



THE

Summer 2023 • Volume 111 • Number 3

TENNESSEE BANNER

Jim Rieniets

*2023-2024 TBA Chairman
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Jim Rieniets with his wife Susie. Jim is the 2023-2024 TBA Chairman and is the President/CEO of INSBANK, Nashville.

PHOTO: ADALBERTO BOYER



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LEGAL/GOVERNMENT RELATIONS

AMY HEASLET, Executive Vice President/General Counsel

EDUCATION

MONIQUE WHITE, Director of Education

SHEENA FRECH, Director of Education

COMMUNICATIONS

TYLER NELSON, Vice President of Communications

MATT RADFORD, Vice President of Creative Services

LILA GRIFFIN, Proofreader

LACY YORK, Communications Assistant

CONTRIBUTORS

KEITH MILES, Partner, McNeely Pigott & Fox Public Relations

IAN DINKINS, Account Executive, McNeely Pigott & Fox Public Relations

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COLIN BARRETT
President/CEO,
Tennessee Bankers
Association

THREE THINGS TO DO THIS MONTH

1.

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

2.

Make plans to join the TBA for the 134th *Annual Meeting* to be held at The Greenbrier in White Sulphur Springs, West Virginia, from June 16-18, 2024.

3.

Make sure your bank is represented at the TBA's *Women in Banking Conference* on October 18. Register online or contact Sheena Frech at sfrech@TNBankers.org.

Resilience and progress celebrated at the 133rd Annual Meeting

Thank you to everyone who attended the 133rd Annual Meeting of the Tennessee Bankers Association at The Breakers in Palm Beach, Florida. This convention destination, postponed from 2020 due to the pandemic, marked our return to this beautiful property for the first time since 2014. With 640 attendees, this year's annual meeting was one of the largest gatherings of bankers to occur within the industry this year.

The *Annual Meeting* is an essential event in the Association's year. It allows our industry to gather and address the opportunities and challenges we face. And 2023 certainly feels like an inflection point for the banking industry. While the 2008 financial crisis was a difficult time and the pandemic was an "unprecedented time," the period we find ourselves in now is not as easily defined.

The three bank failures that began in March led to questions from the media and customers regarding the strength of the banking industry, and brought AOCI and uninsured deposits into daily conversations. And while rapid increases in interest rates squeezed margins for many banks, the Tennessee banking industry continues to successfully navigate these challenges. *Annual Meeting* provided Tennessee bankers an opportunity to discuss these issues while building strong relationships with peers that are important as we face an uncertain economy.

The *Annual Meeting* also provided an opportunity to reflect on the association's past year. TBA's 2022-23 Chairman McCall Wilson was an outstanding leader and representative of our industry. Sitting in on visits with McCall and bankers across the state was a highlight for me. He is a lifelong learner who enjoys being with his peers, and his wit and candor led to some of the most engaging banker discussions I've ever been a part of it. Although his year as Chairman has ended, do not be surprised if he shows up at your bank to visit one of these days.

Looking ahead, I'm excited to work with TBA's new chairman, Jim Rieniets. His passion for government relations is known throughout the industry. It is not unusual for Jim to take six or more trips to D.C. a year to advocate on behalf of our industry. When SVB and Signature Bank failed, Jim was in the FDIC offices that next Monday reiterating the strength of Tennessee banks while working toward a solution that would benefit the entire industry.

As Jim takes the helm of the Association, the TBA team will work with him to continue our focus on TBA's core objectives—education, government relations, and products and services.

Here's a recap and look at what to expect in these areas:

EDUCATION

Over the past year our education programs, led by Monique White and Sheena Frech, have seen increased participation, driven in large part by banks that are onboarding new employees. Additionally, our forums are thriving with more banks participating, and we have launched our Senior Risk Officer and BSA forums. Our schools and one day programs continued to grow as we incorporated remote learning into our offerings. And it is a great statement for the Association that in this age of consolidation, neighboring banks without branches in Tennessee are making up a growing percentage of our education classes.

GOVERNMENT RELATIONS

Amy Heaslet and Stacey Langford successfully navigated the state legislature in 2023, passing a series of banking and trust law updates while preventing social issues from making their way into banking policy. This is a challenge we will continue to see as banks unwillingly find themselves in a culture war between the two political parties.

In Washington, we are engaged with our

Congressional delegation on a number of issues. Whether it is pushing back on regulatory actions, leveling the playing field with non-banks or addressing economic uncertainty, not a day goes by without multiple conversations with our elected leaders.

This year's *Washington Conference* had nearly 100 attendees. If you have not joined us in D.C. lately, I encourage you to do so. Your participation is essential to our success.

FINANCIAL PSI

Financial Products and Services, Inc. continues to grow its business and added two new staff members over the past year. Last month, we finalized an acquisition of an insurance agency in Murfreesboro that will allow Financial PSI to expand and diversify its customer base.

As always, the best way to support the TBA is to support Financial PSI.

THE YEAR AHEAD

These are just a few of the priorities of your Association as we enter our 134th year of serving the Tennessee banking industry. If there is anything I can do for you in the year ahead, please reach out. 🇺🇸

-Colin



McCall Wilson (left) finished his year as TBA chairman and passed the gavel to Jim Rieniets (right) for the 2023-2024 year.

PHOTO: ADALBERTO BOYER

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**Holiday dates will be updated to 2024 dates.*



TBA Online

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



@APSUBusiness

July 11, 2023

NEWS: Finance students Piper Conditt and Lesly Moreno make history as they commence the inaugural Banking on Govs program this summer in partnership with @myfmbank and @TNBankers



VISIT TNBANKERS.ORG

This Week is TBA's weekly e-newsletter, covering government relations developments, regulatory announcements, education programming, and timely association and industry news. If you'd like to join our mailing list, please contact Tyler Nelson at tnelson@TNBankers.org.



TBA WEBINARS

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

FedNow Is Here Now!

September 26

FedNow is here now and understanding the key features, benefits, and payment processing is essential. This timely webinar will walk through an institution's responsibilities related to receiving FedNow payments, including appropriate message responses, timelines, exceptions, and funds availability. Scenarios will be used to demonstrate the proper response when receiving a credit transfer message and differentiate funds availability requirements based on those responses.

Lending to Nonprofit Organizations

September 28

Loans to nonprofits can strengthen bonds with the community, promote community development, and provide positive exposure to individuals involved with the nonprofit. Nonprofit lending, however, does not come without risks. This webinar will highlight the risks and provide insight into repayment ability through cash flow, liquidity, and leverage. You'll learn the differences between nonprofit accounting (fund accounting) and standard bookkeeping and explore the Form 990, Return of Organization Exempt from Income Tax.



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ON THE HILL



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

STAY UP-TO-DATE

Stay up-to-date through *This Week* and our legislative update calls during session. TBA also invites member banks' in-house counsel to join our Bank Lawyers Committee. Contact Amy Heaslet to learn more at aheaslet@TNBankers.org.

TBA Washington Conference recap

Nearly 100 Tennessee bankers, associate members, and association staff returned to D.C. in May for the 2023 Washington Conference. The conference, led by TBA Government Relations and BankPac Chairman Ted Williams, CEO, TriStar Bank, Dickson, included meetings with Federal Reserve Governor Michelle Bowman, Acting Comptroller of the Currency Michael Hsu, FDIC director Jonathan McKernan, and senior staff from the CFPB and FHFA. 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.

LEGISLATIVE VISITS

This year's conference was an opportunity to highlight the strength of the Tennessee banking industry. A major talking point of all our

meetings was that if current regulations are enforced in Washington, there is no need for additional regulation as a result of the recent bank failures. But if changes are enacted, they should be tailored to the risk profile of the bank. Tennessee's delegation was receptive to this and appreciative of the work Tennessee bankers do to maintain a safe and sound banking system that supports and enables their communities to grow and thrive.

Tennessee is fortunate to have one of the strongest Congressional delegations for the banking industry, so we were able to use our time thanking members for their support and providing additional information as reinforcement for their positions.

Senators Blackburn and Hagerty were supportive of bankers' concerns about unnecessary regulations that could result from the recent bank failures, and Senator Hagerty discussed



his recently filed legislation to address the current stress on the banking system and restore confidence in the financial sector, which bankers were very supportive of. His legislation would introduce a two-year transaction guarantee for non-interest-bearing accounts up to \$100 million to protect commercial deposits; increase the limit on reciprocal deposits to protect retail deposits; streamline the regulatory process for well-capitalized banks; and amend the FDIC's least cost test to expand the considerations used for a potential sale of a failed bank.

Bankers also urged House members to consider updating the Deposit Insurance Fund, citing the outdated limit of \$250,000, which could drive customers from community banks to larger institutions that could receive unlimited deposit insurance protection if deemed systemically important.

Bankers thanked House members for their support of H.J. Res. 50, which would nullify the CFPB's Section 1071 Rule on small business lending data collection. Two Tennessee congressmen were already cosponsors of this and several more agreed to sign on.

REGULATORY MEETINGS

Bankers took full advantage of having the ear of the agency heads at a time when there are so many pivotal issues at-play among federal regulators. Top issues bankers raised with the regulatory representatives included: potential new regulations in response to the bank failures; reforms to deposit insurance; overdraft protection programs; small business data col-

lection; and consumers' access to their financial records.

Kicking off the dialogue with regulators was Jonathan McKernan, FDIC director and former senior financial policy advisor to former Senator Bob Corker, who addressed the group Monday evening. McKernan focused his remarks on the FDIC's recently approved advance notice of proposed rulemaking (ANPR) for a special assessment to replenish the deposit insurance fund (DIF) after the agency invoked the systemic risk determinations for Silicon Valley Bank (SVB) and covered all deposits. The proposed special assessment would be 12.5 basis points for a two-year assessment period and would apply only to banks over \$5 billion in assets and exempt banks' first \$5 billion in uninsured deposits. McKernan, one of two votes against the ANPR, supports the exemption for small banks but believes it could be better calibrated.

McKernan returned to the conference the following day, joined by Mark Pearce, director of the FDIC's division of depositor and consumer protection, to discuss other FDIC priorities. During Q & A, bankers pressed Pearce on whether the FDIC has changed its position from its August 2022 Financial Institutions Letter where it cited potential violations of law when banks charge multiple NSF fees for unpaid transactions if those are not covered in the bank's disclosures. Pearce acknowledged the agency is aware of the challenges banks have in doing look backs to identify when multiple NSF fees were imposed for the same transaction and said that their new focus is on situations where

THANK YOU SUPPORTERS

Thank you to the ABA, CFPB, CSBS, FDIC, ICBA, OCC, Commissioner Greg Gonzales, and Tennessee's senators and representatives.



Bone McAllester

there could have been significant consumer harm.

McKernan, when asked again about the FDIC's proposed special assessment, was open to bankers' suggestions that uninsured deposits that are collateralized should be excluded from the special assessment calculation. McKernan also encouraged bankers, after a discussion on recent FDIC exams, to share any concerns banks have about their exams with their local office or ombudsman.

Governor Bowman led her meeting with bankers by discussing several priorities of the Federal Reserve, including that, in the wake of the bank failures, exams will likely focus on commercial real estate and interest rate risk. Bowman agreed with bankers who advocated for the need of tailored exams and recognition that CRE needs for Tennessee banks will be drastically different than the needs of banks in coastal cities that are experiencing different norms for return to work. Bowman also believes the unique nature and business models of the banks that recently failed do not justify imposing new, overly complex regulatory and supervisory expectations on a broad range of banks.

As for inflation and the Fed's historic rate increases, she noted progress in fighting inflation but emphasized that other tools to fight inflation will also need to be used to achieve the Fed's goal of two percent inflation. Bowman also addressed FedNow, which launched in July and recognized bankers' concerns with fraud and whether banks' core providers will be able to provide access to the system at a reasonable cost. When she asked the attendees whether they planned to participate, not a single hand was raised.

Another priority topic while meeting with senior staff from the CFPB was the bureau's proposed rule on Dodd Frank Section 1033. The staff believes that the rule, which would require financial service providers to make consumers' financial information available to them, would have the most significant impact on data providers and third parties. Bankers expressed serious concerns with the rule's unintended consequences that could result from consumers' giving access to and sharing their financial information with third parties. Additionally, banks will have difficulty sharing such information with institutions that use different core providers.


