-inclusive” in that it typically shows property lines, buildings and improvements, utilities, easements and rights of way, bodies of water, setback lines, a legal description, certification to the owner/buyer, lender and title company, reference to the title commitment for the transaction, and comments as to the applicability of exceptions listed in the commitment. This is the preferred survey for commercial transactions.

An abbreviated version of an ALTA/NSPS survey is typically used for residential property and will generally include property lines, buildings and improvements, utilities, easements and rights of way, and setback lines.

Boundary Survey

Typically used for vacant land and will show property lines, easements, rights of way and bodies of water. It usually does not include any certification, and it may or may not include a legal description.

Foundation Survey

This is a boundary survey with the actual position of the foundation of a building, and typically shows utilities. A foundation survey is done once a foundation has been poured and cured ensure that the foundation was constructed at the proper location and elevation shown on the approved site plan. Lenders will frequently require foundation surveys for construction loans.

Subdivision Survey

This is a boundary survey that splits a property into two or more smaller properties and typically includes any common/public areas, streets (public or private), buffers, and easements. A subdivision survey is typically recorded in order to create the new parcels, so a subdivision survey should be treated for underwriting purposes as a subdivision plat.

Condominium Survey

This is a boundary survey that shows the proposed buildings/units and common areas (with building elevations and plans) for a new condominium complex. A condominium survey is typically recorded in order to create the new condominium complex and should be treated for underwriting purposes as a condominium plat.

In summary, plats and surveys have the following in common:

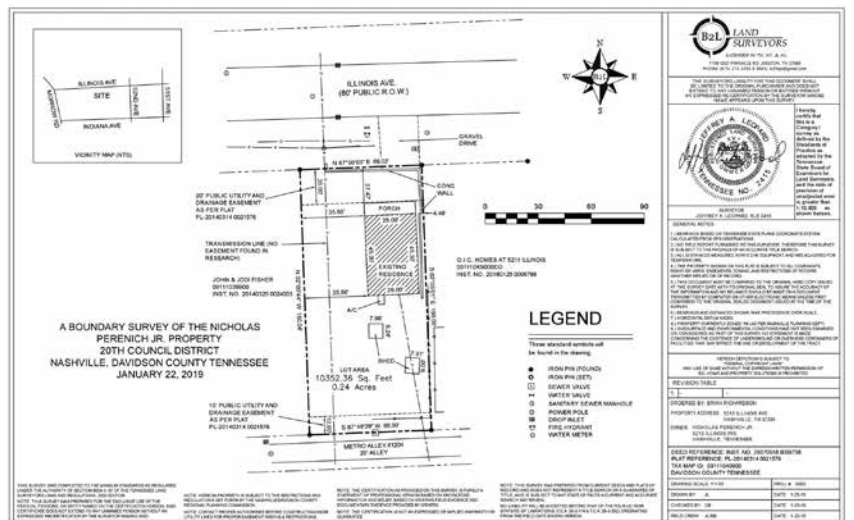
- Both depict the property lines of a tract of land
- Both can show tracts of various sizes, from very small to very large
- Both show the acreage of the property
- Both show the location of the property (county, district/township, lot, abutting streets, etc.)

Plats and surveys differ in the following ways:

- A plat typically shows the dimensions of vacant property before improvements. A survey shows dwellings, buildings and other improvements located on the property along with any encroachments.
- A plat will frequently cover more than one lot or parcel of land, such as a plat of an entire subdivision; while a survey usually only shows a single tract or a limited number of related tracts.
- Plats are drawn to be recorded for public use; while surveys are usually only for the personal use of the owner(s) of the property.




Plat example



Survey example

If transaction documents include a “plat of survey,” the underwriting process must include a review of the document with a comparison to determine if it is a survey or simply a plat. Only then can survey coverage be underwritten properly.

In conclusion, a plat is a plat, and not a survey. 

In real estate transactions, it is important to know the difference between a plat and a survey. Plats are maps showing the divisions of a piece of land. A basic survey shows property lines, buildings and improvements, utilities, easements and rights of way, and setback lines.

Forty-six bankers graduate from The Southeastern School of Commercial Lending

In May, 46 banker students graduated from The Southeastern School of Commercial Lending (TSSCL). Established in 1984, the intensive, one-week school concentrates on all aspects of commercial lending. Students receive over 45 hours of classroom instruction, discussion, and case studies. The TBA conducts the annual school in cooperation with the Georgia, Louisiana, and Mississippi bankers associations. The 2019 graduating class included 40 students from Tennessee, as well as bankers from Mississippi (3), and Alabama (3).

HONORS

Four 2019 students graduated with honors, ranking in the top 10 percent of the class based on mid-term and final examination scores and faculty and board evaluations. These outstanding students were:

- **Bryan Ashby**, Citizens Tri-County Bank, Decherd
- **Martin Crow**, Wilson Bank & Trust, Mount Juliet
- **Alicia Moore**, First Volunteer Bank, Chattanooga
- **Larry Neal**, Simmons Bank, Memphis

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NICOLE MINNIS – SVP/Branch Administrator, The Farmers Bank, Portland
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J.B. OWENS – EVP/Director of Commercial Banking, First Freedom Bank, Lebanon
LYMAN COX – EVP/Senior Lender, First National Bank of Pulaski, Pulaski
JOHN FOSTER – SVP/Lending, Wilson Bank and Trust, Lebanon
KEITH HICKEY – Vice President/Commercial Lender and Manager, First Farmers, Spring Hill

OUT OF STATE TRUSTEES:

KELLY SMITH – SVP, First National Bank, Griffin, GA

PAST CHAIRMEN:

MITCH HIGDON – EVP/Senior Credit Officer, First Citizens National Bank, Mumford (West)
JEFF LEWIS – City President, FirstBank, Lexington (West)
LAURA BLACKBURN – SVP/Chief Credit Officer, Volunteer State Bank (Middle)



2019 TSSCL students

THE SOUTHEASTERN SCHOOL OF COMMERCIAL LENDING 2019 GRADUATES

***BRYAN ASHBY**, Citizens Tri-County Bank, Decherd
CHAD BAILEY, Mississippi Land Bank, Saultillo, Miss.
GREGORY BELCHER, CB&S Bank, Inc, Russellville, Ala.
MELISSA BINGHAM, First Volunteer Bank, Knoxville
FILIZ BOZKURT, Simmons Bank, Franklin
BRANDON BRIDGES, First Advantage Bank, Clarksville
ANDREW BROCK, The First National Bank of Middle Tennessee, McMinnville
THOMAS CARLISLE, Paragon Bank, Memphis
***MARTIN CROW**, Wilson Bank & Trust, Mount Juliet
MICHAEL DEFERE, FirstBank, Murfreesboro
JEFF DOBBS, Pinnacle Bank, Knoxville
JOSH ETTER, First Volunteer Bank, Jacksboro
LOGAN EZZELL, CB&S Bank, Inc, Russellville, Ala.
MICHAEL GIAMBRONE, First Volunteer Bank, Chattanooga
NATHAN HARRIS, Citizens Bank of Lafayette, Lafayette
JOHN HATLER, Security Bank and Trust Company, Martin
MILES HITE, FirstBank, Knoxville
JOE HOLBROOK, First Volunteer Bank, Etowah
MARK HOWELL, Bank of Lincoln County, Fayetteville
ELIZABETH ISAACS, Reliant Bank, Brentwood
AUSTIN JAMESON, JB&B Capital, LLC, Franklin
JAMES JOBE, First Advantage Bank, Clarksville
EDDIE JONES, Commercial Bank, Harrogate
NATHAN KELLEY, Citizens National Bank, Sevierville
DAVID MONFORE, Legends Bank, Nashville
***ALICIA MOORE**, First Volunteer Bank, Chattanooga
WILLIAM MYERS, Volunteer State Bank, Gallatin
***LARRY NEAL**, Simmons Bank, Memphis
SCOTT OLIVER, Citizens Bank, Carthage
ROBIN PARKER, SouthEast Bank, Knoxville
SONIA RAMIREZ, Homeland Community Bank, McMinnville
PAUL REED, SimplyBank, Dayton
JOSHUA RICHARDSON, First National Bank of Pulaski, Fayetteville
DEBORAH RIDDLE, First Volunteer Bank, Cookeville
JON ROSKOS, Paragon Bank, Memphis
MELISSA SHAW, First Volunteer Bank, Chattanooga
JENNIFER SMITH, Commercial Bank, Harrogate
TY SMITHSON, Greenfield Banking Company, Greenfield

