UTAH BANKER

ISSUE 2 | 2020

CORONAVIRUS STRIKES. AMERICA'S BANKS STEP UP.
PAGE 4

GETTING SMALLER MIGHT MAKE YOU STRONGER
PAGE 14

INTEREST RATE SWAPS AND LOAN MODIFICATIONS WITH COVID-19

PAGE 10

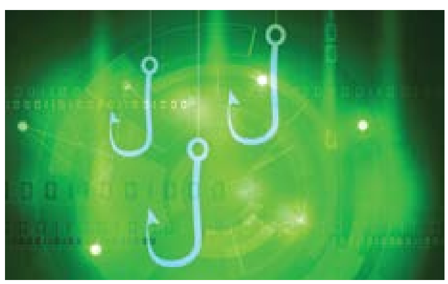
OFFICIAL PUBLICATION OF THE UTAH BANKERS ASSOCIATION

UTAH BANKER

UTAH BANKERS ASSOCIATION

- SINCE 1908 -

CONTENTS



Howard Headlee
President
Utah Bankers Association

I can't think of a better time to have an election for governor. Typically, voters base their vote for governor on issues that the governor doesn't control (like public education). But today, every voter is intensely focused on things the governor actually does control: the state's response to the COVID-19 health crisis and protecting and restoring Utah's economy.

Before I go any further, I want to make a bold prediction about who will be our next governor. After looking at all the candidates and the recent polling, I am confident that the next governor of the State of Utah will be — drumroll — a Republican.

If I am right, any voter who wants to decide who will lead the state out of this crisis should focus their attention on the Republican candidates. The four people on the Republican primary Ballot, due Tuesday, June 30, are: Spencer Cox, Greg Hughes, Jon Huntsman and Thomas Wright (listed alphabetically!)

And they should focus their attention on one fundamental question: which of these candidates is best equipped to lead us out of this health crisis and restore the state to the economic heights we once enjoyed?

This election cannot be about popularity, passionate speeches, folksy slogans or political purity. We must focus on who can achieve the greatest economic results. Without a robust economic recovery, our schools will suffer, and there won't be sufficient resources to address critical issues like Medicaid expansion, homelessness, mental health, air quality, transportation, higher education or anything else.

So which candidate is best equipped to lead us out of this self-imposed economic malaise and back to the economic heights we previously enjoyed? That's the question.

Fortunately, all of the Republican candidates are great men. I know each of them very well and I enjoy the time I get to spend with them. I can recommend each one of them to voters as far as integrity, honesty and sincerity. I know how I will vote, but rather than tell others how to vote, my recommendation is to simply keep your decision focused on our response to the virus and protecting and restoring the economy. Everything else is a distraction.

If we can stay focused on COVID and the post-COVID economy, the choice is simple. Unfortunately, today's elections are usually determined by distractions.

In most cases, campaigns are designed to appeal to the emotions of the voter, not to explore the practical duties of a particular office. If Utah's voters get distracted June 30, things will be much different for our state five years from now.

The outcome of the June 30 primary will have a long-lasting impact on this state we love and all those who live here. Utah's response to COVID and protecting and restoring our economy are the issues our next governor can impact and should be the focus of the election. There are substantive differences between what the candidates have to offer in this area. May we choose wisely.

Let your voice be *heard*!

(without revealing your identity)

By taking our survey you are providing anonymous feedback that will be used to hold regulators accountable. More than 2000 bankers have already participated.

Take a stand. Take the survey.

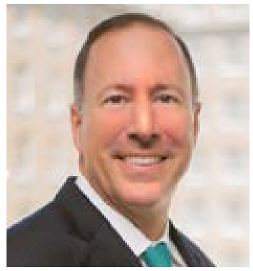
Take the RFI* survey at www.allbankers.org

**RFI = Regulatory Feedback Initiative*

Utah Bankers Association
a proud member of

The COALITION
OF BANKERS ASSOCIATIONS

SYSTEMAX®



Rob Nichols
President and CEO
American Bankers Association

CORONAVIRUS STRIKES.
America's Banks Step Up.