The CFPB staff said the bureau may issue a notice of proposed rulemaking on overdraft programs as early as the end of this year. Bankers advocated for the benefit that overdraft

programs provide their customers, as it is a low-cost source of capital, but the bureau's staff was not too receptive to this and expressed that only overdraft fees that a customer could "reasonably expect should be charged, regardless of opt-in standards and disclosures."

Acting Comptroller of the Currency Michael Hsu stressed the importance of community banks in the financial system and that regulators and bankers alike should be focus on digitalization and use of technology in the long term. Although there has been increasing interagency collaboration on fintech, the OCC has emerged as the lead agency on this. Hsu believes that while fintech and artificial intelligence offer great benefits, it is just as concerning to go too fast towards adoption as it is too slow.

Dan Fichtler, senior advisor at FHFA, updated the group on the agency's comprehensive review of the Federal Home Loan Bank System and expects that recommendations will center on increasing focus and investment in affordable housing. Fichtler also explained recent changes to the agency's pricing framework, saying that it had been eight to nine years since any pricing changes were implemented and Fannie and Freddie have an entirely new capital structure. The changes included increased fees for mission remote products, like second homes and cash out refinances, that have enabled elimination of loan level price adjustment fees for mission products, like first time home sales. He tried to dispel any misinformation in the public that individuals with high credit scores will pay more while those with low credit scores will pay less in up-front fees. He added, however, that because Fannie and Freddie now have to hold more capital, the fees overall were increased.

CONCLUSION

The *Washington Conference* is one of the most impactful events TBA hosts each year, and this year in particular marked a critical time for Tennessee to be represented in Washington. Not only did this year's conference provide great opportunities for bankers to advocate directly to regulators about top issues for the industry, but it also provided tremendous networking opportunities for bankers and lawmakers. Those relationships are the foundation of what it takes to succeed in advocating for the banking industry in Washington. I hope bankers will continue to remain engaged and advocate for our industry alongside the TBA. Please plan to join us in D.C. next year—May 6-8, 2024. 

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icba.org/membership





ABOVE: 2022-2023 TBA Chairman McCall Wilson with Government Relations Committee Chairman Ted Williams Federal Reserve Governor Michelle Bowman, and TBA President Colin Barrett.





ABOVE: Washington Conference attendees met with Rep. Andy Ogles during their congressional visits portion of the agenda.





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Jim Rieniets takes the helm as TBA Chairman 2023-2024

Nearly 640 bankers, associate members and guests traveled to gorgeous Palm Beach, Fla., to gather at The Breakers for TBA's 133rd Annual Meeting.

This year's event tackled the ever-evolving trends, strategies, and innovations that are constantly taking place in the banking industry. Over two general sessions, TBA Chairman McCall Wilson presided over a group of distinguished business leaders and experts sharing their insights on the industry's future.

The Monday, June 19, business session included an interesting session from leadership expert Alyson Van Hooser, and a panel discussion with ABA and ICBA representatives.

The business session on Tuesday, June 20, featured TBA's election of officers, and an inspiring keynote address from former U.S. Navy Seal and NASA astronaut Chris Cassidy.

Alongside these major sessions, several breakout sessions addressed key issues concerning today's banking industry. Discussions ranged from the empowerment of next-gen bank leaders to the evolving landscape of cybercrime. Strategic trends for bank boards, along with compensation patterns and the crucial role of succession planning, were also highlighted.

Annual Meeting wasn't all business, though. A bevy of networking events enabled attendees to mingle, sharing insights and experiences while enjoying the numerous attractions Palm Beach has to offer. From a competitive golf tournament to an exhilarating kayaking adventure, and even a guided tour filled with culinary delights and historical insights, the event ensured a well-rounded experience for all attendees.



Jim Rieniets, president and CEO of INSBANK in Nashville, was installed as chairman of the Tennessee Bankers Association during ceremonies at the 133rd Annual Meeting closing banquet on Tuesday, June 20. Rieniets accepted the chairman's gavel from H. McCall Wilson, Jr., president and CEO of The Bank of Fayette County in Piperton. Wilson will remain a member of the Association's board of directors for the next three years to help ensure continuity of leadership.

Every year, delegates from TBA-member banks elect a new executive team and board members at the association's annual convention. Each member institution has a single vote per charter.

Newly-elected Chairman Jim Rieniets accepts the gavel from outgoing Chairman McCall Wilson.



Executive officers elected for 2023–2024 are:
Chairman—James H. Rieniets, President and CEO, INSBANK, Nashville

Chairman-Elect—Billy Carroll, President and CEO, SmartBank, Knoxville

Vice Chairman—Gene Henson, Regional Director, Trustmark National Bank, Memphis

Alongside the executive team, TBA members also elected a new director from each of the three grand divisions of Tennessee. The incoming directors, who will serve three-year terms, are:

East Tennessee Director—Chris Reece, CEO, Johnson County Bank, Mountain City

Middle Tennessee Director—Martin Haggard, President and CEO, Wayne County Bank, Waynesboro

West Tennessee Director—Judy Long, President and COO, First Citizens National Bank, Dyersburg

With the election of the new directors, three directors rotated off of the board. Completing their terms of service were:

Tyler Clinch, President and CEO, First Community Bank of East Tennessee, Kingsport

Gay Dempsey, CEO, Bank of Lincoln County, Fayetteville

David Prince, President and CEO, INSOUTH Bank, Brownsville

Continuing their terms on the board are:

Andy Nash, President and CEO, The Farmers Bank, Portland


Phillip Renfro, President and CEO, Community Bank, Lexington



Wright Cox, President and CEO, BankTennessee, Collierville

Scott Cocanougher, CEO, First Community Bank of Tennessee, Shelbyville

Robert Barger, President and CEO, First Century Bank, Tazewell

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/officers-and-directors for a complete list of TBA leadership. 

TOP: The 2023–2024 TBA Board Officers: Vice Chairman Gene Henson, Immediate Past Chairman H. McCall Wilson, Jr., Chairman Jim Rieniets, Chairman-Elect Billy Carroll, and TBA President Colin Barrett.

ABOVE: The new TBA directors are Judy Long for West Tennessee and Martin Haggard for Middle Tennessee. Not pictured is East Tennessee Director Chris Reece.

PHOTOS: ADALBERTO BOYER

Newly elected vice chairman and directors of the TBA



GENE HENSON

*TBA Vice Chairman
Regional Director
Trustmark
National Bank,
Memphis*

What excites you about the opportunities and evolution of the banking industry over the next five years?

Traditional banking is community and relationship centric. While the banking landscape continues to evolve, I am confident the banking industry will continue to solidify our important roles in the communities we serve by continuing to provide the innovative products and services our customers need. We will continue to do our part to make our communities better. That is who we are.

Lightning Round

- 1. Most beneficial TBA event or resource:**
The event is TBA's *Annual Meeting*, and resource is the TBA Staff.
- 2. Hidden gem restaurant, ice cream, or coffee shop in your town:**
Germantown Commissary
- 3. If I were not a banker:** I would be either a CPA or an attorney, but I am very glad I am a banker.



JUDY LONG

*West Tennessee
Director
President and Chief
Operating Officer
First Citizens
National Bank,
Dyersburg*

What excites you about the opportunities and evolution of the banking industry over the next five years?

Accelerated digital innovation that forces bankers out of our comfort zone.

Lightning round

- 1. Most beneficial TBA event or resource:** CEO Forums
- 2. Hidden gem restaurant, ice cream, or coffee shop in your town:** Java Cafe
- 3. If I were not a banker:** I would be a psychologist.



MARTIN HAGGARD
Middle Tennessee
Director
President and CEO
Wayne County Bank,
Waynesboro

What excites you about the opportunities and evolution of the banking industry over the next five years?

The technological leaps and bounds that are inevitable over the next five to 10 years. Wayne County Bank is finding ways to include those services while continuing to provide that home town environment and personal touch that we have always strived to achieve.

Lightning round:

1. **Most beneficial TBA event or resource:**
Credit Conference
2. **Hidden gem restaurant, ice cream, or coffee shop in your town:** Mama's Kitchen (breakfast), Emeralds Restaurant (lunch) and Hasti Mart for ice cream
3. **If I were not a banker:** I would be a farmer/rancher.



CHRISTOPHER REECE
East Tennessee
Director
CEO
Johnson County
Bank,
Mountain City

What excites you about the opportunities and evolution of the banking industry over the next five years?

I am excited about the ability of community banks to differentiate themselves from the larger banks through increased customer service and competitive products and services. I have heard so many newcomers to our area express how much they appreciate the way they are treated as customers of Johnson County Bank, and I truly believe that community banks in Tennessee and nationwide have great opportunity for growth simply because of the customer service we provide.

Lightning round:

1. **Most beneficial TBA event or resource:**
The Southeastern School of Banking
2. **Hidden gem restaurant:** Two that stand out are La Cucina (authentic Italian) and Suba's (a favorite for locals and for visitors from all over).
3. **If I were not a banker:** I would have probably gone into the automobile industry in some form or fashion (specifically the Corvette Brand). 🇺🇸



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PNC Capital Markets, Pittsburgh, Pa.—*Printed Registration Lists*
Raymond James, Memphis, Tenn.—*General*
S&P Global, Charlottesville, Va.—*General*
ServisFirst, Birmingham, Ala.—*General*
Strategic Resource Management, Jupiter, Fla.—*General*
Works24, Edmond, Okla.—*Refreshments during Devotional*

Thank You Exhibitors

For those who joined TBA at The Breakers in Palm Beach, Fla., the TBA Marketplace was on the to-do list. With 43 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 CapStar Bank, went to Barry Prather with Community Bank in Memphis. 🎉

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One reason The Breakers in Palm Beach, Fla., is such a popular convention site for TBA members is the resort's beautiful and challenging Ocean Course, site of the Monday, June 19 afternoon golf tournament. Sponsored by Pathway Lending, the four-person scramble tournament featured prizes for the first- and second-place team in three flights plus three skill-shot prizes. Congratulations to the winners. 🏆

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GOLF CHALLENGE WINNERS

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1st place – Kyle Miller, Jay Powlas, Ben Powlas, Will Heaslet

2nd place – Robert Thompson, Doug Debusk, Mike Thomasson, Brandon Hull

FLIGHT TWO

1st place – Michael Davis, Trey Browning, Steve Bayko, Todd Davis

2nd place – David House, Will Curtiss, Danny Maxedon, Daniel Smith

FLIGHT THREE

1st place – Jack O'Malley, Jack Payne, Ed Juskowski, Tim Wilkinson

2nd place – Elmer Stout, Frank Crump, Steve Carroll, Matt Neilson

Closest to the Pin – Eric Edwards

Straightest Drive – Brian Mobley

Longest Drive – Steve Bayko, 300 yards



Photo Recap





Photo Recap





Photo Recap







Rie as 7

Government

Rieniets primed to lead TBA chairman

relations and financial literacy are top priorities.

Story by IAN DINKINS,
McNeely Pigott & Fox Public Relations

From Memphis to Mountain City, the Tennessee Bankers Association has represented the banks of the Volunteer State for more than 100 years. Jim Rieniets knows the value of representing each bank in the TBA as he embarks on his term as TBA chairman. Among Rieniets' priorities are increasing financial literacy across the state, recruiting dynamic talent to the industry and, perhaps most importantly, making sure that the TBA continues its effort to maintain strong government relations. Rieniets took a break from his role as president and CEO of INSBANK to sit down and discuss his vision for the TBA and his expertise in government relations and share a message.

Continued on next page



Jim sits down with Colin Barrett, John McDearman and Brian Branson for the first episode of INSight, a podcast by Jim and INSBANK's Reel Bank Studios. The first episode explored critical issues in the industry, including: deposit insurance reform; small business data collection; and concerns regarding a potential recession and its effect on credit.