JEREMY SPRINKLE, CB&S Bank, Inc, Russellville, Ala.
DANIEL STOREY, The First National Bank of Oneida, Oneida
DONNIE WALTON, Commercial Bank & Trust Co, Union City
HUGH WARREN, Trustmark National Bank, Ridgeland, Miss.
TODD WATSON, SimplyBank, Benton
JOE WEBER, Bank of Tennessee, Nashville
STEVEN WIGGINS, Planters Bank & Trust Company, Tunica, Miss.
ANDRE' WILKES, Renasant Bank, Memphis

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 Amelia Island, Fla.
JOHN COCHRAN
 President, Cochran Associates, LLC
 Jefferson City, Mo.

STUDENT PROFILE

YEARS OF BANK EXPERIENCE

Less than 1 Year	6
1 to 5 Years	12
6 to 10 Years	4
11 to 20 Years	18
20+ Years	6
No response	1

SIZE OF BANK'S LOAN PORTFOLIO

11 to 50 Million	1
51 to 100 Million	1
Over 100 Million	42
Other	2

SIZE OF BANK'S ASSETS

51 to 100 million	1
101 to 500 million	9
501 million to 1 billion	29
Over 1 billion	2
Other	2

Special Purpose Entities (SPEs) may now serve as trust advisors in Tennessee



AARON FLINN
Partner,
Waller

Public Chapter 340, recently signed into law by Governor Bill Lee, represents a significant evolution of Tennessee trust law by permitting the creation of special purpose entities (“SPEs”), as defined in Tenn. Code Ann. § 35-15-1301(a)(6), to serve as Trust Advisors for trusts for which a Tennessee corporate fiduciary is serving as Trustee.

Directed Trust Structure

Traditionally, a trust was subject to the control and oversight of a Trustee, who was charged with all facets of trust administration. A new Tennessee law, however, authorizes the separation of the traditional trustee roles by allowing for the appointment of a Trust Advisor (also called a Trust Protector) who has the authority to “direct” an exercise of a power held by the Trustee, including investment and distribution decisions. The Trust Advisor can either be an individual or structured as a committee with multiple serving committee members. Given the power of a Trust Advisor to direct the Trustee, the trust is referred to as a “directed trust.” The ability to reserve certain authority over the management of trust assets to a Trust Advisor provides significant planning opportunities.

For example, while a grantor may wish to utilize a corporate trustee, the grantor may prefer investment decisions be controlled by a trusted advisor. Additionally, a grantor may wish for all administrative functions to be the responsibility of a corporate trustee while granting a specific individual(s) the power to make or veto distributions. Similarly, carving out responsibility for the administration of the family lake house to a family member

with a separate trustee responsible for all other matters can be attractive.

An extremely powerful use of the directed trust structure is that it permits an owner of a closely held business to specifically identify a Trust Advisor who is to have sole power to vote the equity interests thereof, and thus indirectly control the business. For business owners concerned with succession planning, the opportunity to select trusted advisors to oversee the management of the business is invaluable. Moreover, this also provides a structure to continue the business for several successive generations.

Potential Relief from State Taxation


A significant benefit of the new law is its potential to provide relief from taxation in states that tax a trust based on the residency of the Trustee or other fiduciary. In these states, the fact a Trust Advisor is a resident could be the sole justification for the state subjecting the trust to tax. The Tennessee SPE, however, will be a resident of Tennessee and provided all the SPE’s activities occur solely in Tennessee, it could be possible to avoid subjecting a trust to a state’s income taxes that are imposed based solely on the residency of a fiduciary. As a result, an individual resident of one these states could have a role in the SPE without subjecting the trust to the state’s income tax.

In addition to the foreign state tax savings, so long as the beneficiaries are not Tennessee residents, the trust would not be subject to Tennessee tax. Consequently, for those trusts, the use of a Tennessee SPE could provide significant tax savings.

Liability Protection for Trust Advisors

Another benefit of Public Chapter 340 is the ability to provide liability protection for Trust Advisors, something which might have hindered the use of Trust Advisors previously. Specifically, prior to the passage of the new law, it appeared that under state law, when a Trust Advisor was to act in a fiduciary capacity, only individuals or corporate trustees who were authorized to act as a fiduciary were permitted to serve. Given that the typical grantor often desires for other individuals, rather than corporate trustees, to serve as the Trust Advisor, a common impediment to fully utilizing a directed trust structure was that these individuals serving as Trust Advisors often faced concerns of liability protection. Public Chapter 340 provides a solution. Specifically, Tenn. Code Ann. § 35-15-1301 permits the creation of an SPE, which will likely be organized as a limited liability company (LLC), to serve as Trust Advisor.

The law now permits the SPE to serve as Trust Advisor of a trust of which a Tennessee corporate fiduciary or a national bank with a physical presence in Tennessee is otherwise serving as Trustee. Therefore, a grantor could establish a trust with a Tennessee corporate trustee and appoint an SPE to serve as Trust Advisor. In addition, one SPE could serve as a Trust Advisor for all trusts benefiting members of an extended family. So long as a Tennessee corporate trustee is serving, the SPE may exercise fiduciary duties with respect to trusts without being subject to the Tennessee laws applicable to trust companies. Since the SPE can be organized as either an LLC or a corporation, the owners and officers of the SPE will be afforded the same general liability protection as is otherwise the case with LLCs and corporations.

For these reasons, Public Chapter 340 represents a significant enhancement of the directed trust structure and furthers Tennessee's status as one of the preeminent jurisdictions to situs a trust. 



Gambling on a DOJ enforcement action: State of the Wire Act



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Cummings LLP

The Wire Act (the “Act”) is a Kennedy-era statute enacted to deter organized crime by cutting off the mob’s primary source of income—sports betting. Specifically, the Wire Act prohibits the use of a “wire communication facility” to transmit information assisting in the placement of certain bets or wagers. For many years, it was unclear whether the Act applied solely to sports gambling or all forms of gambling. The DOJ issued its first formal guidance on the issue in 2011 when New York and Illinois requested clarification on the Wire Act’s applicability to the use of out-of-state transaction processors for the sale of in-state lottery tickets. Rather than limiting its response to the narrow question posed, the DOJ issued a much broader opinion, finding that the Wire Act applies to sports gambling only. In an unprecedented reversal of the 2011 memo, the DOJ issued a new memo dated November 2, 2018 (the “2018 memo”) opining that the Wire Act does, in fact, apply to all forms of Internet gambling, as opposed to solely sports gambling.