The world is grateful for all who have served on the front lines battling the COVID-19 crisis — the doctors and nurses who have put their lives at risk to care for the sick and dying as well as those who have kept our grocery stores and pharmacies stocked. These essential service providers are the pandemic's heroes, putting the needs of others ahead of their own.

There is another category of workers that also fits this bill. It's the women and men who work for America's banks. You, too, are first responders — not to the health crisis but to the economic crisis spawned by it. And if I could drive by your offices (home or otherwise) honking and holding up signs in appreciation, I would.

Whether working from your main office or the kitchen table, in the first several weeks of the pandemic, you extended critical lifelines to countless households and small businesses suffering from the loss of income resulting from stay-at-home orders. From the loan officer who learned that the trick to getting into E-Tran (the Small Business Administration's portal for submitting Paycheck Protection Program applications) was to try at 2 a.m., to the staff who put in extra time to help customers needing forbearance or other accommodations and the employee disinfecting the ATM each day, you proved that serving your communities is not just your job, it's your calling.

Your personal efforts, combined with banks' institutional responses — waiving fees, offering low-rate personal loan programs, deferring payments and even effectively fronting customers their economic impact payments — demonstrate that banking is first and foremost about helping others.

America's banks weren't just deemed essential businesses by governors in state after state; they became essential partners in delivering massive amounts of federal government relief. Despite its faults, the SBA's unprecedented PPP program — which in its first phase processed 14 years' worth of SBA loans in less than 14 days — simply could not have been executed without banks acting as the middlemen. And thanks to the sophisticated payment system the industry has built over the years, banks have been key conduits for distributing — safely and quickly — tens of millions of economic stimulus payments to individuals.

ABA has been proud to support you in your efforts and to tout publicly all you have done, as we did through aba.com/CoronavirusResponse and the press statements, media interviews and digital ads that pointed people to that page.

As always, our efforts are carefully coordinated with the ABA-State Association Alliance, which has never been more important or more valuable to the industry as a whole. For the first several weeks of the crisis, state association and ABA leaders held daily conference calls to discuss what banks were reporting from the front lines, identify solutions and relay needed policy fixes or guidance to policymakers. The flow of information was equally important in reverse. Sometimes the clarity we all needed from Washington was slow to arrive, but policymakers understood and appreciated that our appeals were solutions-focused and made in good faith. Our most effective advocacy often involved direct phone calls, emails and texts to lawmakers, regulators and top Treasury and SBA officials, with public finger-pointing taking a back seat.

> These essential service providers are the pandemic's heroes, putting the needs of others ahead of their own.