Listen here:
<https://lnkd.in/et3UKHhX>

SETTING THE STAGE

Whether it's the future of fintech, creating a level playing field or protecting banks from regulatory overreach, TBA represents the interests of member banks to state government, as well as to federal legislative and regulatory bodies. With previous experience as the American Bankers Association's government relations chair, Rieniets knows the importance of representing those interests correctly and the impact it can have on everyday banking customers.

"At the end of the day, when bankers talk about things that are hurting the banks, ultimately what they're talking about are things that make it more difficult to serve customers in terms of access to products and services," Rieniets said. "When working with lawmakers, I always encourage bankers to do what they can to frame these issues in terms of the impact on customers and taxpayers."

Even though they happened in California and New York, the recent closures of Silicon Valley Bank and Signature Bank have affected some of the conversations with lawmakers in recent months. Addressing those issues and the challenges that are in the near term is at the top of Rieniets' to-do list as he begins his term as chair. One issue that has his attention is something that was implemented more than a decade ago but is having effects on today's banks.

"Small-business data collection was one of the last pieces of the Dodd-Frank legislation that's being implemented by the Consumer Financial Protection Bureau (CFPB)," he said, "and most banks are very concerned about some of the unintended consequences of that."

Some of those consequences include the restriction of lending to small businesses and concerns around fair lending tests.

"I think, as chair, I want to make sure I'm providing good balance and leadership on topics both near and far," he added.

IF I RULED THE WORLD

Rieniets isn't someone who enjoys shouting into the void or complaining just to complain. He has several nationwide initiatives that he would implement if he were in charge, including some that are already taking place in the Volunteer State. We asked him what he would change if he had the power to "rule the banking world."

One of the first things that Rieniets would love to address is the current deposit insurance system.

As he put it, "If we agree that deposit insurance is still one of the foundations of the banking system, then \$250,000 is woefully inadequate for so many business enterprises as it doesn't cover payroll for the majority of businesses in this country."



Jim at the 2022 TBA Washington Conference with Jim Vaughn of Mauldin & Jenkins.



Jim meets with honorees Bill Miller and Rob Bellenfant at the bank's INSBY Awards, which is an annual event recognizing innovative entrepreneurs within INSBANK's portfolio of clients. The event also serves as a fundraiser for local, non-profit business incubators.

And Rieniets has a point. The banking system's deposits are now three times the size of what they were when deposit insurance was increased from \$100,000 to \$250,000. A common theme in many of his ideas is simple: Maintain the integrity of a level playing field.

"We've talked about the situation of banks that are too big to fail and how that disproportionately affects smaller banks. That's not the only issue on the 'level playing field' spectrum. You've got issues in regard to the farm credit system and credit unions expanding beyond their original mission."

Rieniets does have a cautious optimism about Washington, though. With so many important voices clamoring for change, it may be a matter of when, not if, those changes are implemented.

"It feels as though we're slowly starting to build consensus in Washington around the very real need to create more trust and confidence in the system with reformed deposit insurance. I'm cautiously optimistic that we'll make some headway there in the near term and the long term."

Another one of his first orders of business would be to bring people back into the office. While there is obvious appeal to working from home, some of the "water cooler" conversations about new regulations or deposit trends can get lost.

"It does make me wonder whether, if the regulators at the San Francisco Fed had been working in the office the last couple of years, would that have affected their ability to do their jobs? Would there have been a few more water cooler conversations among themselves about what they're seeing at Silicon Valley Bank?"

While much of the banking climate comes from the national level, one thing that has Rieniets optimistic is Tennessee's continued growth as a leader in the banking industry. The fiscal responsibility, tax policies and advocacy by groups like the TBA have created a healthy recipe for banks in the state. That recipe has led businesses and citizens to flock to the Volunteer State in large numbers over the last decade.

TEACHING A MAN TO FISH

While Rieniets shared some problems at an institutional level, he also shared how many solutions can be done at the individual level.

Evoking the age-old adage about "if you teach a man to fish," Rieniets believes that having a more financially literate society will serve in the best interests of everyone (including banks).

Continued on next page



"To the extent that people in this country grow up learning and knowing more about how personal finance works, they're less likely to be victims of abuse and are in a better position to be able to make decisions on day-to-day matters of finance."

Sitting on the Tennessee Financial Literacy Commission board and leading up INSBANK's own financial literacy programs, Rieniets has dedicated a lot of time to this issue.

One thing that he's done at INSBANK is look at the issue from both sides of the age spectrum. On one end, the bank has had discussions with local senior living facilities about some of the issues and signs of financial elder abuse, which is only becoming more and more common with an aging population. On the other end, the bank has partnered with the Horizons program at The University School of Nashville. Through the program, INSBANK has been able to welcome students from low-income neighborhoods to the bank to explain how the bank works and share best practices on finances.

"If it were up to me, we'd have financial literacy as a core part of the curriculum at every school, and it would become a subject that is addressed along the way in elementary, middle and high school education programs."

LOOKING AHEAD

As president and CEO, it's imperative for Rieniets to keep his eye toward the future and see what's coming.

For INSBANK, that means continued growth in Nashville, as well as the niche health care markets that they have become experts in. It also means being a good corporate citizen and engaging with the community it serves through bank initiatives like its dedicated philanthropy fund.

For Rieniets personally, he is looking forward to his next golf outing, his next screen-writing venture for the bank and, perhaps most importantly, his next Sunday afternoon, when you can find him smoking barbecue and sipping whiskey.

For the Tennessee Bankers Association, Rieniets is looking forward to working with all of the member organizations to help tackle the issues facing our banks. "If you love this industry as I do, I think one important thing that we should be paying attention to is making sure we're doing everything we can to invest in the future of this industry. And when I say investing in the future of the industry, it's around developing and mentoring younger bankers and building that talent within the industry."



TOP: Jim with his wife Susie and daughters Ella and Grace at this year's Annual Meeting.

ABOVE: In a photo that accompanied an ABA Banking Journal article titled "Lights, Camera, Advocacy" featuring Rieniets, the background contains posters of film projects produced by INSBANK. What started as a short film produced to entertain clients at a grand opening event has become a core element of the bank's culture and marketing strategies.



ATM crime continues to proliferate

MORE ABOUT FINANCIAL PSI

Financial Products and Services, Inc., the wholly owned insurance subsidiary of the Tennessee Bankers Association, welcomes the opportunity to help your bank examine your cyber insurance policy and your risk control measures to help insure you are not the next statistic of a cyber crime. If you are interested in finding out more about Financial PSI or the products available, please contact Jon Goodson at 615-244- 5100 or tfrizen@financialpsi.com.

Criminals continue to target ATMs at an alarming pace, hitting machines across the country in numbers never seen before. Nearly 50 ATM claims were reported in 2022, up from 30 in 2021 and under ten in 2020. Claims were reported in 22 different states, with Texas, Louisiana, Mississippi, and Georgia leading the way.


Overwhelmingly, the most common scenario is the “hook and chain” attack, where thieves rip an ATM open with a hook and chain attached to a large vehicle. Once open, thieves remove the cash cassettes and flee the scene, leaving the damaged or destroyed machine behind. In other cases, vehicles are used to breach exterior walls or doors to gain access to ATMs placed inside. These crimes are prolific because they are profitable and easy to conduct.

ATM crime is particularly problematic from an insurance perspective because these crimes trigger coverage under multiple policies. Your financial institution bond responds to the stolen cash and your property policy responds to the damaged ATM. Based on our data, the average amount of cash stolen in a hook and chain attack is \$27,000, and it typically costs around \$75,000 to replace a machine.

There are steps that can be taken to mitigate exposure to ATM crime. In addition to enhanced lighting, cameras, and audible alarms, experts suggest physical barriers can be particularly effective. Bollards, cross bars, and ATM security gates are commonly used to deter theft. Some banks also use steel or concrete enclosures to help withstand attacks.

Innovative technologies, including the use of traceable liquid solutions, are beginning to gain popularity. Here, harmless liquid solutions are sprayed onto a criminal using a specially designed sprayer inserted into an ATM. The solution is only detectable under black light and can remain visible for long periods of time. Each solution has its own signature formula, allowing for a unique sequence that can be traced back to a particular machine.

Another emerging solution is the use of specially designed dye packs that can be set to deploy when the machine is hit with a certain level of force, similar to the technology behind vehicle air bags. These dye packs sit inside the ATM alongside the cash canisters but do not take up valuable space in the canisters themselves. The moment enough force is detected, the dye packs explode rendering the cash useless.

Regardless of your security protocols, you should conduct regular risk assessments to identify potential vulnerabilities and threats to your physical assets. An annual audit of your ATM security measures is a good proactive step to help deter threats from hook and chain or other security breaches. 

This article was originally published in ABA Insurance Service's SafeAlert newsletter.



Q&A with Billie Jo Parker

*2023-2024 Young Bankers Division Chairman
Client Services Group Area Manager
Pinnacle Financial Partners, Memphis, Tenn.*

Billie Jo Parker joined Pinnacle Financial Partners in February of 2020 and serves as area manager for the Client Services Group in Memphis, Tenn. In this role, she oversees the retail banking offices and is responsible for managing the client experience and associate development initiatives for the West Tennessee market. Parker earned two degrees in Spanish and business administration in international business from the University of Arkansas at Little Rock and an MBA from Christian Brothers University. She is currently attending the American Banker Association's Stonier Graduate School of Banking. Parker married her husband, Brent, in 2006. They live in Arlington, Tenn., with their three children, Anabelle, Caroline, and Graham, and their rescue pup, Rockne.



Billie Jo at 2023 TBA Washington Conference with Tyler Clinch, Heather Vincent, and Karen Rohling (L to R)

You started your career as a tax consultant, then transitioned into the banking. What inspired you to become involved with the Young Bankers Division, and what motivated you to pursue a leadership role within the organization?

My first interaction with the Young Bankers Division occurred at a leadership luncheon in Memphis in 2008. Ken Plunk, who was then the chairman of my bank's advisory board, was also a former chairman of the TBA. Mr. Plunk encouraged me to get involved in the Young Bankers Division. I am grateful for his example, and I appreciate the interest he showed in my potential as a young leader. Over the past 15 years, he has consistently asked about my involvement with the TBA and provided support. He was one of the first people to congratulate me upon my installment as chairman of the Young Bankers Division.

In your opinion, what are some of the biggest challenges facing the banking industry today, and how can young bankers help to address these challenges?

One of the biggest challenges facing the banking industry today is identifying and developing the next generation of talent. Our institutions have a substantial segment of associates approaching retirement. As we think about succession planning, I would love to see future leaders mentored and equipped with the skills needed to prepare them for that next step.

I encourage young bankers to be proactive in their professional development. Research to discover opportunities and express your interest in being involved both within your institution and the broader community. Always express gratitude for the investment your leaders are making in you, and communicate the positive impact it has on your development.

What advice would you give to aspiring young bankers who are just starting out in their careers and looking to make a meaningful impact in the industry?

Leadership is not only about having direct reports or overriding authority. It means taking ownership of your role, regardless of your position within the organization. My market president, Phillip May, has always encouraged me to use good judgment and take initiative, and I advise all young bankers to do the same. Don't just sit on the sidelines, waiting to be asked to contribute.

Strive to understand your role, how it fits into the bigger picture of your organization, your community, and the banking industry.

Remember to stay humble and patient as you navigate your career. Aim to perform the job you aspire to have before you get the title—others will notice your initiative and commitment.

Similarly, what advice would you give senior banking leadership that are looking to engage and retain the rising stars within their organizations?

When leaders are trying to develop and retain top performers in their organizations, it's vital to ensure these associates feel connected. In our fast-paced, ever-evolving industry, it's easy to view our work and interactions as merely transactional. However, the leaders I found worth following taught me more than just banking principles. They extended grace when I failed, helping me learn from my mistakes. They emphasized the importance of a work/life balance, allowing me to journey alongside them.



What is some life or career advice that you've gotten and still influences you today?

A decade ago, I attended the Young Bankers Leadership Convention in Chattanooga, where I had the opportunity to hear Patti Steele speak on a CEO panel. She urged us to request our leadership teams for the chance to observe meetings and events outside our regular roles within our banks. This could include observing an ALCO committee meeting or the exit interview process after a bank exam.