The States Strike Back

This marked policy change was met with resistance. In response to the 2018 memo, the New Hampshire Lottery Commission (the “Commission”) and its service provider filed a lawsuit against Attorney General Bill Barr and the DOJ seeking an injunction to prevent enforcement actions based upon the 2018 memo and declaratory relief regarding the scope of the Wire Act. On June 3, 2019, the court entered a memorandum opinion granting the Commission’s motion for summary

judgment, finding that the plain language of the Wire Act is ambiguous but that the legislative history and “significant contextual evidence” support the Commission’s interpretation that the Wire Act applies solely to sports gambling. As a result, the court set aside the 2018 memo and entered judgment in favor of the Commission on June 20, 2019. The deadline for the DOJ to appeal the judgment is August 29, 2019.

SCOTUS Raises Questions About Enforceability of Wire Act

While the U.S. Supreme Court has not squarely addressed the constitutionality of the Wire Act, it has decisively rejected an outright ban on sports gambling. The Professional and Amateur Sports Protection Act of 1992 (“PASPA”) banned sports betting nationwide while carving out certain exemptions for a handful of states. In May 2018, the Court issued a decision in *Murphy v. Nat’l Collegiate Athletic Ass’n*, holding that PASPA is unconstitutional because it dictates to the states what they may or may not legislate.

Although not central to the opinion, the Court did briefly address the Wire Act, stating that it only applies “if the underlying gambling is illegal under state law.” The Court noted that it is federal policy to “respect the policy choices of the people of each state on the controversial issue of gambling.” With regard to sports gambling in particular, the Court held that Congress is free to regulate it—not ban it—and if Congress elects not to, states are free to step in.



Tennessee Legalizes Online Sports Betting

On May 25, 2019, the “Tennessee Sports Gaming Act” became law after Governor Lee allowed the bill to become law without his signature. The law became effective on July 1, 2019, at which point the Tennessee Lottery Commission began the rule-making process. With respect to when online gambling will actually launch in Tennessee, no timeline has been provided. It is estimated that online sports betting will bring in an estimated \$50 million in tax revenue alone. The passage of this bill provides an opportunity for financial institutions to get some skin in the game without running afoul of the Wire Act provided certain precautions are taken.

Practical Implications

Ultimately, the extent of a financial institution or investor’s investment in this ever-evolving industry is a test of risk appetite. For banks and other financial institutions looking to get involved, the prevention of interstate routing of data related to these

transactions is paramount. In order to remove themselves from the purview of the Wire Act, Tennessee financial institutions must take extra precautions (i.e. specific contractual provisions in contracts with data processors, etc.) to ensure that all data related to sports betting is processed within the state. To that end, businesses considering entering the online sports betting market in Tennessee could turn to community financial institutions to minimize the risk of interstate data transmission.

For those unable to completely insulate data transmissions, the Wire Act’s days may be numbered. Tidbits such as the Murphy case indicate that the DOJ’s interpretation of the Wire Act (and, perhaps, the Wire Act itself) may not survive constitutional scrutiny in front of the Supreme Court. Stay tuned. 🇺🇸

The “Tennessee Sports Gaming Act” became effective on July 1, 2019, and will provide an opportunity for financial institutions to get some skin in the game without running afoul of the Wire Act as long as the transmission of any bet or wager does not cross state lines.

PHOTO: SHUTTERSTOCK



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2019 GSB at LSU Tennessee students

Graduate School of Banking at LSU graduates 20 Tennessee bankers

On May 31, 2019, 185 bankers, including 20 from Tennessee, received graduation diplomas during the 70th annual two-week session of the Graduate School of Banking at Louisiana State University in Baton Rouge, La. Sponsored by the Tennessee Bankers Association and 14 other southern state bankers associations in cooperation with the Division of Continuing Education at LSU, students traveled from 21 states and Mexico for the 2019 session. The faculty consists of bankers, business and professional leaders, and educators from all parts of the U.S.

Detra Cleven, Bank of Tennessee, Johnson City, received an additional certificate for making all A's on her bank study projects. In the school's history only 108 out of 16,331 graduates have completed the program having received the grade of "A" on their bank study projects.

Tennessee faculty for the 2019 session included Harvey Church, First Farmers and Merchants Bank, Columbia; Jeff Hudson, First-Bank, Memphis; Dr. Thomas Payne, Tennessee Tech; Ronny Roberts, ProBank Austin, Brentwood; and Tod Trulove, Tennessee Department of Financial Institutions, Nashville, along with several other faculty who are TBA associate members and on the faculty of the TBA's Southeastern Schools.

Under the leadership of John Jordan, GSB Executive Director and former-Tennessee banker, Tennessee members of the Board of Trustees include Colin Barrett, TBA president/CEO, and J. Scott Cocanougher, First Community Bank of Tennessee, Shelbyville.

Learn more about attending the school and the 2020 session at www.gsblsu.org.

Congratulations to the TBA members and Tennessee-based regulators who received diplomas among the Class of 2019. 🇺🇸

2019 GSB AT LSU GRADUATES

DUSTIN ATKINS, Peoples Bank of East Tennessee
DAWN CHAFFIN, First National Bank of Tennessee
DETRA CLEVEN, Bank of Tennessee
AARON DUKE, Wilson Bank & Trust
GREGORY GARRETT, Consultant
KAYLA HAWKINS, Wilson Bank & Trust
CHAD HILL, Volunteer State Bank
JASON HOLLIMAN, Citizens National Bank
DOMINICK JACKSON, SouthEast Bank
DAVID LEVEAU, Security Federal Bank
BRADLEY MCCARTER, Tennessee State Bank
MATTHEW RAINS, Security Federal Savings Bank of McMinnville
LUCAS RISNER, Wayne County Bank
TIMOTHY RUNIONS, Tennessee Dept. of Financial Institutions
JOSEPH SALVATO, Bank of Putnam County
THOMAS SCHAUB, Bank of Bartlett
DAVID SMITH, Traders Bank, branch of Citizens Bank of Lafayette
JOHN STEWART, The Farmers Bank
JOHN TUBB, Tennessee Dept. of Financial Institutions
TAYLOR WALKER, Wilson Bank & Trust

Community banks can and should provide responsible, efficient small-dollar loans



STEVE SWANSTON
Executive Vice President
Velocity Solutions

Despite a record low 3.8% unemployment rate, American consumers still have difficulty meeting immediate and emergency living expenses. The demand for short-term liquidity is, in fact, staggering with 78% of consumers living paycheck to paycheck¹ and 40% unable to cover a \$400 emergency.²

For some, overdraft is a reasonable option that most financial institutions offer. According to the Consumer Financial Protection Bureau (CFPB), 8-12% of consumers pay about 80% of all overdraft fees.³ Of these, the majority make an informed choice to do so—"trading off the cost of short-term overdraft funding against benefits such as payment timing and certainty," according to Novantas research.⁴

Consumers who opt to use overdraft protection as a safety net want to swipe their debit cards and have the assurance that their financial institution will cover their transactions even if they do not have the available funds at the time.

However, other consumers in need of short-term liquidity prefer to have the money in their accounts prior to needing the funds. These consumers tend to manage their money proactively and balance their checkbooks regularly. So, when funds fall short for them, what are their options?

Traditionally, these consumers have relied on alternatives outside the banking system, including check cashing, pawn shops, and payday lenders, who often charge 400% APRs or more. Many of them struggle to pay their household bills on time, resulting in exorbitant late fees and negative hits to their credit score, impairing their ability to acquire more affordable sources of liquidity. As a result, each year 12 million Americans,

including about 15-20% of a financial institution's account holders, take out payday loans, spending \$9 billion on loan fees⁵ to cover their income gaps.

The Case for Loan Automation

While many financial institutions may see the value in serving this overlooked consumer market, it has not made sense due to cost prohibitive manual small-dollar loan processes that require resources that most community institutions cannot justify.

