

A Publication of Nashville Bank & Trust Co., In Organization

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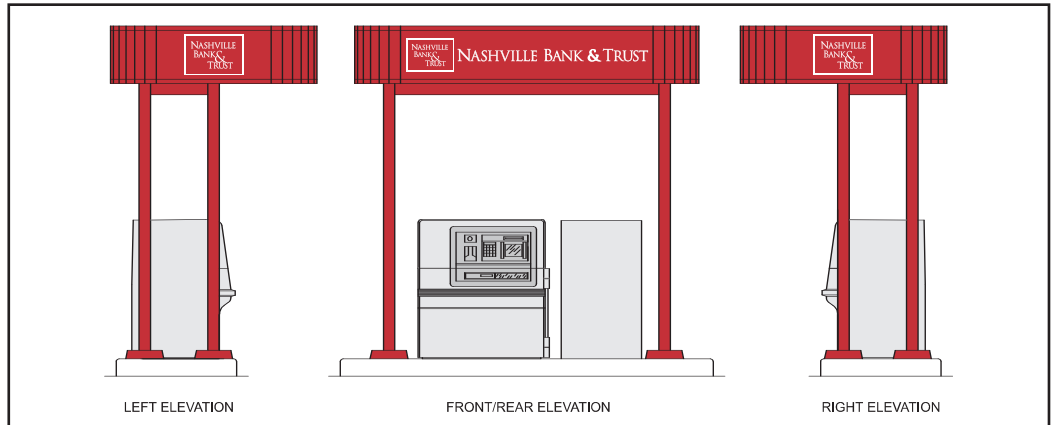
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ATM Being Installed: This rendering depicts the new ATM being installed in front of Nashville Bank & Trust's headquarters at 4525 Harding Road.

Bank Receives State Charter

Nashville Bank and Trust Company, In Organization, has received approval of its application for a bank charter from the state of Tennessee, bank officials announced. The new bank, whose initial private offering has generated subscriptions exceeding \$18 million from approximately 500 investors, plans to open in early fall at 4525 Harding Road.

"We're ready," said Donald Thurmond, chairman and CEO. "We've received a lot of support from the community, demonstrated by the hundreds who have purchased stock, and we're very excited about being able to serve Nashville."

"We've received a lot of feedback as to what was missing in Nashville banking," Thurmond added. "The overwhelming response was a call for a locally owned and operated bank that offered outstanding personal service and was a good value – which this bank will offer."

The bank's name is emblematic of its commitment to the traditions of exceptional service that were once the norm at Nashville banks. It is re-establishing the name and the tradition of the original Nashville Bank & Trust Co., which was founded in 1889 and was an integral part of Nashville's financial landscape for nearly 80 years. ■

Snyder, Swartz, Taylor and Wells Join Bank

Four seasoned bankers with long experience in the Nashville community have joined the bank in key positions:

Tom Snyder, Managing Director, Private Banking;

Kelly Swartz, Senior Vice President and Controller;

Barbara A. Taylor, Vice President, Operations;

Portia Wells, Vice President and Trust Officer, Wealth Management Services.

Mr. Snyder comes to the bank from National Bank of Commerce, where he served as Executive Vice President of private banking. Previously, he was also Senior Vice President of the private client group at



Tom Snyder

SunTrust where he worked in private banking
Snyder story continues on back

Snyder: continued from front

from 1992-2001. Mr. Snyder joined SunTrust (then Third National Bank) in 1984. He earned his bachelors of business administration degree from the University of Kentucky and is a graduate of the Stonier Graduate School of Banking.

Ms. Swartz, CPA, comes to the bank from Franklin National Bank, where she served as Vice President and Chief Financial Officer. Previous to her tenure at Franklin National, **Kelly Swartz** Ms. Swartz was the Audit Senior Manager at Deloitte & Touche, LLP for 10 years.



She earned her bachelors of business administration degree from Murray State University, graduating *cum laude* with a major in accounting.

Ms. Taylor spent 13 years with SunTrust Bank, leaving as Vice President and Trust Officer for the Retirement Services Division. During her tenure, she also served as Strategic **Barbara Taylor** Financial Officer and Relationships Manager for the Retirement Services Division. She is a graduate of Trinity University in Plano where she received a BS in communications and an MBA.



In 1996, the American Business Women's Association named Taylor "Woman of the Year."

Ms. Wells brings seven years of experience in trust and wealth management services to her new position, having served in the trust department of SunTrust Bank of **Portia Wells** Middle Tennessee since 1997. A Certified Trust and Financial Advisor, Ms. Wells is a graduate of The University of the South at Sewanee and the Cannon Trust School, as well as a member of the Nashville Estate Planning Council. ■



Mergers Can Mean Unhappy Bank and Trust Customers

In the past five years, more than half of U.S. households have experienced a bank merger. One in four have been through one in the last year.

A recent article in the *Wall Street Journal* examined the results of a Maritz Research study on bank mergers and how they affect customers. The study showed that 20 percent of customers say they are worse off since their bank went through a merger. Additionally, only 14 percent said they were better off. Among the 20 percent who are unhappy, the reasons cited include a decrease in services and

impersonal treatment.

Trust officers are also coming under fire as banks become larger and less connected to the communities they serve, according to another *WSJ* article.

While bankers who are well known by the families or businesses that establish them initially control most trusts, mergers have caused trust accounts to shift to disconnected managers in far away offices, the article said. Customers experience high turnover, unrelenting marketing for financial products and poor communication from their new bankers.

Trust accounts are, by their nature, very hands on – very relationship driven. Vast corporations cannot put in the time required to offer the service trust clients demand, the *Wall Street Journal* said. As a result, the focus shifts to selling the corporate product of the month. This leads to accusations and lawsuits – the very opposite of "trust." ■

Sources: "Bank Mergers Don't Win All Raves", The *Wall Street Journal*, June 2, 2004; "As Financial Services Consolidate, Trust Managers Come Under Fire", The *Wall Street Journal*, July 20, 2004.

Family Business Facts Point to Need for Estate Planning

by Dr. Jeffrey R. Cornwall, Belmont University

Family businesses drive a significant portion of the US economic system. They generate 64 percent of the Gross Domestic Product, employ 62 percent of the nation's workers and account for 89 percent of total annual U.S. tax return filings.

A recent study of family businesses conducted by scholars from Kennesaw State University, Loyola University Chicago, and Babson College reports that family businesses have seen a more than fifty percent increase in revenues since 1997.

They tend to be run fairly conserva-

tively, making judicious use of debt. In fact, the survey found that more than 25 percent of the respondents reported no debt other than trade payables.

Ownership and management of family businesses tends to be very stable. The study reported that 90 percent of the families plan to still control their companies in five years. And, 85 percent said that next CEO will likely be a family member – and about one out of three said it would probably be a woman.

However, the study did raise a few red flags, one being the lack of current estate planning. Family businesses may not be

properly protected for estate burdens if the current generation member should die suddenly, as only 45 percent reported having a current valuation of their businesses. If the valuation is not kept current, there can be no good estimate of potential estate taxes that would be owed. This often leads to the forced liquidation of these businesses by the heirs of the estate, even if that was not anyone's intention.

Many entrepreneurs who hope to make their companies family businesses may not see this dream a reality without careful planning. ■