Influenced by her advice, I took the initiative to observe the exit interview process. Before hearing from Patti, I wasn't even aware banks conducted exit interviews with regulators. Her encouragement gave me the courage to assert myself within my firm, and I have been seeking such opportunities ever since.

What goals do you have for the Young Bankers Division over your term as Chairman?

My primary goals are to continue promoting professional development, enhance networking opportunities, and increase participation at our events, such as the *Leadership Convention* and *Coffee Breaks*. I aim to further build upon our record-breaking attendance. Additionally, I want to encourage more bank involvement during Tennessee's *Financial Literacy Week*. This event offers a great opportunity for bankers to connect with their communities and educate consumers about financial success. 🇺🇸

Billie Jo Parker took on the role of chairman of the Young Bankers Division at *Leadership Convention* in Knoxville in April.



BankDirector.

As interest rates rise, loan review gets a second look



NAOMI SNYDER
Editor-in-Chief,
Bank Director

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In 1978, David Ruffin got his first mortgage. The rate was 12% and he thought it was a bargain.

Not many people who remember those days are working in the banking industry, and that's a concern. Ruffin, who is 74 years old, still is combing through loan files as an independent loan reviewer and principal of IntelliCredit. And he has a stark warning for bankers who haven't seen a rising interest rate environment, such as this one, in more than 40 years.

"Credit has more hair on it than you would want to acknowledge," Ruffin said recently at Bank Director's Bank Audit & Risk Conference. "This is the biggest challenge you're going to have in the next two to three years."

Borrowers may not be accustomed to higher rates, and many loans are set to reprice. An estimated \$270.4 billion in commercial mortgages held at banks will mature in 2023, according to a recent report from the data and analytics firm Trepp.

Nowadays, credit risk is low on the list of concerns. The Office of the Comptroller of the Currency described credit risk as moderate in its latest semiannual risk perspective, but noted that signs of stress are increasing, for example, in some segments of commercial real estate. Asset quality on bank portfolios have been mostly pristine. In a poll of the audience at the conference, only 9% said credit was a concern, while 51% said liquidity was.

But several speakers at the conference tried to impress on attendees that risk is buried in loan portfolios. Loan review can help find that risk. Management and the board need to explore how risk can bubble up so they're ready to manage it proactively and minimize

losses, he said. "The most toxic thing you could fall victim to is too many credit surprises," he said.

Some banks, especially smaller ones, outsource loan review to third parties or hire third parties to independently conduct loan reviews alongside in-house teams. Peter Cherpack, a partner and executive vice president of credit technology at Ardmore Banking Advisors, is one of those third-party reviewers. He says internal loan review departments could be even more useful than they currently are.

"Sometimes [they're] not even respected by the bank," he says. "It's [like] death-and-taxes. If [loan reviewers are] not part of the process, and they're not part of the strategy, then they're not going to be very effective."

BE INDEPENDENT

He thinks loan review officers shouldn't report to credit or lending chiefs; instead, they should report directly to the audit or risk committee. The board should be able to make sense of their conclusions, with highlights and summaries of major risks and meaningful conclusions. Their reports to the board shouldn't be too long—fewer than 10 pages, for example—and they shouldn't just summarize how much work got done.

COLLABORATE

Loan review should communicate and collaborate with departments such as lending to find out about risk inside individual industries or types of loans, Cherpack says. "They should be asking [the loan department]: 'What do you see out there?' That's the partnership that's part of the three lines of defense."

He adds, "if all they're doing is flipping files, and commenting on underwriting quality, that's valuable, but it's in no way as valuable as being a true line of defense, where you're observing what's going on in the marketplace, and tailoring your reviews for those kinds of emerging risks."

TARGETED REVIEWS


Many banks are stress testing their loan portfolios with rising rates. Cherpack suggests loan review use those results to adjust their reviews accordingly. For instance, is the bank seeing higher risk for stress in the multifamily loan portfolio? What about all commercial real estate loans that are set to reprice in the next six to 18 months?

"If [loan review is] not effective, you're wasting money," Cherpack says. "You're wasting opportunity to protect the bank. And I think as, as a director, you have a responsibility to make sure the bank's doing everything it should be doing to protect its shareholders and depositors."

Carlyn Belczyk is the audit chair for the \$1.6 billion Washington Financial Bank in Wash-

ington, Pennsylvania. She said the mutual bank brings in a third-party for loan review twice a year. But Cherpack's presentation at the conference brought up interesting questions for her, including trends in loans with repricing interest rates or that were made with exceptions to the bank's loan policy. "I'm fairly comfortable with our credit, our loan losses are minimal, and we probably err on the side of being too conservative," she said.

Ruffin doesn't think coming credit problems will be as pronounced as they were during the 2007-08 financial crisis, but he has some words of advice for bank boards: "Weak processes are a telltale sign of weaknesses in credit," he said.

Historically, periods of high loan growth lead to the worst loan originations from a credit standpoint, Ruffin said. "We do an unimpressive job of really understanding what's sitting in our portfolio," he said. 

This article was originally published on BankDirector.com.

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Presented by the Tennessee Bankers Association, the SBA Lending Summit focused on the latest trends, updates, and opportunities associated with lending programs through the U.S. Small Business Administration (SBA) and other government guaranteed lending providers. The program featured the annual SBA Awards presentations, a full day of breakout sessions led by industry experts, and an opportunity to network with Tennessee's SBA lending community. 🇺🇸











How banks can use social media to find and keep top talent



NEAL REYNOLDS
President,
BankMarketingCenter.com

MORE ABOUT BANK MARKETING CENTER

At bankmarketingcenter.com, their goal is to help you with that topical, compelling communication with customers; the messaging—developed by banking industry marketing professionals, well trained in the thinking behind effective marketing communication—that will help you build trust, relationships, and revenue.

Although the opinions on where the economy is, and is heading, are varied, I think we can all agree that one word can pretty much sum up what everyone is feeling: uncertainty. Of course, uncertainty isn't good. People—employees, in particular—need certainty. They also need recognition. And believe it or not, recognition can be only a social post away!

This from Insider Intelligence, back in September of last year: "Despite higher-than-normal pay increases, banks are still struggling to hire new talent and slow turnover, according to a report from consulting and accounting firm Crowe LLP. The survey of 429 financial services organizations revealed that in 2022, bank turnover at the nonofficer level reached 23.4%—its highest level since 2019."¹ Needless to say, no matter the industry, attracting and retaining talented employees is vital for an organization's success.

According to the survey, and 95% of its respondents, the challenge lies in finding and keeping candidates that are considered a "right fit." Worker expectations of what a job can and should be are sky high, and meeting those expectations is critical. After all, the stakes are very high in terms of productivity, performance, and importantly, cost.

Insider Intelligence says that companies with workforces consisting of individuals who are a good fit with the culture experience a 20-25% boost in productivity. In addition, when employees are unhappy in their work, that unhappiness can quickly spread throughout the organization. The result is a culture that many describe as toxic. Conversely, happiness with one's job can spread from

one employee to the next just as quickly. The result here is a culture of loyalty, which leads to low turnover and with that, the cost of recruiting and training new employees. Studies put this cost at up to two times the employee's annual salary.

What can employers like small community banks do to attract and retain top talent? Experts say that successful cultures—ones that are conducive to attracting and retaining top talent—have certain "personality traits" and that to develop these traits, leaders need to:

- Strengthen the relationships between coworkers
- Give team members maximum exposure to leadership
- Enhance their skills and abilities so they feel like they are true experts in their field
- Communicate objectives and paths to their achievement clearly and often so that they see success as attainable
- Engage with team members on their future goals and help them chart a path forward

All of the above is great when you're looking to keep great employees. But what do you do when you're looking to attract top talent, and it's important to communicate the "features and benefits" of your brand? Use your social media platforms.

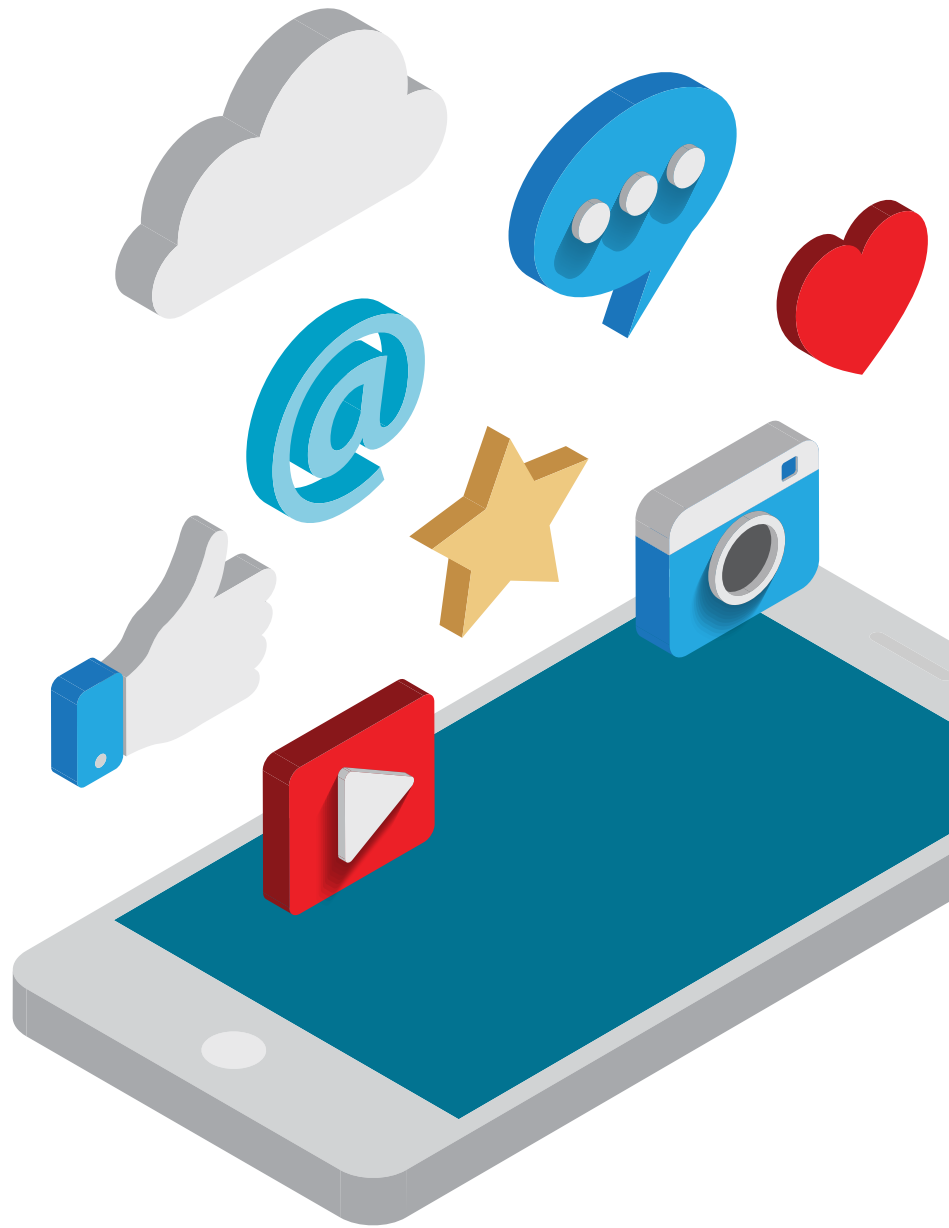
Open communication, opportunities for development, and an environment of mutual respect and collaboration are all essential to attracting and retaining the "best of the best." Don't forget, too, that praise is a powerful motivator; a few kind words can go a very long way. And, social marketing platforms are the ideal media for those kind words.

Many of our bank customers are extremely active in this regard and I suspect that, as a result, their associates feel pretty good about where they're working. Here are just a few examples of the more popular topics that our client banks are using social for:

- Recruiting
- Birthdays
- Anniversaries (and nothing says "this is a great place to work" better than a multi-decade anniversary post)
- Recognitions for advanced certifications received
- Awards and achievements (both professional and personal)
- Congratulating employees for their commitment to community organizations and volunteer groups

As you can imagine, social media posts that praise your employees also go a long way with potential hires, as well as customers. They reinforce that brand perception that is so important to small banks; that unlike the big national, you're a neighborhood institution that is trusted and knowledgeable, and that you take a personal interest in the people who bank with you. And to think you can accomplish all of this with just a few social posts! 📱

¹Insider Intelligence. <https://www.insiderintelligence.com/content/banks-struggling-with-employee-turn-over-still-deploy-strategy-attract-talent>. September 2022.