Luckily, meeting the challenge of providing affordable liquidity is now obtainable through the use of digital lending technology that automates the entire lending process from origination to underwriting to documentation. In fact, there are already a growing number of market challengers using this technology, and once they get a foothold into your account holder, your relationship is at risk.

Further, the CFPB and other regulatory bodies such as the OCC⁶ and the Tennessee Department of Financial Institutions have endorsed the opportunity of community banks to serve the small-dollar needs of citizens⁷.

Buy or Build the Technology?


As with any strategic initiative that relies on new technology, community financial institutions must assess their expertise and resources to determine whether they buy or build the solution. To build their own, institutions must be able to keep the technology updated and compliant, while also delivering a consistent and exceptional digital experience. The answer for most institutions is that building the technology is cost prohibitive—not only operationally, but also from a staffing standpoint—and could take more time than the competitive market allows.

The alternative is to partner with a digital lending technology provider that offers a proven, cost-effective platform built with an emphasis on consumer protection, compliance and safety.

When reviewing fintech providers, ensure that the vendor's program offers:

- A fully-automated platform that requires no loan officer involvement. The entire digital loan application and approval process should be completed online in just a couple of minutes
- Low charge-offs—the result of proven underwriting technology that assesses a customer's ability to repay, analyzes internal and external data sources, including deposit activity, and sets a maximum loan amount
- Compliance with all existing federal lending regulations including the Military Lending Act and continuous monitoring of the regulatory landscape for any necessary adjustments
- Loans automatically booked and funded to the institution's core banking platform
- Automatic deposit of loaned funds into the account holder's account and scheduled repayment process

When surveyed, 81% of payday loan customers said they would prefer to borrow from their financial institution if small-dollar installment loans were available there.⁸ Currently, however, very few financial institutions do so.

With the introduction of affordable and compliant loan automation software, community financial institutions can now offer these Americans low risk, easy access to cash at affordable interest rates. Financial institutions can enjoy efficiencies of automating the entire loan process and avoid the high cost of individually underwriting and documenting short-term, small-dollar loans, while providing their account holders a much-needed valuable service. 

TBA PARTNERS WITH CASHPLEASE® BY VELOCITY SOLUTIONS



Velocity Solutions, LLC, announced a strategic partnership with the Tennessee Bankers Association to enable its member banks to provide small-dollar consumer loans in their communities. The TBA has identified Velocity's CashPlease® program as the solution that member banks can use to deliver small-dollar loans to their customers in an efficient and compliant way.

CashPlease® is an automated small-dollar, short-term loan platform that allows consumers to apply for loans 24/7 on their bank's branded CashPlease® website or mobile app. Loan amounts generally range from \$100 to \$1,500, and do not require a traditional credit check. An ability-to-repay determination is made by Velocity's data-driven proprietary algorithm, the underlying technology of which has been used to analyze short-term liquidity on millions of accounts for many years. Consumers will know immediately whether they are approved for a short-term loan, and the funds will be deposited directly into their account. The CashPlease® platform is offered by Velocity Borrower Logic, LLC, an affiliate of Velocity Solutions.

"Small-dollar lending used to be a staple service provided by Tennessee banks to meet the needs of their communities," said Colin Barrett, president of the Tennessee Bankers Association. "Unfortunately, with the increase of consumer compliance regulations, many of these loans were moved out of the traditional banking market forcing customers to seek alternative, and costlier, solutions. With the CashPlease program, banks will once again be able to offer an efficient, compliant, and affordable small-dollar lending option for their valued customers."

To learn more about adding CashPlease® as a product offering at your financial institution through the TBA partnership, visit TNBankers.org/products/associates?id=950435.

¹ <https://www.theguardian.com/commentisfree/2018/jul/29/us-economy-workers-paycheck-robert-reich>

² <https://www.forbes.com/sites/zackfriedman/2018/05/24/money-retirement-student-loans/#67d92f001059>

³ https://files.consumerfinance.gov/f/documents/201708_cfpb_data-point_frequent-overdrafters.pdf

⁴ <https://www.novantas.com/news/a-novantas-study-reveals-most-overdrafts-are-the-result-of-informed-consumer-choice/>

⁵ <https://www.pewtrusts.org/en/about/news-room/press-releases-and-statements/2016/06/01/pew-cfpbs-proposed-payday-loan-rule-misses-historic-opportunity>

⁶ <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2018/02/standards-needed-for-safe-small-installment-loans-from-banks-credit-unions>

⁷ <https://myvelocity.com/2019/06/velocity-solutions-teams-up-with-the-tennessee-bankers-association-to-promote-small-dollar-lending-in-their-member-bank-communities/>

⁸ <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2017/04/payday-loan-customers-want-more-protections-access-to-lower-cost-credit-from-banks>

Liability issues in relocating customer safe deposit boxes



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Safe deposit boxes are a personal part of the American banking establishment.

A bank's procedures for box rental and maintenance can either increase or decrease its resulting liability to a customer whose experience is neutral or negative. The purpose of this article is to remind Tennessee financial institutions of potential federal and state liability associated with the moving of safe deposit boxes to another facility, including entire vault relocation, and the need to address nonpayment of rent agreements well ahead of a proposed move.

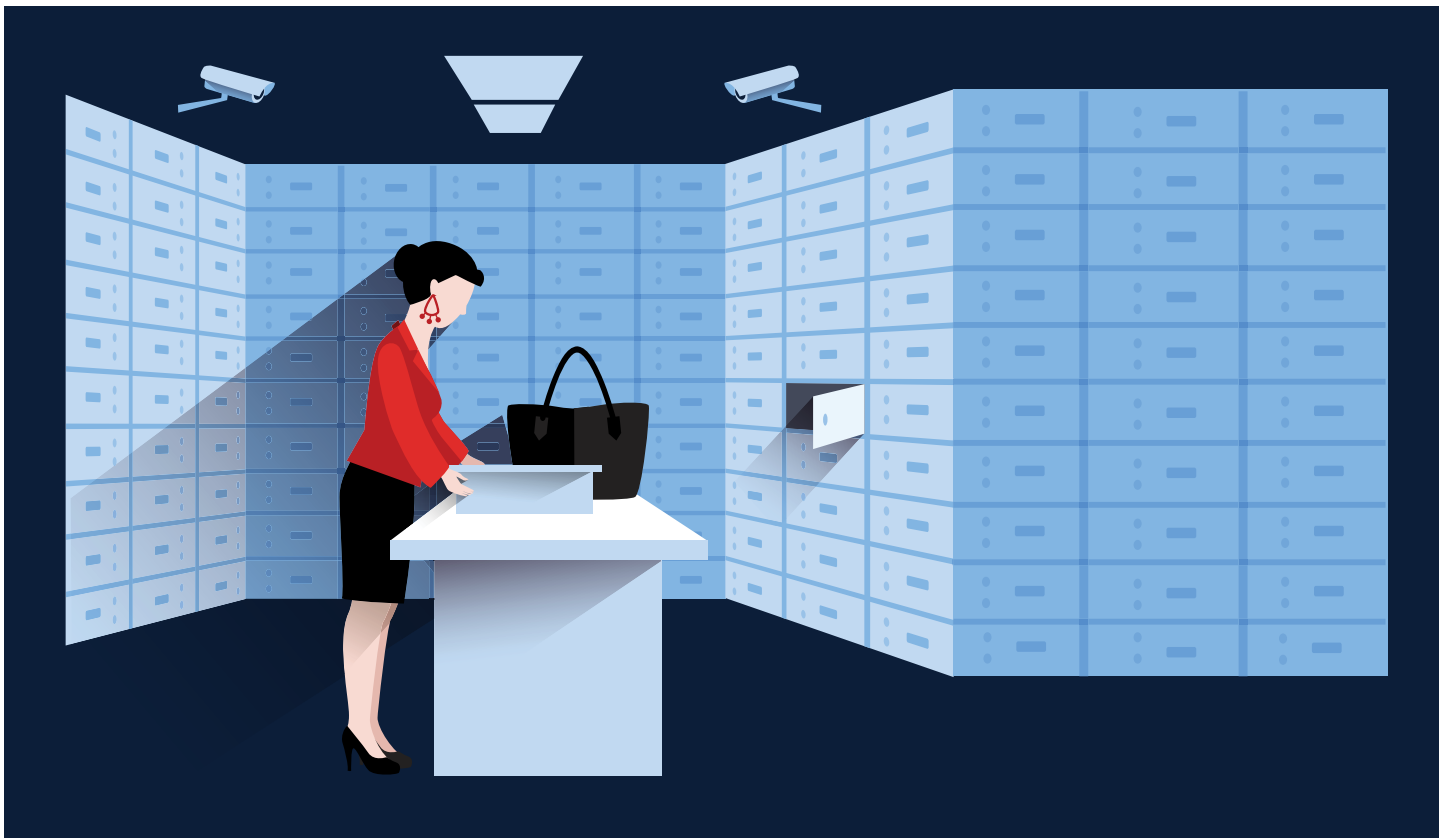
Initially, a bank's liability seems nominal. Tennessee statutory language¹ relieves a bank from all liability associated with a loss from "theft, fire, or other cause" of safe deposit box contents including jewelry, diamonds, gold, bank notes, bonds, or other valuables. Because no bank statutory liability exists from the loss of contents, the bank is not required to inventory the property initially placed in the safe deposit box.

