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Spreading the word: NBT Chairman Don Thurmond, Vice Chairman Charlie Cook, and President Tom Stumb each present news of Nashville Bank & Trust's growth at the recent shareholder meeting.

DECOSTA JENKINS NAMED TO BOARD OF DIRECTORS

Decosta E. Jenkins, president and chief executive officer of Nashville Electric Service, has joined the board of directors of Nashville Bank & Trust.

Named NES president and CEO in September of 2004, Jenkins joined the public utility in 1991 as senior vice president and chief financial officer and served in that capacity until he was promoted to his current position. He has also served as secretary/treasurer of the Electric Power Board.

"We are proud to have Decosta join our board of directors," said Don Thurmond, NBT chairman and CEO. "His years of financial experience make him a perfect fit for us. We look forward to working with him."

Prior to his tenure at NES, Jenkins spent 11 years in the audit department with Deloitte and Touche, where he worked with both public and private entities. A graduate of the University of Tennessee, Jenkins holds a bachelor's degree in accounting and is a member of the American Institute of Certified Public Accountants.

"I have watched with interest as Nashville Bank & Trust established itself in this market and am impressed with its early success, which

I attribute to a good plan executed by a talented and experienced management team," Jenkins said. "Since Nashville Bank &

Trust is locally owned and managed, the board of directors obviously plays an essential role in the bank's development – a role I am excited about and am honored to accept."

Active in civic life, Jenkins is a member and past treasurer of the Nashville Downtown Exchange Club and served on Gov. Phil Bredesen's transition team. He is also board chairman of Samaritan Ministries/Project S.E.E and on the boards of the Tennessee Rehabilitative Initiative in Correction Board, Goodwill Industries, the Alumni Board of Leadership Nashville, the Salvation Army, Tennessee Valley Public Power Association and Backfield in Motion. He also serves on the Tennessee Supreme Court's Commission on Continuing Legal Education and Specialization, the Nashville Area Chamber of Commerce's Financial Committee and the Board Nominating Committee of the Girl Scouts of America. ■



Decosta Jenkins

Chairman's Letter

Shareholders See the Big Picture: NBT Is Growing

At our recent Shareholder's Meeting, we introduced a new member of the Board of Directors, three new bankers and offered a big picture look at how Nashville Bank & Trust is doing.

We are pleased with the numbers we have seen this quarter. The bank is growing rapidly. Total assets rose from \$38 million in December to \$53 million in March. Our deposits increased by more than \$15 million. Net loans increased by more than \$10 million. Total trust and brokerage assets grew from \$66 million to \$83 million. More of you are putting your trust in Nashville Bank & Trust every day. We appreciate your business.

As we continue to grow with the support of our shareholders, I would encourage each of you to consider how Nashville Bank & Trust can help you attain your financial goals. Elsewhere in this newsletter, you'll find articles on how we tap into the creativity of our banking officers to solve the unusual lending needs of our clients. We offer advice on options for saving for your children's education and we introduce you to some new members of the team who will provide the stellar personal service our customers deserve.

As our assets grow, so does our commitment to our community and customers.



Don Thurmond,
Chairman and CEO

NBT Welcomes Steve Davis

Yet another highly respected Nashville banker has joined NBT. Steve Davis, an attorney and banker with 32 years of experience in Nashville's financial services industry, has joined the bank as senior vice president and trust officer.

The well-known authority on trusts, estate planning and real estate comes to us from SunTrust Bank, where he has served as group vice president in the Wealth and Investment Management department since 1994.

"Steve is one of the most respected bankers in Nashville and we are delighted



Steve Davis

he has joined our team," said Don Thurmond, NBT chairman and chief executive officer. "I am confident that his wealth of experience and practical knowl-

edge about trusts and financial planning will prove very beneficial to the many clients to whom we provide wealth management services."

A frequent lecturer and instructor on real estate and trusts, Steve has taught at the Nashville School of Law, the Graduate School of Banking at the University of Wisconsin and the National Graduate Trust School at Northwestern University.

"Nashville Bank & Trust is a great fit for me," Davis said. "It is an excellent opportunity to work with a team of talented and experienced bankers at a locally owned and operated company."

Previous to his tenure at SunTrust Bank, Davis was executive vice president in the commercial real estate department at First American National Bank (now AmSouth) for 21 years. He holds a bachelor of arts degree from Colgate University and a juris doctor from the Nashville School of Law. A board member of Guardianship and Trust Corporation, he is also a member of the Nashville Bar Association, the Estate Planning Council and the Richland Country Club. He is a reserve elder with the First Presbyterian Church. ■

WHAT PEOPLE ARE SAYING ABOUT NASHVILLE BANK & TRUST

At Nashville Bank & Trust, customer service is what sets us apart. We take the time to get to know our customers so the relationships we build today will be strong in the coming years.

"I've found that their service is tailored to the individual. It is very personalized and attentive. Larger banks can't give you that focus. When you have Charlie Cook and Don Thurmond looking at your accounts personally, you know you're getting the very best in customer service."

– Dick and Linda Stiegele

Payne and McCarter Join Nashville Bank & Trust

Bank officials have added two more members to the team as Linda M. Payne and Deborah D. McCarter have joined Nashville Bank & Trust.