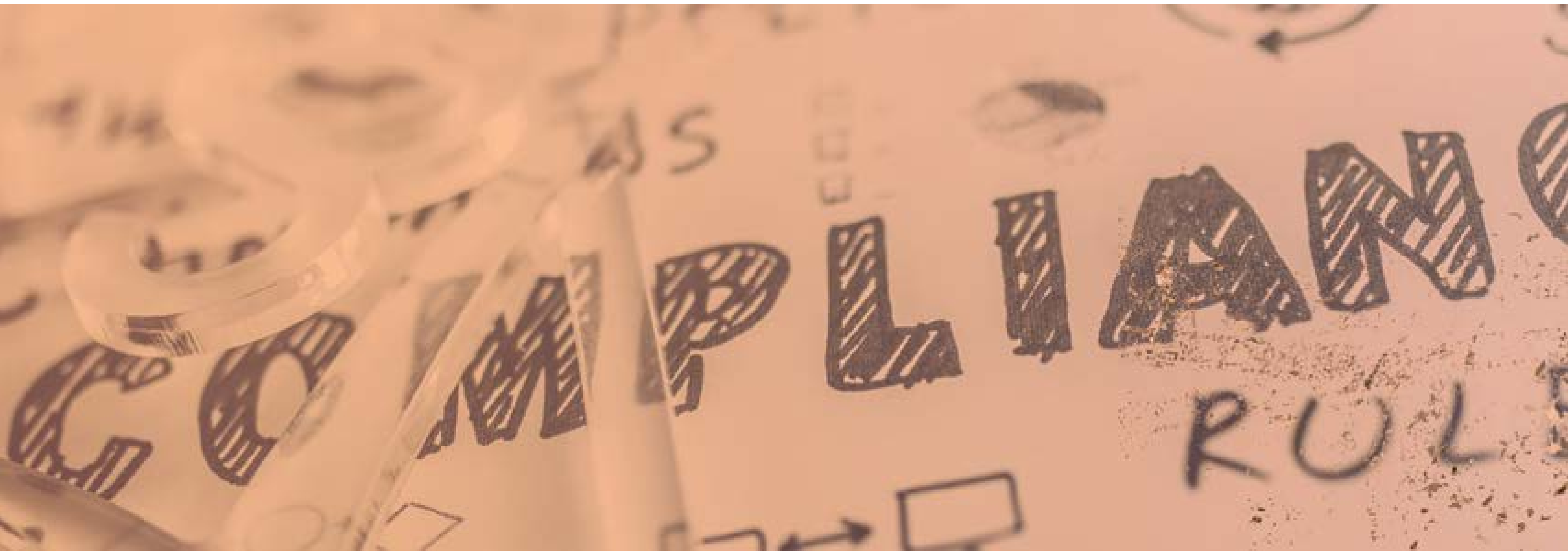
ABA's efforts throughout the crisis, like your state association's, have been focused on ensuring you have what you need to continue supporting your institutions, customers and communities through these extraordinary times.

We deeply appreciate all of your efforts and are committed to supporting you as we work to rebuild the economy. Because every hero needs a sidekick, and we are proud to be yours. ■

E-mail Rob Nichols at nichols@aba.com.

A SOLEMN FAREWELL TO REG. D'S CONVENIENT TRANSFER RESTRICTIONS

By Michael Perez, Associate General Counsel, Compliance Alliance



Effective April 24th, 2020, the Board of Governors of the Federal Reserve System ("Board") did away with a longstanding and, in the opinion of some, outdated rule in Regulation D. The Interim Final Rule amended Reg. D by deleting the six convenient transfers and withdrawals restriction that has become synonymous with savings accounts. Additionally, recent guidance has further clarified aspects of the rule change raised by the Interim Final Rule. Because the rule change puts the ball in each depository institution's court, in terms of whether to continue enforcing transfer restrictions, banks are now left at a crossroads with compliance considerations in proceeding down either path.

With the Reg. D restrictions being antiquated for years due to changes in the industry, what precipitated Reg. D's amendments now? In the Interim Final Rule, the Board noted an "ample reserves regime" monetary policy shift, which led to the Board reducing reserve requirement ratios to 0% effective March 26th, 2020. As a result of the elimination of reserve requirements on all transaction accounts, the Board stated that the distinction between transaction accounts and savings deposit accounts was no longer necessary. Lastly, the Board pointed to disruptions caused by COVID-19, which in turn has caused many depositors to have an urgent need for access to their funds by remote means.

Because the Board pointed to recent developments as a basis of the change, as well as its timing amid the COVID-19 pandemic, has led some to question whether the Reg. D changes are permanent or only temporary to provide relief during the current crisis. The Interim Final Rule, as currently written, did not indicate that these changes are temporary. Additionally, The Federal Reserve Banks ("Banks") further clarified in a recent FAQ that the Board does not have plans to re-impose transfer limits but may make adjustments to the definition of savings accounts in response to comments received regarding the Interim Final Rule as well as potentially in the future if warranted.

With the question of the Interim Final Rule's permanency being somewhat clearer, it is worth noting that many changes caused by the rule are indeed clearly explained. For example, the rule explains that enforcement of the changes is not mandatory. Instead, it is completely up to each bank whether to suspend enforcement of the six transfer limit and even provides that a temporary suspension is an option. Additionally, the rule allows a certain amount of flexibility in that a bank that suspends enforcement of the transfer limits can either continue to report these accounts as savings deposits or report them as transaction accounts for purposes of the FR 2900. Further, the rule does not require reclassification or name changes for affected accounts.