Early Tennessee common law supports the statutory language. State courts have categorized the relationship between a bank and a safe deposit box renter as a bailment. The role of the bank is a bailee, or holder of property belonging to another, and involves liability for the bailee for the safeguarding of the entrusted property. Recognition of this relationship occurred in *Young v. First National Bank of Oneida*². In *Young*, the plaintiff placed his bonds in the bank's safe deposit box which were thereafter stolen by burglars. The plaintiff filed for damages, but his claim was denied because the court ruled the bank had met the burden of ordinary care. In a similar case from 1989³, a customer renting a safe deposit box sued the bank for items he claimed were taken from the box without

his knowledge or consent. The court ruled in favor of the bank because no allegation was made that the bank failed to meet its duty of care in safeguarding the assets. The court ruled that in the absence of an allegation of failed duty of care, the case is controlled by T.C.A. § 45-2-902.

The protections offered by noted statute and common law are limited once the bank accesses the contents of the box outside the presence of its customer such as for nonpayment of rent. A Tennessee statute⁴ also outlines the procedure for a bank's independent access of a box due to nonpayment of box rent. This statute was the basis of the outcome for two more recent cases that recognized the potential liability of a bank as bailee. In *Smith v. Peoples Bank of Elk Valley*,⁵ the Court of Appeals acknowledged a bank's potential liability when emptying a safe deposit box for alleged nonpayment of box rent. The customer signed a safe deposit box rental agreement containing an exculpatory clause related to its contents and opened a checking account with a sufficient beginning balance from which the yearly rental fees would be withdrawn. Three years later, even with the checking account availability, the bank claimed the rent on the box had not been paid; therefore, its representative drilled the box and notified the customer to retrieve the contents. Upon inspecting the contents taken from the box, the customer claimed valuable items were missing. A similar result can be found in a 2012 case.⁶ Despite the presence of the exculpatory clauses, the customers in both cases successfully sued their respective banks on claims those banks breached their duty of care by failure to follow the drilling requirements of T.C.A. § 45-2-907.

Regarding federal regulations, the FDIC



requires a bank to give 90-day notice to any customer having an active safe deposit box rental agreement of the bank's planned and pending relocation of the boxes.⁷ The bank is also required to display a notice at the branch itself either 15 or 30 days in advance of the actual move (depending on whether the bank is moving within the neighborhood or closing). The notification letter must contain what action is planned by the bank regarding the safe deposit boxes and whether the bank wants the customer to retrieve his box contents or will the bank relocate the entire box. Personal contact with the customer is important prior to the proposed move so that the drilling of a box and the associated liability does not arise in the midst of a move. 📺

Tennessee does not require a bank to inventory the contents of any vault box rented by a customer or to be liable for the loss of any item contained therein. But to reduce liability during a bank's move to another facility, banks should be diligent in notifying customers appropriately.

ILLUSTRATION: SHUTTERSTOCK

1. T.C.A. § 45-2-902
2. *Young v. First National Bank of Oneida*, 265 S.W. 681, (1924)
3. *Whitaker v. First American Corp.*, 779 S.W.2d 383
4. T.C.A. § 45-2-907
5. *Smith v. Peoples Bank of Elk Valley*, 1992 WL 117061
6. *Sheikh v. Regions Bank*, 2012 WL 1108130
7. 12 U.S.C.A. § 1831r-1

BSA/AML COMPLIANCE SCHOOL

May 7 & 8, 2019

Hilton Franklin Cool Springs, Franklin, Tenn.

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SPONSOR

VERAFIN





People on the Move

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



LOWERY PHILLIPS KEY

BankTennessee, Collierville, has promoted **Brian Lowery** to chief credit officer; **Jason Phillips** to senior vice president; and **Steven Key** to assistant vice president, branch manager.

CB&S Inc, Bolivar, has named **Charlotte Loines** as mortgage loan originator to service CB&S's Tennessee locations.



LOINES



SCHOOLS O'BRYAN

CapStar Bank, Nashville, has named **Timothy Schools**, from Highlands Bankshares Inc, Abingdon, Va., to succeed **Claire Tucker**, as the bank's next president and CEO. Tucker will serve as founding president and CEO emeritus until May 2021. In addition, **Jennie O'Bryan** was named consumer banking director and responsible for the wealth management, private banking, and retail divisions of the bank.

Carroll Bank and Trust, Huntingdon, has named **Amanda DeRossett** as a mortgage lender at the Paris branch.



DEROSSETT



CLEMENTS MENZIE DIAMOND

Cumberland Trust and Investment Company, Nashville, has promoted **C. Runcie Clements, IV** to chief legal officer and general counsel; **Jennifer Karrels Menzie** to chief operating officer and corporate counsel; and **Michelle R. Diamond** to chief development officer and executive director of regional markets.

Equitable Trust Company, Nashville, has named **Katy Duryea** as vice president and trust officer.



DURYEY

Evolve Bank & Trust, Memphis, has named **Lance Lemoine** as president of its mortgage division. Lemoine has served as CEO, AmeriPro Home Loans, and as CEO of The First National Bank of Senora Mortgage, Senora, Texas.



LEMOINE



MAGGART WALLACE WILDS



HENSON JONES LISENBBE



MCADARAGH MCWHIRTER PORTER



WHELAN BOWEN HARBIN



PETTY POWELL VINCENT

F&M Bank, Clarksville, has promoted these team members to senior vice president: **Brian Maggart, John Wallace, Jr.**, and **Rodney Wilds**. The bank promoted the following staff to vice president: **Rachel Henson, Patrick Jones, Alice Lisenbee, Jamie McAdaragh, Matt McWhirter, Michelle Porter**, and **Scott Whelan**. Promoted to assistant vice president were **Temple Bowen, Dana Harbin, Tammy Petty, Sherri Powell**, and **Trey Vincent**.