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


In May, 41 banker students graduated from *The Southeastern School of Commercial Lending (TSSCL)*.

The first-year curriculum addressed topics such as how businesses operate and the ways their financing needs arise, meeting the multiple financial needs of customers through effective relationship banking, and understanding the role of a company's management.

The second-year curriculum included discussion on advanced cash flow and loan structure, commercial real estate lending, managing liquidity and capital planning, sales and relationship management, and new approaches to predicting portfolio credit performance and managing portfolio credit risk.

Four 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:

- James Morgan, First Horizon Bank, Knoxville
- Nathaniel Eastwood, Millennium Bank, Chattanooga
- Amanda Hicks, Bank Independent, Sheffield, Ala.
- John Owen Keck, First Citizens National Bank, Chattanooga

For more information about *The Southeastern School of Commercial Lending*, or any of the other Southeastern Schools conducted by the TBA, please visit TNBankers.org. 

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JEFF LEWIS, City President, FirstBank, Lexington

RICHARD SHAFFER, Executive Vice President Commercial Services Director, First Horizon Bank, Chattanooga

CHUCK SISSON, City President, Centennial Bank, McKenzie



2022 TSSCL year II graduates

THE SOUTHEASTERN SCHOOL OF COMMERCIAL LENDING 2023 GRADUATES

JEFF ADAMS, Pathway Lending, Nashville
STACEY ASHE, Robertson Banking Company, Demopolis, Ala.
JOHN BAKER, Truist Bank, Chattanooga
CARRIE BRISENDINE, Southern Heritage Bank, div of First Citizens National Bank, Chattanooga
DANIELLE BROWN, Franklin Bank & Trust Company, Franklin, Ky.
TRACY BUCKLEY, Pathway Lending, Nashville
STEPHANIE COBLE, Bank of Lincoln County, Fayetteville
AARON CORNELIUS, Bank Independent, Sheffield, Ala.
BRANDI COTTON, The First National Bank of Middle Tennessee, McMinnville
JONI CROLEY, Commercial Bank, Harrogate
KEENAN DIXON, Southern Bank of Tennessee, Mount Juliet
*** NATHANIEL EASTWOOD**, Millennium Bank, Chattanooga
TERESA FRAZIER, Wayne County Bank, Waynesboro
EMILY GARREN, Greenfield Banking Company, Greenfield
BLAKE GARRISON, Putnam 1st Mercantile Bank, Cookeville
DOUGLAS GORDON, Planters Bank & Trust Company, Greenville, Miss.
JAMIE HARRINGTON, Pinnacle Bank, Murfreesboro
*** AMANDA HICKS**, Bank Independent, Sheffield, Ala.
ROBYN HIVELY, First National Bank of Tennessee, Crossville
WILLIAM HOLEMAN, Robertson Banking Company, Demopolis, Ala.
BRENDAN HOLLOWAY, Wilson Bank & Trust, Lebanon
CHASE HOUSTON, Citizens National Bank, Sevierville

REBECCA IVY, Bank Independent, Sheffield, Ala.
JASON JOHNSON, Trustmark National Bank, Laurel, Miss.
JARLECIA JONES, Pathway Lending, Nashville
*** JOHN OWEN KECK**, First Citizens National Bank, Chattanooga
BROOKE LITTELL, Southern Heritage Bank, div of First Citizens National Bank, Cleveland
WESLEY MARKLIN, Franklin Bank & Trust Company, Franklin, Ky.
ANDREW MASSIE, First Citizens National Bank, Jackson
TYLER MCNEAL, Trustmark National Bank, Vicksburg, Miss.
*** JAMES MORGAN**, First Horizon Bank, Knoxville
GARRETT PARKER, Volunteer State Bank, Murfreesboro
KRISTI PARKER, Robertson Banking Company, Demopolis, Ala.
DANA PARKINSON, First Community Bank of East Tennessee, Kingsport
PEYTON PORTER, Community Financial Services Bank, Benton
CLAIRE RICH, Simmons Bank, Martin
BRANDON RUSSELL, Tennessee State Bank, Pigeon Forge
JOE SNYDER, SmartBank, Chattanooga
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TRAVELERS 

Why every thwarted fraudulent transaction is a win for your bank

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Travelers is committed to managing and mitigating risks and exposures, and does so backed by financial stability and a dedicated team—from underwriters to claim professionals—whose mission is to insure and protect a company's assets. For more information, visit www.travelers.com.

One increasing claim trend we've seen at Travelers among financial institutions is a form of social engineering referred to as fraudulent instructions. In a bank's case, fraudulent instruction occurs when an employee is tricked into transferring money from a customer's account to somewhere else because a fraudster steals the customer's identity and convinces the bank through emails or phone calls to move the funds. With the benefit of seeing multiple claim scenarios, we would like to share some of the best practices that can be used to prevent fraudsters from making your bank a victim.

- **Train your staff.** The Number 1 way to prevent fraudulent instructions is to have a well-trained staff that follows procedures, verifies a customer's instructions by calling the customer at a predetermined number, and questions things when they don't look right. Your staff should not only understand the procedures but also why they are important. Train your staff not to deviate from procedures by taking shortcuts.
- **Deliver good customer service, but make the customer prove who they are.** Don't hand the customer answers. In a recorded call we listened to, a bank employee was trying very hard to give the member excellent customer service but did so at the expense of the real customer. To questions such as "Are you still at 123 Main Street?" and "Is your phone number still 555-5555?" the crook simply had to acknowledge that the information was correct. Staff should require the customer to authenticate their personally identifiable information rather than acknowledge what is on file.
- **Know your customer.** If a bank employee thinks a wire request is unusual for a cer-

tain customer, they should be empowered to dig further. We had one claim where an 80-year-old customer requested a \$750,000 draw from his home equity line of credit to be wired to Australia. When asked what the transfer was for, the purported customer said he was buying a rock quarry. Unusual requests should spark increased due diligence.

- **Escalate suspicion.** Train your people that if they get a call that sounds suspicious, they should share it with others on the team. Just because one customer service representative wouldn't complete a transaction doesn't mean another attempt won't be made. It is important to talk amongst yourselves. These fraudsters are diligent, so bank employees must be, too. A consistent pattern exists: Crooks don't stop at just one attempt. They will keep calling back until they either get caught or there is no more money.
- **If a customer says they can't be reached at the phone number on file, call it anyway.**
- **Beware of urgency, poor grammar, the word "kindly," and sentences that don't make sense or use improper words.**

When these steps are taken and a socially engineered fraudulent instruction attempt fails, celebrate that success. If an employee prevents a fraudulent transaction, spread the news. Share the emailed instructions, discuss what was suspicious about it and post examples of fraudulent instructions. This helps the front-line team remember that attempts at fraudulent transactions are real and are constant. Bank employees must remain vigilant. 



2023 GSB at LSU Tennessee students

GSB at LSU welcomes 22 Tennessee Bankers into its alumni fold

On June 2, 2023, 192 bankers, including 22 from Tennessee, received graduation diplomas during the 71st 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 19 states, the District of Columbia, and Mexico for the 2023 session. The faculty consists of bankers, business and professional leaders, and educators from all parts of the U.S.

Tennessee faculty for the 2023 session included Tennesseans Harvey Church, TriStar Bank.; Jeff Hudson, First National Bankers Bank; Dr. Thomas Payne, Tennessee Tech; Ronny Roberts, ProBank Austin; Jennifer Smith, Wilson Bank & Trust; 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 Naughton, GSB Executive Director, Tennessee members of the Board of Trustees include Colin Barrett, TBA president/CEO, and Scott Coughner, First Community Bank of Tennessee, Shelbyville.

Learn more about attending the school and the 2024 session at www.gsblsu.org.

Congratulations to the TBA members and Tennessee-based regulators who received diplomas among the Class of 2023. 🎓

2023 GSB AT LSU GRADUATES

ALDER MICHAEL BLAIR, Tennessee Dept. of Financial Institution
JILL BOOKER, Wilson Bank & Trust
MONTAY CALLOWAY, Tennessee State Bank
WHITNEY O. COFFMAN, Mountain Valley Bank
CHAD DRIVER, FirstBank
DANIEL BRUCE ELDER, People's Bank & Trust
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AMANDA DODSON HOUSTON, First National Bank of Tennessee
MICHAEL JEFFREY, First National Bank of Pulaski
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Regulatory Rundown: New vendor management guidance



MICHAEL BERMAN
CEO,
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By now you've probably heard that the federal agencies have finalized the Inter-agency Guidance on Third-Party Relationships: Risk Management. It replaces existing guidance and aligns vendor management requirements among the Office of the Comptroller of the Currency (OCC), Federal Deposit Insurance Corporation (FDIC), and the Federal Reserve.

Here's what this new guidance means for banks:

Vendor Management Lifecycle

The guidance breaks the vendor management lifecycle into five phases.

1. Planning

Planning is a strategic phase. Banks should consider the business case for outsourcing an activity. Identify risks and controls and determine if the bank will be able to effectively oversee the relationship.

2. Due diligence and third-party selection

Once the bank understands third-party vendor needs and potential risks, due diligence helps a bank assess if a vendor is capable of delivering products and services as promised and complying with laws, regulations and bank policies while operating safely and soundly. The risk and complexity of the third-party relationship determines the degree of due diligence needed.

3. Contract negotiation

Contract negotiation is a bank's chance to mitigate risk by adding provisions and other addendums. This is especially important for riskier relationships.

4. Ongoing monitoring

Ongoing monitoring is conducted either periodically or continually, depending on how high-risk a vendor. It includes verifying vendor products, services, and controls are as expected and escalating issues.

5. Termination

Define causes for termination, costs, and how data and intellectual property management along with other terms and conditions for ending a vendor relationship. Have a plan for transitioning to another service provider if needed.

New definition of a critical vendor New Guidance Highlights

Under the new guidance, a critical vendor is one whose failure could create significant risk or greatly impact customers or the bank's finances or operations.

Access to significant amounts of protected or confidential customer information is considered a significant customer impact.

Digging deeper into due diligence and analyzing third-party risk

Vendor risk assessments need to dig into the details. Residual risk is highlighted prominently, and specific factors are listed (compared to the broader categories of risk in previous guidance). Some of those factors include: strategies and goals; compliance; financials, company background, IT security, business continuity, and subcontracting.

Linking third-party risk with overall risk management

Vendor management has always been a subcategory of enterprise risk management (ERM); the guidance makes the link explicit saying that bank should be “Integrating third party risk management with the banking organization’s overall risk management process.” A vendor management program should integrate into other elements of risk management including compliance, business continuity, audit, fair lending, and IT, among others.

The board should establish the risk appetite for third-party risk management. Management should enact a program that aligns with the statement.

Contracts as a third-party risk control


While contracts have always been addressed by guidance, the new guidance presses deeper into vendor contracts, including areas contracts should define. This includes

scope of the arrangement, performance measures or benchmarks, compliance, data management, and dispute resolution, among others.

Implementation timeline

This guidance takes effect immediately. Guidance doesn’t have the force of a regulation, but examiners can use it to cite a bank for unsafe and unsound banking practices.

Conclusion

Third-party vendor management is evolving. Make sure your vendor management program is integrated with your ERM program and that it addresses all the areas mentioned in the guidance. Now is the time to proactively evaluate your vendor management program to ensure it aligns with new guidance. 



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Banks face mounting risk of fines, regulatory probes over sustainability claims



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Banking Reporter,
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A regulatory crackdown on greenwashing leaves banks vulnerable to probes and penalties over misrepresented sustainability statements.

European and U.S. regulators are expected to more aggressively scrutinize financial institutions' environmental, social and governance claims as they introduce new disclosure and labeling rules, and ramp up enforcement. It comes amid mounting fears that firms are exaggerating their sustainability credentials to capitalize on surging demand for green investments.