Because it is up to each bank on whether to suspend enforcement of the six transfer limits, one of the most frequent questions we have received is whether notice is required when suspending enforcement. Neither the Interim Final Rule nor relevant guidance regarding the Reg. D changes have specifically stated notice is required. Additionally, Regulation DD only requires advance notice in certain circumstances in which suspension of transfer limits would not trigger.

While banks still have to decide whether they will suspend enforcement of the restrictions as well as tackle compliance considerations either way, ultimately, the elimination of the convenient transfer restriction will relieve banks choosing to suspend enforcement the burden of having to monitor for excessive transactions.

Even though not specifically required by regulation, providing notice is considered a best practice from a customer relationship and UDAAP perspective when significantly changing the terms of an account.

Additionally, for those institutions that will be suspending enforcement of the transfer limitations only temporarily, generally Reg. DD would require advance notice when re-implementing the transfer restrictions, as this would adversely affect the consumer. We have heard from many banks that plan to temporarily suspend enforcement of restrictions that they plan on providing a statement notice informing the customer of the change and indicating the date on which the restrictions will be re-implemented.

Another issue presented by the change is whether it is necessary to amend account agreements. While the Interim Final Rule does not specify the manner in which account agreements may be amended, the issue of whether they should be amended remains open. If choosing to suspend enforcement of the restrictions, this would arguably lead to a conflict between the depository institution's practices and the current terms of the account agreement. Additionally, even if not suspending enforcement of the restrictions, it is common to cite Reg. D as a source of the restrictions, which is no longer the case. Either of these issues could cause compliance issues for a depository institution and, therefore, should be taken into consideration in determining how to proceed.

Lastly, it initially appeared that the Reg. D amendments had caused an unintended consequence concerning Regulation CC. Because Reg. CC defines "account" by referencing Reg. D's amended definition of "transaction account," it appeared that this had caused conflict within Reg. CC and presented a question of whether saving deposit accounts were now subject to Reg. CC. The Board clarified the impact of the Reg. D amendments on Reg. CC in a recent FAQ. The Board provided that because Reg. CC continues to exclude savings accounts from Reg. CC's "account" definition, the amendments did not result in savings deposits now being covered by Reg. CC.

While banks still have to decide whether they will suspend enforcement of the restrictions as well as tackle compliance considerations either way, ultimately, the elimination of the convenient transfer restriction will relieve banks choosing to suspend enforcement the burden of having to monitor for excessive transactions. Additionally, for bank's opting to suspend enforcement, the changes will benefit account holders by providing greater accessibility to funds. While there will be effort and resources required in implementing these changes, overall, it appears the Reg. D changes have the potential of providing a net benefit to banks and account holders alike. ■

Michael Perez, Associate General Counsel
Michael presently serves as Associate General Counsel for Compliance Alliance. He holds a bachelor's degree in Business Administration in Finance from the University of Texas McCombs School of Business. While attending Baylor Law School, he further pursued his interest in finance by taking a variety of courses that focused on transactional and business issues. After law school, Michael worked at a litigation firm with a specific focus on collection matters.

Commercial Lending Development Program

The Commercial Lending Development Program (CLDP) emphasizes the entire commercial loan life cycle and provides participants with current lending approaches, an updated focus on key analytics and regulatory issues. Students will improve their credit and marketing skills as a result of this training, learning best practices by participating in case studies and learn first-hand from industry executive speakers.