POAG

RISINGER



BLACK

NEWELL

Fifth Third Bank, Nashville, has promoted **Sharond Poag** to vice president and retail regional manager; and **Clay Risinger** to commercial portfolio manager. **Edward Black** was named as business banking relationship manager. Black served as senior vice president and wealth management, market banking director for PNC in Kentucky. In addition, **Paul Newell II** was named wealth management advisor.



Pictured are newly promoted staff of **Shelbyville's First Community Bank of Tennessee**—**Kayla Hilliard**, **Lynnette Scott**, **Pamela Mays**, **Rebecca Jones**, **Kelli Wilkerson**, **Terah Arnold**, **Cindy Vannatta**, **Kimberly Bradley Finch**, **Andrea Harris Sublett**, **Robin Moore**, and in a separate picture, **Susan Clark**.



CLARK



COOPER

BROWN

BORGHETTI



WARD

HELTON

First Community Bank of East Tennessee, Rogersville, has promoted these staff members: **Miranda Gray Cooper** to senior vice president of retail banking and marketing; **Todd Brown** to vice president of retail lending; **Marc Borghetti** to banking officer and Surgoinsville branch manager; **Jamie Ward** to banking officer and Church Hill branch manager; and **Debbie Alvis Helton**, in-store Walmart branch manager, was named banking officer.



NIGH

ALDRIDGE

CAREY



BARNES

BOWDEN



KASSINGER

WILLIAMS

First Farmers and Merchants Bank, Columbia, has named **Bill Nigh** as regional president to oversee Davidson and Williamson Counties. In addition, **Blake Aldridge** was promoted to assistant manager of the Port Royal office in Spring Hill; and **Ryan Carey** to private banker serving Maury County. **Clay Barnes** was named as a business banker in Williamson County; **Kent Bowden** as mortgage loan originator; **Jacob Kassingier**

as personal banker serving Davidson County; and **Marcus Williams** as branch manager at the Franklin McEwen office.



CLEMMONS

CARNES

First Freedom Bank, Lebanon, has promoted **Josh Clemmons** to first vice president. **Kaleigh Carnes** was promoted to personal banker at the Mount Juliet office.



STEELE

ALLEN

First National Bank of Middle Tennessee, McMinnville, has named **Heather Steele** as senior vice president, treasury management officer; and named **John Allen** as vice president and loan officer.

First National Bank of Pulaski, Fayetteville, has named **Jeff Alder** as FNB's county executive in Lincoln County.



ALDER

FirstBank Mortgage, Franklin, has named **Heath Albritton** as the Middle Tennessee area manager for the bank's retail mortgage division.



ALBRITTON

Franklin Synergy Bank, Franklin, has promoted **Will Powell** to senior vice president, lending executive.



POWELL



People on the Move *continued*



FAUGHT

MURRY

Paragon Bank, Memphis, has named **Eric Faught** and **Hayden Murry** as financial services associates.



EASTER

BUSBY



RIDLEY

BUTTRAM

Pinnacle Financial Partners, Chattanooga, has added **Marsha Easter** as senior vice president and financial advisor; **John Busby** and **Alan Ridley** as senior vice presidents and credit advisors; and **Jamie Buttram** as vice president and credit analyst to the downtown Chattanooga office.

Regions Bank, Memphis, has named **Lakesha Williams** as wealth advisor for its private wealth management in West Tennessee.



WILLIAMS



WILLIAMS

KING

Reliant Bank, Brentwood, has named **Michael D. Williams** as executive vice president, Maury/Hickman market president; and **Judy King** as vice president, branch manager of the bank's Murfreesboro office.



FARMER

HORRELL

FISHER



EDWARDS

HARRINGTON

ServisFirst Bank, Nashville, has added staff for its new commercial banking team: **Stephanie Farmer**, **Dave Horrell**, and **Andy Fisher**, each as vice president; and **Melanie Edwards** as client relationship specialist. **Dan Harrington** was named as director of the bank's new corporate real estate banking division.

SmartBank, Maryville, has promoted **David Conner** to senior vice president, Blount County market executive.



CONNER

Synovus Family Office, Nashville, has named **D. Scott Bowen** as director of portfolio management.



BOWEN

Tennessee Bank & Trust, Nashville, has named **Brian Heinrichs** as president and chief banking officer, effective July 1, to succeed **Dan Andrews, Jr.**, who is retiring. Heinrichs most recently served as chief financial officer for Intrust Bank, Wichita, Kan.



HEINRICHS

The Trust Company of Tennessee, Knoxville, has named **Adam Davies** as a relationship manager.



DAVIES



Bank Notes

James Bass of Nashville's Bass, Berry & Sims, PLC, whose father co-founded the firm, passed away at age 108 in May after practicing law for more than 80 years.



BASS



Pictured are **Kathleen Turner of Commercial Bank & Trust Co., Paris**, who retired after a 40-year banking career, with **TBA's T'Lanie Luu**.



The Farmers Bank, Portland, celebrated a grand opening and ribbon cutting at the White House location on Hwy 31W.

Jacquelyn Stover, former chairman and CEO of **The Farmers & Merchants Bank, Dyer**, passed away April 29.



First Century Bank, Tazewell, celebrated a grand opening of their Market St. office in downtown Knoxville.

Steven M. Waller, First Community Bank of East Tennessee, Rogersville, former senior vice president, regional area president for Hawkins County, has retired after 26 years of service.



WALLER

First Horizon Foundation, Memphis, marked 25 years in 2018, of providing grants and distributing more than \$90 million to nearly 900 nonprofits.

First Tennessee Bank, N. A. and Capital Bank in North Carolina as well as all the other businesses under the umbrella of Memphis-based **First Horizon National Corp** will be renamed **First Horizon**. **First Tennessee Bank** and **Capital Bank** will be renamed **First Horizon Bank**, beginning this fall. FTB Advisors will become First Horizon Advisors, and FTN Financial will be FHN Financial.



Gordon Inman, chairman of Middle Tennessee **FirstBank** in **Nashville**, was awarded the **McWhorter Society Distinguished Service Award** by Belmont University for his contributions to the health and health care-related programs.

Joy Martin Corley of Macon Bank & Trust Company, Lafayette, has retired after 18 years at the bank.



CORLEY



Bank Notes *continued*



Pictured with the Student Advisory Board of **Peoples Bank of East Tennessee** of **Madisonville** are first vice president **Dustin Adkins** and CEO **Chris White**. The students attended monthly meetings, learned about banking and leadership, and each student was awarded a \$500 college scholarship.


Ronald L. Samuels, vice chairman of **Nashville's Pinnacle Financial Partners** and founder of Avenue Bank has retired but will remain on Pinnacle's board of directors.



MOODY



ADAMS

Two advisors from **Nashville's Pinnacle Asset Management**, **Barry Moody** and **Chris Adams**, were selected to become part of the Retirement Planning Advisory Council of Raymond James. 



Community Building

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



Citizens National Bank, Sevierville, helped to kickoff the 2019 Capital Fundraising Campaign for the Ministerial Association Temporary Shelter in Morristown by donating \$10,000.



First Farmers and Merchants Bank, Columbia, is the headlining sponsor for the local Children's Museum.



First Tennessee Foundation sponsored a 35-mile bike ride through Nashville's Whites Creek neighborhood to raise funds for Martha O'Bryan Center to help low-income students get a college education.



Farmers State Bank, Mountain City, served breakfast to the first responders in the community in May.



First National Bank of Pulaski, Pulaski, held the 32nd Annual Giles County Board of Education Support Staff Appreciation Dinner to recognize and honor the county's school bus drivers, teacher assistants, school nutrition, maintenance, school secretaries, school nurses, technology, and custodians.