"Greenwashing is definitely now high on the priority list for many regulators, so there's going to be much more scrutiny," David Thomas, a managing associate in Linklaters' dispute resolution team, said in an interview.

Evident of this growing enforcement, regulators in both the U.S. and Europe took on some high-profile greenwashing cases and initiatives in 2022.

U.S. Securities and Exchange Commission last year fined BNY Mellon Corp. and Goldman Sachs Group Inc. \$1.5 million and \$4 million, respectively, over ESG misstatements and policy failures within their investment management units. This was the first time a regulator has fined financial institutions over ESG-related failings, which was "a clear message" to the investment world that the SEC will investigate greenwashing claims thoroughly, said Edel Brophy, global director of regulatory compliance at regtech firm Fenengo.

In Germany in May, police raided the Frankfurt offices of DWS Group and its majority shareholder Deutsche Bank AG, reportedly involving officials from the country's financial watchdog BaFin, as part of investigations into allegations the asset manager misled clients about its sustainable investing. The U.K.'s Financial Conduct Authority in October proposed a new anti-greenwashing law and

said it was enhancing its enforcement strategy, with investigations expected to follow.

"It's only a matter of time before we start seeing some enforcement action from the European regulators as well," said Thomas.

Nonfinancial regulators are also beefing up efforts to tackle greenwashing. The U.K.'s Advertising Standards Authority last year ruled to ban misleading climate-related ads by HSBC Holdings PLC, while Britain's Competition and Markets Authority last month launched a review into green claims made by companies selling household essentials.

New and old regulation

The risk of regulatory probes into greenwashing allegations is "absolutely an emerging threat for all banks," said Charles Crowne, a litigation lawyer at Osborne Clarke specializing in commercial and regulatory disputes. While banks risk financial penalties, the reputational harm of being investigated and prosecuted could be even more damaging, he said.

New or upcoming legislation across jurisdictions will further expand the legal framework against which regulators can take action. The EU's Sustainable Finance Disclosure Regulation, or SFDR, has already introduced stricter disclosure requirements and criteria for investments classified as sustainable, essentially putting into law what financial firms can claim to be green. Similar regulation is underway in the U.K. and the U.S. The EU is also planning to introduce stricter rules for other products and services that companies wish to brand as sustainable, according to a document seen by Reuters.

"A couple of years ago, everyone was very keen to talk about green credentials and sell green investment products, but, really, the terms that were applied didn't mean anything," Crowne said. "You're now moving

towards a more mature market, where the data is getting better and the regulators are on top of it. Most regulators around the world are trying to be really clear on what certain labels mean.”


As with previous new financial regulation, fines are likely to follow one to two years after the rules have been fully implemented, said Brophy.

Regulators are meanwhile expected to use current frameworks. The SEC has been using existing powers “and just applying them in the greenwashing context,” said Menaka Nayar, a U.S.-based senior associate in Linklaters’ dispute resolution practice. She expects the SEC to press forward with more ESG-related investigations and fines this year.

In the U.K., the FCA’s new anti-greenwashing rule sends a “clear signal” that the regulator is adopting an interventionist approach to greenwashing, even though it simply reiterates previous obligations that communications should be clear and fair, Pinsent Masons attorneys said in a Nov. 3 note. The FCA may not wait until the rules are implemented in

June 2023 to review or take enforcement action against suspected greenwashing, they said.

The regulator is likely to take on some “high-profile investigations” targeting the most egregious examples to show it is serious about combatting greenwashing, according to Osborne Clarke’s Crowne.

An FCA spokesperson would not comment on the authority’s enforcement plans, but said: “We have a range of tools to tackle greenwashing. We are already reviewing how firms are applying our guiding principles for the design, delivery and disclosure of sustainable funds, and will use our supervisory tools where we identify issues.” The SEC declined to comment. 

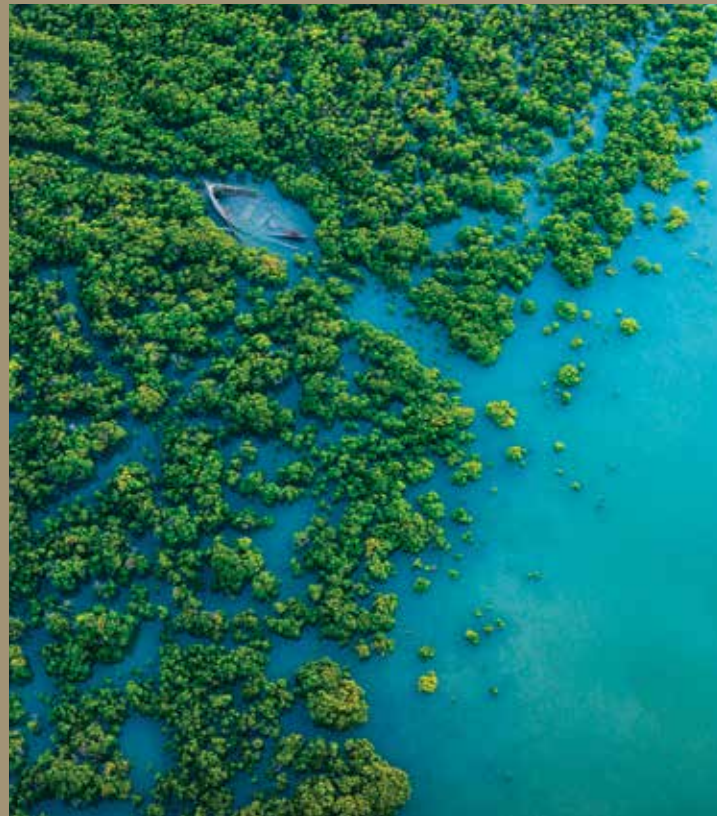
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Adopting a holistic FRAML approach to fight financial crime

ANKUR SHAH

Strategic Product Manager
CSI

As digital payments and online transactions increase, the risk of bad actors fraudulently using these channels is growing as well. The United Nations estimates that 3% to 5% of the global GDP—around \$5 trillion—is laundered each year across the world. Fraudsters steal billions of dollars annually from organizations and individuals in the U.S. alone.

But losing money is not the only risk that financial crime poses to organizations. If a bank falls victim to illicit activity, it risks reputational damage. That danger is compounded by regulatory risk. In an ever-evolving digital space, protecting against cyber criminals is a must. That's why many financial institutions are merging their monitoring efforts into a comprehensive fraud and anti-money laundering approach, known collectively as FRAML.

FRAML: Bringing Together Fraud and Anti-Money Laundering

Fraud and money laundering are distinct financial crimes, but there is a reason the two are often connected. Financial fraud results in ill-gotten gains for a bad actor, and money laundering provides a way to place illegally obtained money into the global financial system without arousing suspicion. Understanding each crime individually is critical to comprehending the intersection where fraud and anti-money laundering meet.

FRAML brings together the fraud and AML operations of an institution, helping to automate data sharing and better identify the lifecycle of customer risk that is created through both components. Using FRAML technologies allows your institution to analyze a vast amount of data transactions and consumer behaviors, providing a holistic risk profile.

By creating these high-level, holistic risk profiles, your institution can better predict and prevent both fraud and money laundering components where they intersect. The combination of these functions often leads to stronger risk management and increased operational efficiencies.

Fighting Financial Fraud

Financial fraud is a broad term, describing any activity that deprives another person of money or other assets through deception or crime. It is one of the most common financial crimes in the world, with nearly \$6 billion in consumer financial fraud losses reported to the U.S. Federal Trade Commission in 2020 alone.

Fraud can be conducted in dozens of ways, from check fraud to phishing to identity theft, but all types of fraud involve access to a victim's assets by a bad actor through unauthorized or illicit means.

Criminals in the financial fraud space are taking advantage of new technologies to commit crimes more quickly and make them more difficult to prosecute. P2P fraud incidents are rising as fraudsters target payment apps such as Venmo and Cashapp, with another \$440 million in consumer losses reported in 2021, according to a Senate report.

Understanding Money Laundering

Money laundering is the conversion of profit from illicit activity into money that appears to be the product of normal business. Financial criminals use various methods to conceal the origin of their funds from businesses and law enforcement, but most launderers follow three common steps:

- Placement is the insertion of illicit funds into the legitimate financial system. This can be accomplished several ways, includ-



ing blending the illicit income into income from a legitimate source or falsifying documents indicating a business transaction that never took place.


- Layering is separating the proceeds of criminal activity from its source — often through a series of complex transactions through multiple people, corporations and trusts. Illicit cash may be converted to money orders, bonds, wire transfers or even tangible goods like jewelry or art to further disguise the trail.
- Integration is the return of the now legitimate-appearing money to the criminal as profit. Now that the proceeds of criminal activity are integrated into the legitimate financial system, the money can be used normally for any number of transactions. At this point, laundering becomes significantly harder to detect and prosecute, as the money appears to be stemming from standard sources of business.

Due to its complexity, money laundering presents an incredible challenge for entities involved in the U.S. financial system. Every onboarded customer could potentially be involved in money laundering. Likewise, every new transaction processed could represent the flow of laundered money. Picking out which customers and transactions fall into these categories is like finding the proverbial needle in a haystack. That's why it's critical

to have an effective AML solution to detect suspicious activity, stop the flow of laundered money and avoid costly regulatory fines—especially as BSA/AML scrutiny grows.

Moving Forward with FRAML

The fight against fraud and money laundering is never ending, and banks of all sizes can be overwhelmed by the sheer volume of criminal attempts and the complex regulations surrounding them. Failure to live up to this expectation to protect your customers' data can lead to regulatory fines and reputational damage that causes further financial harm beyond the costs associated with fraud itself.

But criminals are not the only ones evolving. New technologies are replacing outdated methods of monitoring, giving organizations an edge in stopping financial crime before it can cause financial, reputational or legal liability. And implementing a cohesive FRAML strategy is the most efficient and effective way to tackle fraud and AML compliance. 



New Associate Members

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

CONSULTANTS

Profit Resources, Inc.

320 S Madison Ave
Monroe, GA 30655-1614
Phone Number: 800-576-2374
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Contact: Sue Shaffer - sshaffer@profitresources.com

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Husch Blackwell LLP

736 Georgia Ave Ste 300

Chattanooga, TN 37402-2059

Phone Number: 423-266-5500

www.huschblackwell.com

Contact: Christopher Friedman

- chris.friedman@huschblackwell.com

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<https://truedigitalgroup.com/>

Contact: Avery Geehr - ageehr@truedigitalgroup.com

The True Digital Platform is a collaborative network designed for banks to optimize vendor relationships and assist with ongoing third-party monitoring of vendors. By utilizing this insights-driven platform, banks can identify opportunities to improve and monitor existing vendor relationships, discover new vendors through native search, and connect with the most relevant references across the industry. True Digital streamlines the process of finding suitable vendors for banks, resulting in improved decision-making, onboarding, and innovation.

TRAINING

Blue U Defense, LLC

PO Box 368


Hancock NH 03449-0368

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Contact: Joseph Hileman - jhileman@blue-u.com

Terry Choate - tchoatejr@blue-u.com

ACTIVE THREAT: If you find yourself involved in an incident of violence, you have entered into the Life or Death Gap. The decisions you make will likely mean the difference between your survival, or not. Training employees to comply or don't be a hero will likely have dire consequences. Learn how to create policy, procedure, and the actual process safer for employees and address the reality of today's threats. Secure home.

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People on the Move

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

PROMOTIONS



BankTennessee, Gallatin, has welcomed **Angela York** as retail market manager.



CapStar Bank, Manchester, has welcomed **Katie Kusisto** as a relationship banker.

CapStar Bank, Nashville, has named **Christopher "Chip" Higgins** as Middle Tennessee president, replacing Kenneth Webb, who is retiring; **Christopher Tietz** was named as first banking officer.

Carroll Bank and Trust, Huntingdon, has named **Corey Bingham** as city president of the branch in **Lexington**.