DATES AND TOPICS:

- September 17, 2020: Marketing/Business Development/Negotiations
- September 18, 2020: In-Depth Financial Analysis
- October 29, 2020: In-Depth Cash Flow
- October 30, 2020: In-Dept Loan Structure
- November 19, 2020: Credit Memorandum Preparation/Presentations
- November 20, 2020: Loan Review/Documentation/Compliance and Regulations
- December 10, 2020: Problem Loan Monitoring/Business Law/Lender Liability
- December 11, 2020: Comprehensive Overview: Senior Credit Officer Presentations and Panel; Credit Presentations

REGISTRATION FEES

UBA Members: $2,250 before August 14, $2,375 thereafter

Non-Members: $3,750 before August 14, $4,000 thereafter

Visit our site to register

www.utah.bank

Wasatch Retreat Center
75 South 200 East
Salt Lake City, UT 84111

UPCOMING EVENTS

August

Utah, Idaho, Oregon, Nevada, and Washington Bankers Associations Virtual Convention
August 5-6, 2020

Women in Banking Conference
August 26, 2020

September

Utah Banks and Partners Golf Classic
September 10, 2020
Holladay, UT

Commercial Lending Development Program
September-December 2020
Salt Lake City, UT

October

Fall Compliance Conference
October 27-29, 2020
Park City, UT

November

Emerging Bank Leaders Conference

December

Bank Executive Winter Conference

INTEREST RATE SWAPS AND LOAN MODIFICATIONS WITH COVID-19

By Jay Kenney, SVP, Regional Manager, PCBB

The coronavirus has definitely changed things. One of the ways that it has changed life for business owners is that many need loan modifications quickly. If you are like many community banks, you are looking for nimble and diverse ways to help your customers with this need. Interest rate swaps give you a way to do this.

While there are many different ways that interest rate swaps can be used, they are ultimately agreements between two different entities that trade one interest payment for another, for a predetermined amount of time. Typically, interest rate swaps involve the exchange of a fixed-rate payment for a floating-rate payment, based on LIBOR (or another rate such as fed funds) plus an additional percentage.

Amid the uncertainty and business slowdown for many, it is crucial to **provide the needed loan adjustments** in a timely manner. While there are other options available, this may be the most effective and timely. Lenders can extend terms to minimize payment issues due to the current market environment while mitigating risk by boarding a floating rate on their books.

Not only can you help your business customers with their critical needs with interest rate swaps, but you also have the **opportunity to generate fees.** You may not necessarily be thinking of fees right now. On the contrary, you may be waiving some fees. But if you have the option to make up for some of the lost fees or the contracted NIM spread, wouldn't you?

Even before the COVID-19 crisis, interest rate swap activity was increasing. In fact, industry professionals believe that the volume of activity essentially doubled in 2019 from the previous year. The level of awareness has risen markedly in the past few weeks, too, as more financial institutions have found this avenue for loan modifications.

If you need another option when talking to your business customers, consider interest rate swaps. You may want to remember this as an opportunity when you are **reviewing your loan portfolios** too. Given the low level of interest rates, this may be the perfect time to modify an existing loan through an amend/extend structure while utilizing an interest rate swap.

We hope we have provided you with a valuable option to discuss with your business customers as they seek loan modifications. To continue the discussion or for more information, please contact Jay Kenney. ■

Jay Kenney
SVP, Regional Manager, PCBB
Phone: (213) 247-5096
jkenney@pcbb.com
pcbb.com

Dedicated to serving the needs of community banks, PCBB's comprehensive and robust set of solutions includes: cash management, international services, lending solutions, and risk management advisory services.

DO YOUR HOMEWORK:
KEY DUE DILIGENCE CONSIDERATIONS IN EVERY COMMERCIAL REAL ESTATE LOAN

By Landon A. Hardcastle, Jones Waldo Holbrook

INTRODUCTION

It goes without saying but, before closing any loan, a lender should understand and feel confident about the collateral securing its loan. This is especially true, but a little harder to do when the collateral for a loan is commercial real estate since every piece of commercial real estate comes with its own set of unique issues and corresponding risks. Consequently, prior to closing any loan secured by commercial real estate (a "CRE Loan"), a lender should perform detailed due diligence to both understand and seek to mitigate any risks associated with its collateral. To that end, a standardized, comprehensive method of reviewing and evaluating information regarding the real estate collateral is critical.