In Memphis, First Tennessee Bank partners with the Urban League and Operation HOPE to provide free credit counseling and home ownership workshops year 'round.

Community Building *continued*



First Volunteer Bank team in **Chattanooga** participated in the Dragon Boat Race as Peter Pan and the Lost Boys, raised more than \$10,000 for Erlanger Children's hospital, and were awarded Best Team Spirit and Top Individual Fundraiser.

JPMorgan Chase & Co has made a \$250,000 donation to help officials of Nashville State Community College and Columbia State Community College provide specialized IT training programs to 250 adults residing in Tennessee over the next two years.



Legends Bank, Clarksville, is sponsoring "Batter Up! Celebrating America's Pastime," an exhibit of Clarksville's baseball heritage featuring a collection of local and national memorabilia at the Customs House Museum & Cultural Center until July 28.



A team of associates from **Knoxville's Pinnacle Financial Partners** participated in the East Tennessee Kidney Walk.



Pictured are team members from **SimplyBank, Spring City**, who played in the We Care golf tournament to help raise and donate \$1,500 toward a new roof for We Care Spring City shelter.




Synovus Bank, Nashville, bank employees collected 171 books to be distributed to children in need by Book'em.



Triumph Bank, Memphis, has begun a community partnership with Carpenter Art Garden this summer to teach financial education and mentor 20 Binghampton neighborhood teens who are working in different areas of CAG's properties—the art house, community gardens, bike repair, etc.



Wells Fargo Bank, N.A., team members from **Memphis** and **Nashville** helped build a Habitat for Humanity home in a Memphis neighborhood and in Fairview respectively on a "Super Saturday" to show support for local communities. In addition, the bank presented Habitat for Humanity of Greater Memphis and Habitat for Humanity Williamson-Maury Counties each with a \$15,000 check. 



Employment Opportunities

POSITIONS AVAILABLE


1906-14 SR. FINANCIAL SERVICES REPRESENTATIVE

Position Summary: This position provides excellent customer service by meeting the needs of clients in an efficient and friendly manner. Enhances SmartBank's image through pro-active client-driven service. Processes more complex financial transactions for SmartBank clients and assists branch office management in initiating new business through referrals. Major Duties and Responsibilities: Upholds SmartBank Core Values and Core Purpose. Adheres to and embraces the SmartBank Way by Acting Smart, Looking Smart and Being Smart. Actively participates in and assists with the scheduling of daily Lobby Management duties to ensure excellent client service standards are met which includes being a client greeter; offering hospitality items; making warm introductions; replenishing water, coffee items and fruit as needed for clients and guests. Serves as the Bank's primary contact with its clients, both in providing services and in routing inquiries to appropriate personnel. Accurately receives deposits and payments for all types of SmartBank accounts, verifies cash and negotiability of checks and issues receipts, giving credit for funds according to Bank policies. Provides clients with account information. Cashes checks and accepts withdrawal requests in accordance with Bank policies, referring questionable transactions to supervisor for approval. Processes client account maintenance requests (i.e., Change of address, stop payments, etc.) in a timely manner. Provides special services as needed; including, redeeming US Savings Bonds, issuing Official Checks, coin deposits and coin orders. Adheres to SmartBank's Bank Secrecy Act and Anti-Money Laundering policies and procedures, completing required paperwork when applicable. Processes payments for SmartBank credit cards, local utilities, and other services. Ensures that payment information is transmitted to appropriate agencies by daily cut-off. Balances and processes daily work. Follows all security policies and procedures. Reports any discrepancies or suspicious activity to the Assistant Branch Manager, Branch Manager or Security Officer. Protects SmartBank's financial interest by controlling and balancing assigned cash drawer and negotiable items received/dispensed. Maintains an acceptable balancing record per established standards. Processes night deposits. Assists with ATM balancing. Answers telephone inquiries. Directs questions to appropriate Branch or Department personnel. Researches and resolves client issues. Opens accounts for new and existing clients, accurately, efficiently and in compliance with SmartBank's policies and procedures. Possesses thorough knowledge of all SmartBank products

and services. Establishes and reinforces client relationships by recognizing opportunities to cross-sell SmartBank products and services to new and existing clients. Actively participates in the opening/closing procedures of the branch to accommodate dual control. Assists in outside sales calls to new or existing clients, participates in outside account presentations as directed by Branch Manager so that branch goals are met or exceeded. Acts as branch resource for all FSR activity, answering questions and finding solutions to client issues. Maintains Vault controls and ensures dual control compliance in absence of the Vault FSR. Maintains customer confidentiality at all times. Takes responsibility for achieving objectives, and is accountable for his/her results, actions and decisions. Complies with all applicable federal, state, and local banking and industry related laws and regulations including but not limited to the Bank Secrecy Act. Performs other duties as assigned. Education and Experience: High school diploma. Knowledge, Skills and Abilities: Excellent customer service skills. Six months of banking experience which includes new account opening experience, completion of Cash Vault custodian duties, and completion of ATM custodian duties. Ability to apply general accounting knowledge (debits, credit, balancing) to processes. Ability to cross-sell banking products and services. Ability to apply knowledge and sound judgment in decision-making using established guidelines. Cash handling experience. Thorough knowledge of various Teller Drawer equipment (PODs, Recyclers, traditional cash drawers, etc.). Proficient level of computer competency including Microsoft Windows (Word, Excel, Outlook), typing and ten-key proficient. Strong math skills. Strong written and oral communication skills. Detail oriented and ability to function in a team environment. Demonstrates ability to maintain a positive attitude. High level of integrity. Willing to accept new ideas and methods and be agreeable to change. Interested parties can respond at www.smartbank.com. SmartBank is an Equal Opportunity Employer.

1906-13 RESIDENTIAL LENDER

Position Summary: This position originates in-house and secondary market residential loans. Additionally, this position markets other SmartBank products and services to our residential customers. Major Duties and Responsibilities: Upholds SmartBank Core Values and Core Purpose. Adheres to and embraces the SmartBank Way by Acting Smart, Looking Smart and Being Smart. Actively participates in mortgage department meetings and geographic market meetings. Solicits first mortgage loans. Informs prospective loan clients of the financial institution's underwriting guidelines and applicable secondary market guidelines. Accepts online

applications and interviews loan applicants by phone or in-person. Completes each loan application and all pre-processing functions in a timely manner to permit the disclosures to be sent out within the required three-business day period. Works with loan processor in gathering requested documents and necessary signatures for loan files. Orders credit reports and analyzes the credit history of applicants to determine their loan repayment capabilities. Completes appropriate underwriting documentation for each loan file. Submits loan to AUS for initial approval. Ensures maintenance of consistent file management, documentation and loan administration practices. Attends loan closings. Actively markets SmartBank's mortgage products and services to realtors, builders, CPA's, financial planners, title companies, etc. to solicit mortgage business. Completes weekly sales call reports and pipeline reports in a timely manner. Handles mortgage loan inquiries (cold calls) generated from advertising sources, customer referrals, etc. for assigned territory. Cross-sells all other bank products when warranted and appropriate. Complies with all applicable federal, state, and local banking and industry related laws and regulations including but not limited to the Bank Secrecy Act. Performs other duties as assigned. Education and Experience: Bachelor's degree in business, finance or related field preferred. Two to four years of experience in originating secondary market mortgages, preferably in a bank environment. Training Requirements (licenses, programs, or certificates): NMLS registration required; participates in periodic training in mortgage products, services, regulations and compliance. Knowledge, Skills, and Abilities: Underwriting knowledge. Excellent communication skills (written, verbal, listening). Detail-oriented and well-organized. Ability to handle multiple priorities and produce results. Ability to maintain confidentiality and adhere to the institution's privacy policies. High level of integrity. Self-motivated/takes initiative. Proficient level of computer competency including Microsoft Windows (Word, Excel, Outlook), typing proficient. Demonstrates ability to maintain a positive attitude. Able to maintain regular and predictable attendance. Willing to accept new ideas and methods and be agreeable to change. Interested parties can respond at www.smartbank.com. SmartBank is an Equal Opportunity Employer. 