BINGHAM



MILLS

JOHNSON

Community Bank, Lexington, has named **Misty Cozart** as **Lexington/Henderson** city president, **Garren Mills** as branch manager/loan officer and **Emily Johnson** as vice president/chief experience officer.

Diversified Trust, Nashville office has welcomed **Cameron Simmons** as principal.



SIMMONS



Encore Bank, Nashville, has named **Matt Jordan** as vice president, community outreach officer.



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PAYNE



TYLER

F & M Bank, Clarksville, has promoted the following staff: **Albert Cartner**, **Charlie Koon**, **Stacy Vincent**, **Jamie Webb**, **Suzanne Woods** each were elevated to senior vice president. Bank officers who were named vice presidents include **Daniel Earls**, **Sallie Eley**, **Robert Fowler**, **Matt Hogan**, **Jamie McAdaragh**, **Trey Vincent** and **Tracy Woodside**. Associates **Heather Anderson**, **Wendy Henson Elliott**, **Jessica Fussell**, **Julie Ashworth**, **Rebecca Miller**, **Grady Payne** and **Luke Tyler** each were promoted to assistant vice president.



Farmers State Bank, Mountain City, has named **Adrienne Holman** as branch manager of the **Highway 421** office.

Nashville-based FirstBank has named **Jonathan Pennington** as the firm's new chief accounting officer.



PENNINGTON



KING

REAGAN

DAVIS

First Community Bank of the Heartland, Dyersburg, has promoted **Megan King** to customer service representative/teller; **Camille Reagan** to loan officer. **Chasity Davis** was added to the team in customer service management.



GALLIMORE

SIMPSON

First Community Bank of the Heartland, Martin, has named **Paige Gallimore** to the customer care center at the **Down-town Martin** office and **Paige Simpson** to loan assistant at the **Martin Skyhawk Pkwy** location.

First Farmers and Commercial Bank, Dunlap, has named **Angela Moffitt** as head teller.



MOFFITT



TEAL

PATTERSON

First Farmers and Merchants, Columbia, has promoted **Kim Teal** to internal auditor and named **Joseph Patterson** as a commercial relationship banker.

First Freedom Bank, Algood, has promoted **Rachel Honaker** to office manager.



HONAKER

First Freedom Bank, Lebanon, has welcomed **Kevin Busbey** as senior vice president and CFO, succeeding **Michael Wiggington**, who has retired.



BUSBY



First National Bank of Middle Tennessee, McMinnville, has welcomed **Vanessa Wright** as **Shelbyville** teller/customer service representative, and **Harshil Patel** to the IT department.

Holland & Knight LLP, formerly **Waller Lansden Dortch & Davis LLP**, has named **Matt Burnstein** as executive partner of the **Nashville** office.

Mountain Commerce Bank, Knoxville, has promoted **Brice Chapman** to senior vice president and relationship manager.



CARSON

BLACKWELL

HERRON

Patriot Bank Mortgage, Millington, has promoted **Anglia Carson** to assistant vice president. At the **Memphis-Raleigh Springs** branch, **Doreen Blackwell** was promoted to assistant vice president. **Chris Herron** was named as business development and loan officer.

Peoples Bank, Clifton, has promoted **Savanna Naylor** to mortgage loan officer.



NAYLOR

Pinnacle Financial Advisors in Nashville, has welcomed **Greg Schaefer** as a financial advisor for the equipment finance team.



SCHAEFER



People on the Move *continued*

Pinnacle Financial Partners, Nashville, has welcomed **Chris Maynard** as the chief information security officer.



MAYNARD



PLACE

HARMON

SmartBank, Knoxville, has welcomed **Brad Place** as the chief technology officer; **Rusty Harmon** as a private banker.

SmartBank, Murfreesboro, has promoted **Brad Hurst** to the Rutherford County market president.



Southern Heritage Bank, (branch of First Citizens National Bank), Cleveland, has promoted **Heather Copeland-Sherlin** to assistant vice president and branch manager of the **Georgetown** office.

Tennessee State Bank, Pigeon Forge, has named **Rebekah "Becka" Hurst** as executive vice president, chief credit officer.



BYRD



BRANNAN

CARTER

GOURLEY



MCKENZIE

WEIDKNECHT

HEADRICK

The Trust Company of Tennessee, Knoxville, has promoted **Codi Ann Brannan** to retirement plan services operations manager; **Catherine Carter** to relationship manager; **Libby Gourley** to the position of business architect; has welcomed **Nona McKenzie** as trust operations manager; added **Susan Weidknecht** as retirement plan services compliance specialist; **Bethany Headrick** as a business analyst

United Community Bank Inc., Greenville, S.C., has named **Kelley Kee** as Tennessee state president, succeeding **John Wilson**, who is retiring and taking a consultant position with the bank.



KEE



GREGORY



CRAIG



HAWKINS

Volunteer State Bank, Portland, has named **Tony Gregory** as chairman; and welcomed **Jimmy Craig** as senior vice president, chief information officer; **Aaron Hawkins** as senior vice president, director of treasury management

CELEBRATIONS

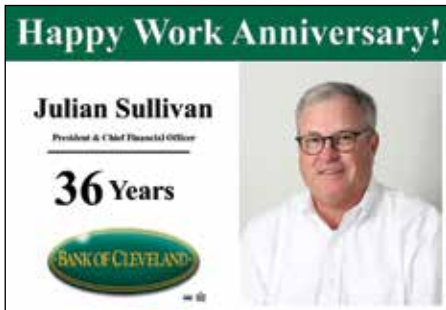
Randy Sizemore, executive vice president and CFO of **Andrew Johnson Bank, Greeneville,** has received the 2023 Paul W. Parkinson Accounting Excellence Award at Ball State University.



SIZEMORE

Apex Bank, Chapel Hill, teammate **Connie Howard** has retired after 53 years in banking.





Bank of Cleveland, Cleveland, staff who have work anniversaries in 2023 are **Kim Campbell**, 22 years; **Margaret Everhart**, 20 years; **Cathy Hixson**, 36 years; **Tonya Sliger**, 23 years; **Julian Sullivan**, 36 years.

Martha Arnold, CEO of the **Bank of Gleason, Gleason**, was recognized for her 50 years in the banking industry and honored with an all-day reception at the main office.



ARNOLD

Lisa Pitcairn, formerly with **The Bank of Jackson, Jackson**, has retired after 16 years of service.



PITCAIRN



Cindy Young, formerly with **Builtwell Bank, Whitwell** and **South Pittsburg** locations has retired after 43 years' service.

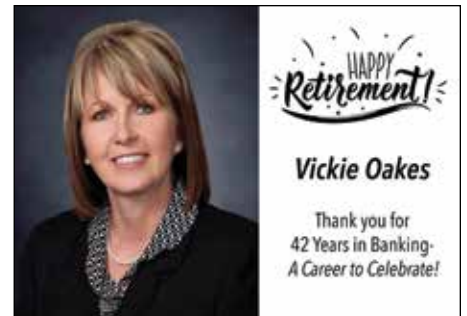


CapStar Bank's Shane Sewell, Athens area market president, has earned the J. Neal Enslinger Man of the Year by the Athens Chamber of Commerce. The award is named for a longtime editor of the local newspaper and recognizes an individual who demonstrates devotion and characterizes to cause, dedicated effort, and quiet, effective leadership.

Melissa Barber, formerly senior vice president of **Carroll Bank and Trust, Huntingdon**, has retired after serving 50 years in the banking industry.



Melissa Smith, loan officer with **Citizens Tri-County Bank, Pikeville**, is celebrating 29 years of service in 2023.



Sandy Jones, formerly with **Commercial Bank, Harrogate**, has retired. **Vickie Oakes**, after 42 years of service, has retired.



Melissa Sage, senior vice president, commercial lender of **Commercial Bank, Harrogate**, was appointed to the University of Tennessee Women in Leadership Program Advisory Board.

Lisa Smith, auditor of **Commercial Bank & Trust Co., Paris**, is celebrating 30 years of service; **Sheila Watson**, loan operations officer, 40 years of service.

People on the Move *continued*

Mickie Hodge, executive vice president, COO of **The Farmers Bank, Portland**, has announced that she will retire at the end of 2023 after serving the bank for 47 years.



HODGE

David Stiltner, founder of **Elite Financial Products**, and former consultant with Federal Protection, has retired after 32 years of service in the banking industry.



STILTNER

Kathy Payne, formerly with **First Community Bank of East Tennessee, Rogersville**, has retired after 12 years of service.



PAYNE

Donna Roberts, formerly senior vice president of **First Farmers & Commercial Bank, Pikeville**, has retired after 37 years of service.



ROBERTS



Melissa Ruth, a mortgage loan officer at **Peoples Bank, Clifton** office celebrated a work anniversary of 26 years; **Lori Riley**, operations department, 22 years.



KIDD



SMITH

Two Tennessee financial advisors have earned spots on Barron's list of 2023 Top 1200 U.S. Financial Advisors Ranked by State: **Brock Kidd, Pinnacle Asset Management Raymond James Financial Services Inc.**, at #11 and **Trey Smith, Truist Investment Services**, #16.



ROETTGER



CARR

Stacy Roettger, chief legal officer of **The Trust Company of Tennessee, Knoxville**, was elected as a Fellow of the Tennessee Bar Foundation. **Miranda Carr**, chief investment officer, was selected to be a member of the 2023 class of 40 Under 40 by *Investment News*.



Larry Jackson, former president and founding member of **Patriot Bank** has retired from daily operations in **Millington** after serving 45 years in the banking industry. 🇺🇸



Bank Notes



The Bank of Milan's Medina office is celebrating 25 years of business in 2023.



Builtwell Bank has opened a branch in **Ooltewah**, 5970 Snow Hill Road with Chad Hagy as market leader and celebrated a grand opening in May. The bank's **Highway 58** branch celebrated 20 years' anniversary with a Community Day.



Citizens National Bank, Sevierville, hosted the Seymour Area Chamber of Commerce breakfast meeting as the Chamber helped CNB to celebrate 50 years in business.

Decatur County Bank, has opened a **West Tennessee Bank** branch at 1489 East Main St., **Brownsville**.



Left to Right: John Peck, Ronnie Boling, Sammy Stuard, Dr. Michael Licari, Charlie Koon, and Dr. Mickey Hepner

F&M Bank, Clarksville, and the **Tennessee Bankers Association** have announced a new partnership with Austin Peay State University to establish the "Banking on Gobs" program--the first of its kind at Austin Peay. Qualified

students from the College of Business will have the opportunity to attend *The Southeastern School of Banking* with all expenses paid while connecting with banking professionals throughout their enrollment.



First Farmers and Commercial Bank, Pikeville, has opened a branch in **Dayton**.



NELSON

SIMS

Fourth Capital, Nashville, will open an office in **Franklin** led by **Brad Nelson** as senior vice president of commercial banking and **Annette Sims**, relationship banking coordinator.



Bank Notes *continued*



Pictured is the **Guaranty Bank & Trust Company, Memphis**, new office building located at 4894 Poplar Avenue.

Mountain Commerce Bank, a subsidiary of **Mountain Commerce Bancorp, Knoxville**, held a "topping out" celebration in April at their future home of its Johnson City Financial Center, located at the intersection of Boones Creek Road and I-26.




SLATER

PARROTT

SmartBank, Pigeon Forge, has rebranded their insurance subsidiaries, **Chattanooga-based Sunbelt Insurance** and **Upper Cumberland-based Rains Insurance**, to **SBK Insurance**, which will be led by **Mark Slater**, CEO, and **Jessica Parrott**, President.

Sumner Financial Corporation, parent company of **Sumner Bank & Trust, Gallatin**, has been acquired by Kentucky-based **Edmonton Bancshares Inc.**, the parent company of **Edmonton**

State Bank. The all-cash transaction, subject to approval by Sumner Financial Corporation shareholders and federal state regulatory authorities, is expected to close in the fourth quarter of 2023.

Wells Fargo Bank, San Francisco, Calif., has announced they will open seven new branches in Middle Tennessee by 2025, including four in low-to-moderate income areas. Among branches that have received approval from the Comptroller of the Currency, are **Nashville** locations at 5605 Charlotte Pike in West Nashville, 713 Gallatin Ave. in East Nashville, the intersection of Saturn Parkway and Port Royal Road in **Spring Hill** and 5229 Westlawn Pavilion in **Murfreesboro**. 