Linda joins us from Bank of America, where she was a banking officer for seven years, most recently working in the private banking area, handling lending and investment services for the bank's high net worth clients. Previously, she was a customer service representative with American General Life and Accident Insurance Company, working with clients and agents in the Midwest region of the U.S.



Linda Payne

Her banking experience includes positions as a teller specialist with First Union National Bank of Tennessee, operations supervisor for Orange County Teachers Federal Credit Union in Santa Ana, Calif., and branch supervisor for HomeFed Bank in Laguna Hills, Calif. She holds a bachelor of arts in history from California State University Fullerton.

Debbie, an Accredited Automatic Clearing House Professional (AAP), comes to Nashville Bank & Trust from Volunteer Corporate Credit Union, where she served as an electronic transfer specialist, processing incoming and outgoing wire transfers and ACH transactions. Previously, she was an accounting clerk with the Kroger Regional Accounting Center in Nashville, where she reconciled

bank accounts for more than 140 Kroger stores. Her banking experience includes work as an ACH reconciliation and support specialist with Troy Financial Services and as operations coordinator for Liberty Bank in Avenel, N.J. She attended Eastern Kentucky University.



Debbie McCarter

“Debbie and Linda demonstrate the kind of knowledge and customer service that set Nashville Bank & Trust apart,” said Don Thurmond, chairman and CEO. “They are both passionate about their work and are committed to serving our client’s needs. It is a pleasure to welcome them on board.” ■

WE WANT TO HEAR FROM YOU!

Do you have comments or questions about the information in Nashville Banking Times? We encourage you to send letters to the editor to tom.stumb@nashvillebankandtrust.com.

If you would like to receive Nashville Banking Times via email, let us know by emailing anna.mcniell@nashvillebankandtrust.com.

Saving for College: Are You Prepared?

by *Beverly K. Hodgson*

Did you know that the cost of education has more than doubled in the past 20 years¹? This dramatic increase is one of the reasons why student loan debt has increased as much as 66% since 1997². These numbers are staggering, but there is a solution that can help alleviate the burden of this expense. 529 College Savings plans offer a solution to parents, grandparents or anyone who wants to help contribute towards the cost of a child’s education. There are many advantages to 529 plans, specifically; tax-deferred growth, tax-free withdrawals, accelerated gifting, reduction of donor’s overall estate, and account control.

The IRS permits accelerated gifting to 529 plans. Accelerated gifting occurs when a person gives an amount equal to 5 years of tax-free gifts in one lump sum.

Currently the annual limit for tax-free gifts is \$11,000 per person. Accelerated gifting allows for the initial investment of \$55,000 from one donor or \$110,000 from a married couple. Accelerated gifting enables these assets to begin growing on a tax-deferred basis while also removing this amount and future appreciation from the donor’s estate. For some investors this means that they can use 529 plans to reduce potential estate taxes by making gifts. This benefits your child or grandchild as well as lowering your estate tax bill.

In most investment accounts, if the owner maintains control of the assets the money is considered part of the owner’s estate. This is not the case for 529 plans. Also in other custodial accounts, for instance UGMA or UTMA accounts, the child may gain control over these assets

when they reach the age of majority which can be as early as age 18. However, gifts made to 529 plans are ‘out’ of the donor’s estate, but remain under donor’s control. The child will not gain control of the 529 assets ensuring they are used solely for the purpose of higher education. A unique characteristic of these accounts is that if one child does not deplete the assets to fund their education, then the remaining assets can be used for another child or grandchild.

Reaching the milestone of college, graduate school or other post graduate studies can be thrilling but also overwhelming. By making 529 plans a piece of your financial planning puzzle it will help you financially, as well as, make a huge difference in the life of your child or grandchild. ■ ¹ UVEST ² Nellie Mae Corp.

CREATIVE LENDING SOLUTIONS: WHAT SETS NASHVILLE BANK & TRUST APART

The clients of Nashville Bank and Trust expect and appreciate the individualized attention they receive. This kind of personal service is particularly important to clients as it relates to their overall wealth management plans which can be affected by the nature of their request, the complexities of their asset structure, the sources for repayment or the sensitivity of the transaction.

“Our goal is to make them feel comfortable, knowing that they will receive our utmost professional attention,” explains Tom Snyder, NBT’s managing director of Private Banking. “We are able to create this comfort level because of the strength of our bankers. Our loan officers have both commercial and consumer lending experience. We have experience with complex transactions, cash flow from different sources and we understand the Nashville market. We know our clients and are able to treat each project individually.

***We know our clients
and are able to treat each
project individually.***

“At Nashville Bank and Trust our clients can depend upon our flexibility, knowledge and experienced lenders to service their financial needs,” added Snyder.

The bottom line: NBT offers lending solutions rather than simply selling customers on pre-packaged loan products of the one-size-fits-all variety.

“Large banks may have a package loan that they sell 400 times a month,” said Overton Colton, chief administrative officer. “That loan will be the same every time. But our customers usually have uncommon needs or income from multiple different sources. We don’t have a mold in which all

our customers can fit. That is why we have to be creative.”

It is this kind of flexibility, knowledge and willingness to put that knowledge to work for our clients that brings so many people to Nashville Bank & Trust. ■