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

Featured Events

**AUGUST
27 & 28**

TRAINING THE CREDIT ANALYST

TBA Barrett Training Center, Nashville

Early Registration Deadline: August 13

TBA Member/Associate Member Registration: \$530

TBA Contact: Monique White, mwhite@TNBankers.org

The art of credit analysis brings to light the actions or inactions of management that are the basis for the numbers on financial statements. Credit analysis serves three distinct purposes in the bank: to identify risk, opportunities, and help structure loans properly; to help customers make better business decisions; and to satisfy bank examiners. In this two-day, hands-on workshop, David Kemp will arm attendees with the tools required to become a first-rate credit analyst—a good grasp of accounting, loan policy, ratios, cash flows, and trend analysis.



**AUGUST
29 & 30**

BASIC CONSUMER LENDING

TBA Barrett Training Center, Nashville

Early Registration Deadline: August 15

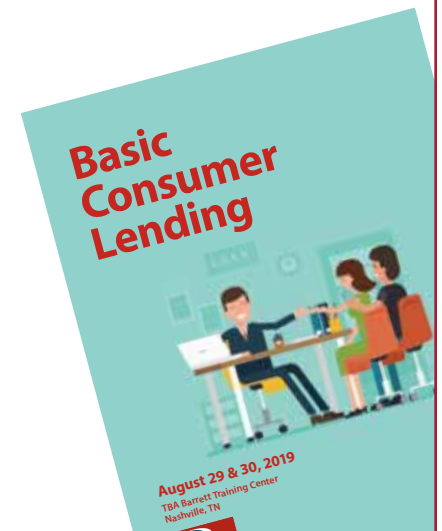
TBA Member/Associate Member Registration: \$530

TBA Contact: Monique White, mwhite@TNBankers.org

This two-day basic program was developed for those charged with organizing and managing consumer loans. It will address credit decision-making as well as the human relations aspect of lending. The schedule includes case studies and role playing to acquaint you with the skills of effective interviewing, understanding, and evaluating to improve your credit decisions. It also contains a discussion on the concepts of secured lending and an analysis of decision-making.

Program highlights

- Current trends in consumer lending
- Discuss loan approval processes and systems
- Read and understand credit reports
- Identify and discuss required documentation
- Evaluate lending to the self-employed



Advocating for industry important to Ford family



Left to right: TDFI Commissioner Talmadge Gilley, TBA Chairman Molitor Ford, Herb Hilliard, FDIC Chairman Ricki Helfer, Charles Darnell, and Ed Loughry, Jr.

As the new chairman of the Tennessee Bankers Association, Mott Ford looks to encourage bankers to get engaged in the Association's government relations efforts. As Ford said in his member feature (page 36), "...bankers need to realize that no one knows our industry better than we do, and we know the impact that legislation will have on our industry. The responsibility is on us to share that information with these lawmakers."

Ford's father, Molitor Ford, also understood the importance of advocating for the banking industry.

Molitor, who was TBA chairman at the time, and 40 Tennessee bankers participated in the 1995 Washington Conference. While in our nation's capital, they fought for banking policy changes that would allow banks to better serve their customers and communities. Their visit included meetings with Tennessee Senators Fred Thompson and Bill Frist, the Federal Reserve Board staff, and FDIC Chairman Ricki Helfer.

Originally featured in *The Tennessee Banker* in August 1995. 🇺🇸

Professional Development Calendar

WEBINAR July 16

Fair Lending—Do Your Lenders Know the Requirements?

Online

August 12 & 13

Universal Banker Certification Program

TBA Barrett Training Center, Nashville

August 14

Senior Retail Banking Officer Forum, Session 2 of 3

TBA Barrett Training Center, Nashville

August 15

The Southeastern School of Banking Branch ManagementSM, Session 3 of 4

TBA Barrett Training Center, Nashville

August 21 & 22

Internal Bank Audit and Risk Assessment School

TBA Barrett Training Center, Nashville

August 21–23, 27–30

TBA Membership Meetings

Jackson, Memphis, Nashville, Manchester, Chattanooga, Kingsport, Knoxville

August 27 & 28

Training the Credit Analyst

TBA Barrett Training Center, Nashville

August 29 & 30

Basic Consumer Lending

TBA Barrett Training Center, Nashville

September TBD

Young Bankers Division Leadership Luncheons

Jackson, Memphis, Nashville, Chattanooga, Cookeville, Tri-Cities, Knoxville

September 4

2018-2019 Senior Human Resources Forums, Session 3 of 3

TBA Barrett Training Center, Nashville

September 4, 5, 6

2019-2020 Senior Lender Forums, Session 1 of 3

TBA Gilliam Board Room, Nashville

September 5

2018-2019 Senior Compliance Officer Forums, Session 4 of 4

TBA Barrett Training Center, Nashville

EVENING September 9, 11, 23, 25

New Accounts in Tennessee

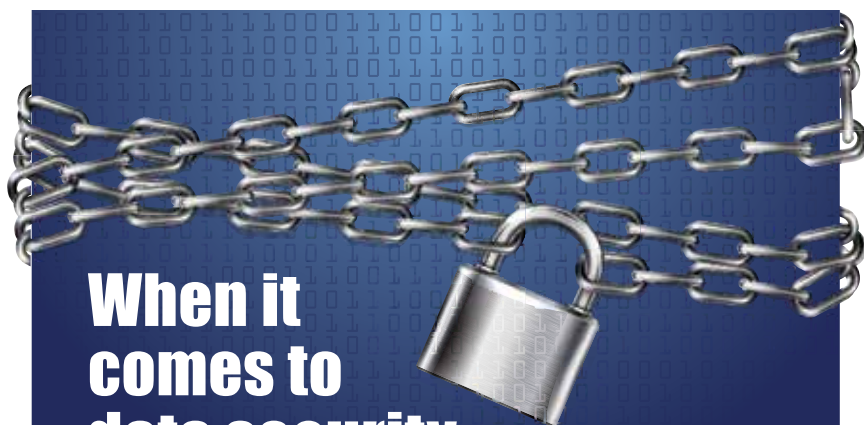
Kingsport, Knoxville, Jackson, Nashville

September 10, 12, 24, 26

BSA/AML Compliance Management

Kingsport, Knoxville, Jackson, Nashville

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



When it comes to data security, you can't be too safe.

Partnering with our business-savvy team of audit, technology and security experts allows you to leverage our methodologies, technology, knowledge, and expertise to proactively address cyber security matters.

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Lending expertise to serve growing needs.

For 35 years FNBB's Loan Division has been a trusted ally of community bankers. Always honoring our promise never to call on your customers, we help you close more loans and better serve your borrowers' growing needs.

Jeff Sands and Jonathan Simon offer 70 years of combined lending experience. Contact them to learn how you can profit from their expertise and why so many banks have come to trust FNBB for all their lending needs.

FNBB is a non-competitive partner with a commitment to community banking in Tennessee.

Contact:



Jeff Sands

Jonathan Simon

Loan Participations
Holding Company Loans
Officer and Director Loans
Interest Rate Hedging/Swap



Learn more & experience:

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