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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.



Builtwell Bank's Lawrence County bankers volunteered with Abigail's Plan Miracle League.



Decatur County Bank, Parsons, has installed a Little Free Library book exchange box with the help of volunteers to inspire readers and expand book access in every community.



Bank of Lincoln County, Fayetteville, sponsored the Lincoln County Robotics team as they competed in the VEX VRC World Championships in Texas among 28,000 robotics teams.



Bank of Tennessee, Kingsport, partnered with Johnson City's Salvation Army to help support the needs of veterans with a donation of \$50,000.



BankTennessee, Collierville, was a community sponsor of the annual Memphis Greek Festival held at the Annunciation Greek Orthodox Church in Memphis.



CapStar Bank's community activities included associates from **Collinwood** and **Waynesboro**, as they presented a sponsorship check to Kid's Place/ A Child Advocacy Center; the **Manchester** team donated to Manchester City Schools "We Care Together" initiative; and the **Collinwood** branch donated to the Lutts Fire Department Spring Car Show and Swap Meet fundraiser.



Community Building *continued*



BOWLING TOURNAMENT

to benefit Relay for Life

Saturday, June 3
2:00pm - 5:00pm

Sevierville Bowling Center
200 Gary R Wade Blvd

Team Entry Fee for 3 Person Team: \$40 (cash only)
Business Sponsorships: \$125

RSVP to hcollins@cnbtn.com before May 26.
Limited spots available.

Games to be played: 9 Pin No Tap, 3,6,9, and 1 Regular Game
Tournament winners will be awarded a plaque.



Citizens National Bank, Sevierville, hosted the inaugural bowling tournament to benefit Relay for Life of Sevier County.



Dunlap Coke Ovens Amphitheater

No ALCOHOL
NO PETS

\$10.00
ADMISSIONS
under 12

37th YEAR
2023

FESTIVAL

Regional Bluegrass Bands
Sat. June 3rd
Dunlap, Tennessee

Food concessions available on grounds. No personal coolers on Amphitheater Seating area

The following businesses are our SPONSORS



Music site 350 Mountain View Rd.
Call 423-949-2156 for information
cokeovens.com

Citizens Tri-County Bank, Dunlap, was the principal community sponsor of the 2023 Dunlap Coke Ovens Festival, an annual fundraiser to help operate the Dunlap Coke Ovens Park and Coal Mining Museum by the Sequatchie Valley Historical Association.



F&M Bank, Clarksville presented a \$2,500 check, funds raised from YOUR Williamson Dunk Booth at the Main Street Festival to the Friends of Franklin Parks for Franklin's first inclusive playground.



The Farmers Bank, Portland, volunteered at Habitat for Humanity of Sumner County to build playhouses for children in the community.



Bank teams from **FirstBank Scotts Hill, Linden,** and **Parsons** supported the Youth Bass Tournament.



Pictured is Ashley Lawson, assistant vice president, branch manager of **First Community Bank of East Tennessee West Main St** office, **Rogersville**, as she presents a donation to American Legion Vice Commander, Jim Weart, to help veterans and their families in the community.

First Community Bank of the Heartland sponsored the 18th Annual Songwriters Showcase in **Dyer County** to benefit the Dyer County Humane Society.



Pictured are some of the desserts from the Online Dessert Auction of **The Hardin County Bank, Savannah**, and a check for \$2,591 was presented to Sheltering Tree Ranch for their Equine Therapy Program.



In May **Macon Bank & Trust Company, Lafayette**, held their annual Shred Day. The bank also treated teachers to lunch during Teachers Appreciation Week.

Employment Opportunities

TBA offers two ways to find and post job opportunities in the banking industry across the state.



The TBA Job Bank is free for TBA member banks to post positions online. You can submit your job openings to Penny Powlas at ppowlas@tnbankers.org, and jobs can be viewed at TNBankers.org/job-bank, as well as in each issue of the Tennessee Banker magazine on this page.

BankTalentHQ

BankTalentHQ partners with TBA and other state bankers associations. It allows Tennessee banks to reach a nation-wide audience by posting job openings for your institutions, with the ability to purchase a single 30-day post or a discounted posting package to fill multiple vacancies. Visit BankTalentHQ.com to post your jobs or find employment opportunities.

JOB BANK POSITIONS AVAILABLE

2308-2 PRESIDENT

A \$300 million asset East Tennessee Community Bank is seeking candidates for the position of President. Qualified candidates may send confidential resumes to ppowlas@tnbankers.org.

2308-1 PRESIDENT

A \$250 Million community bank located in a rural west Tennessee seeks a President. Qualified candidates may send resumes to ppowlas@tnbankers.org.

2307-6 STAFF ACCOUNTANT

CapStar Bank
https://workforcenow.adp.com/mascsr/default/mdf/recruitment/recruitment.html?cid=efa1b269-c15e-4875-8e37-fb6bb6dbb61b&ccId=19000101_000001&source=C-C2&lang=en_US&selectedMenuKey=CurrentOpenings

2307-5 COMPLIANCE AND BSA ASSISTANT

Decatur County Bank
Qualified candidates can submit resumes to chorn@decaturcountybank.com.

2307-4 DIRECTOR-AFFORDABLE MULTI-FAMILY HOUSING

Pathway Lending
Qualified candidates may send resumes to: Admin@pathwaylending.org.

2307-3 AVP-ENERGY EFFICIENCY

Pathway Lending
Qualified candidates may send resumes to: Admin@pathwaylending.org.

2307-2 CHIEF FINANCIAL OFFICER

First National Bank of Middle Tennessee
Qualified candidates may send resumes to avance@fnbmt.com.

2307-1 STAFF ACCOUNTANT

CapStar Bank
https://workforcenow.adp.com/mascsr/default/mdf/recruitment/recruitment.html?cid=efa1b269-c15e-4875-8e37-fb6bb6dbb61b&ccId=19000101_000001&source=C-C2&lang=en_US&selectedMenuKey=CurrentOpenings

2306-7 LOAN OPERATION SPECIALIST

First Vision Bank
Qualified candidates may send resumes to asisk@firstvisionbank.com.

2306-6 LOAN OPERATIONS MANAGER

First Community Bank of East Tennessee
Please send your resume and salary require-

ments to careers@fcbanktn.com.

2306-5 SENIOR ACCOUNTANT

TriStar Bank
Qualified candidates may send resumes to HR@TriStar.bank.

2306-4 DEPOSIT OPERATIONS SPECIALIST

Southern Bank of Tennessee
Qualified candidates may send their resumes to HR@SouthernBankofTN.com.

2306-2 TECHNOLOGY MANAGER - LEBANON

Wilson Bank & Trust
Visit www.wilsonbank.com, click on "About Us", then "Careers" for online employment application and submission instructions.

2306-1 LENDING PRODUCT SPECIALIST

INTEGRA Software Systems
Send resumes to: mpicker@integraloantech.com.


2305-6 BSA CLERK

Coffee County Bank
Qualified candidates may send resumes to jnogodula@coffeecobank.com. To apply for this position, cut and paste the link below or visit the SouthEast Bank website, Careers. <https://www.paycomonline.net/v4/ats/web.php/jobs/ViewJobDetails?job=125012&clientkey=FAF4CC9CE64AE0FF-C7E5A8748EA026D0>

2305-5 COMPLIANCE SPECIALIST

SouthEast Bank
To apply for this position, cut and paste the link below or visit the SouthEast Bank website, Careers. <https://www.paycomonline.net/v4/ats/web.php/jobs/ViewJobDetails?job=125012&clientkey=FAF4CC9CE64AE0FF-C7E5A8748EA026D0>

2305-4 MARKETING MANAGER

SouthEast Bank
To apply for this position, cut and paste the link below or visit the SouthEast Bank website, Careers. <https://www.paycomonline.net/v4/ats/web.php/jobs/ViewJobDetails?job=121236&clientkey=FAF4CC9CE64AE0FF-C7E5A8748EA026D0> 

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

**OCTOBER
25 & 26**

COMMUNITY BANKING CONFERENCE

Presented by the Independent Bankers Division of the TBA

Hilton Franklin Cool Springs

Early Registration Deadline: October 11

TBA Member/Associate Member Registration: \$315

TBA Contact: Monique White, mwhite@TNBankers.org

The Community Banking Conference, covers current issues and hot topics of interest to community banks. Led by Independent Bankers Division Chairman Jim Robinson, learn about recruiting, balance sheet strategy, fintech engagement, and more.



**OCTOBER
26 & 27**

BANK DIRECTORS RETREAT

Hilton Franklin Cool Springs

Early Registration Deadline: October 11

TBA Member/Associate Member Registration: \$375

TBA Contact: Monique White, mwhite@TNBankers.org

In conjunction with



With regulators expecting more oversight from board members, it is increasingly essential for both seasoned and new directors to remain ahead of the curve. TBA's annual *Bank Directors Retreat* offers sessions led by industry experts and thought leaders. CEOs, presidents, senior officers, outside and inside board members will benefit from this comprehensive event created to identify and explore issues important to shareholders and depositors alike.



For Whom the Bell Tolls



At the 20th annual Study Conference—later rebranded as *The Southeastern School of Banking*—faculty members were tasked with the formidable challenge of guiding over 140 bankers through a demanding week-long curriculum at Vanderbilt University. With extended hours filled with in-depth lectures, their commitment was evident.

However, the most unique role was entrusted to Clarence Larkins. Larkins, vice president of the Farmers and Merchants Bank (White Bluff), enjoyed the singular responsibility of awakening students each dawn in the dorms. His preferred tool—a handheld gold brass bell. 🇺🇸

Originally published in The Tennessee Banker in September 1963.



Professional Development Calendar

2023

● ● CFO/Controller Forums

September 6 & 7: Session 3 of 3
TBA Gilliam Board Room, Nashville

● 2022-2023 Senior Compliance Officer Forums

September 12: Session 4 of 4
TBA Barrett Training Center, Nashville

● 2023-2024 Senior Lenders and Chief Credit Officers Forums

September 19, 20, 21, 22: Session 1 of 3
TBA Gilliam Board Room, Nashville

● BSA/AML Compliance Management

September 19, September 26 - Virtual
TBA Barrett Training Center, Nashville

● Opening New Accounts in Tennessee

September 21, October 18 - Virtual
TBA Barrett Training Center, Nashville

● Compliance with Federal Lending Regulations

September 26-27
TBA Barrett Training Center, Nashville

● CEO/Executive Management Conference

October 1-3
Fairmont Banff Springs
Banff, Alberta, Canada

● Basic and Advanced IRA (Fall Session)

October 3 & 4
TBA Barrett Training Center, Nashville
October 11 - Virtual

● Community Banking Conference Presented by the Independent Bankers Division

October 25 & 26
Hilton Franklin Cool Springs, Franklin

● Bank Directors Retreat

October 26 & 27
Hilton Franklin Cool Springs, Franklin

● Women in Banking Conference

October 18
Franklin Marriott Cool Springs

● Trust and Wealth Management Conference

October 23-24
TBA Barrett Training Center, Nashville

● 2023-2024 Senior Human Resources Forums

October 26: Session 1 of 3
TBA Barrett Training Center, Nashville

● IT/Operations/Information Security Officer Forums

November 2 & 3: Session 3 of 3
TBA Barrett Training Center, Nashville

● Loan Assistant and Loan Processor Workshop

November 7
TBA Barrett Training Center, Nashville

● Fair Lending Essentials

November 9
TBA Barrett Training Center, Nashville

EDUCATION TRACKS

- Compliance
- Commercial Lending
- Retail Banking/Consumer Lending
- Operations/IT/Human Resources
- Management/Executive
- General Banking

NOTE: All programs and dates listed are subject to change. Visit www.TNBankers.org/events for the most current information about TBA events.

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ckown@bankers-bank.com



Jeff Sands
Correspondent Lending Officer

jsands@bankers-bank.com



Jonathan Simon
Correspondent Lending Officer

jsimon@bankers-bank.com

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