The purpose of this article is to advise lenders of a few key due diligence considerations in every CRE Loan. This article also advocates that lenders should prepare a thorough due diligence checklist for every CRE Loan.

KEY REAL ESTATE DUE DILIGENCE CONSIDERATIONS

Due diligence for a CRE Loan will vary depending on the specific facts and circumstances of each transaction. However, in all CRE Loans, a lender should pay particular attention to the following key items and related issues:

TITLE

At the beginning of the due diligence process, the lender should obtain a current title insurance commitment for the real property along with copies of all recorded exception documents referenced therein. In reviewing these recorded documents, special consideration should be placed on the following items:

- Recorded documents relating to property use requirements or restrictions. These documents may be entitled "Covenants, Conditions and Restrictions" (i.e., CC&Rs) or something similar and, in addition to use requirements or restrictions, may set forth other important items the lender will want to know about such as construction guidelines and maintenance obligations for the improvements, assessment rights for owners' associations, access to common areas, landscaping buffers, setbacks, reciprocal rights to use the property for access or parking, etc. Many times review of these documents reveals potential issues with the current or proposed use of the property that will need to be resolved before closing.
- Recorded easements that burden the property, including blanket easements that burden the entire property. Based on its review of the survey, the lender may want to obtain endorsements to its title insurance loan policy that provides insurance in case any easement encroaches onto existing or planned improvements.
- Recorded easements that benefit the property, including access easements in the event the property, does not abut a publicly dedicated street. In the event beneficial easements exist and are not included in the legal description contained in the title commitment, the lender will want these easements added to the insured legal description in its title insurance loan policy.

- Any recorded liens or other claims to the property that will need to be paid off or otherwise resolved prior to closing.

SURVEY

The lender should also obtain a survey of the real property prepared in accordance with the latest 2016 national standards promulgated by the American Land Title Association and National Society of Professional Surveyors (i.e., a 2016 ALTA/NSPS Land Title Survey). Because this type of survey can take a while to complete, it should be ordered at the beginning of the due diligence process. At the very minimum, this survey should (a) confirm that the legal description of the real property matches the legal description in the title commitment obtained by the lender, (b) reference the title commitment obtained by the lender and show the effect on the property of all exception items, including showing the location of all easements and detailing any existing encroachments, and (c) identify legal access to the property. Any issues identified by the lender or its counsel in the survey review will have to be resolved prior to closing. For example, encroachment agreements may be necessary if any encroachments are identified on the survey or, in the event the legal description in the title commitment does not match the legal description in the survey, the borrower and the title company will need to work together to determine the correct legal description for the property.

HAZARDOUS MATERIALS

Environmental contamination can considerably affect the value of the real property. Moreover, a lender opens itself up to liability if it makes a loan secured by real property that requires environmental remediation. Thus, to eliminate the risk of liability in the event of environmental contamination, the lender should obtain a Phase One Environmental Assessment (a "Phase One"). A Phase One is used to meet the US Environmental Protection Agency's standard of "all appropriate inquiry" to be eligible for certain protections under the Comprehensive Environmental Response, Compensation, and Liability Act (i.e., CERCLA). If the Phase One raises any environmental concerns, the lender will most likely want to involve an environmental expert to perform additional site investigation, which is often referred to as the "Phase Two" assessment.

Due diligence for a CRE Loan will vary depending on the specific facts and circumstances of each transaction.

LEASES

For CRE Loans involving retail, office, or industrial buildings, the lender or its counsel should review all leases of the real property. Since the lender depends on the income generated from leases to pay debt service on the loan, the lender should review the leases for landlord payment obligations as well as any rights of the tenant to offset or abate rent that may adversely affect the future rent payments. In addition, the specific terms of the leases and the creditworthiness of the tenants thereunder greatly affect the value of the real property collateral. As a result, the lender should review all leases for, among other things, provisions subordinating the lease to the lender's deed of trust lien, mortgagee protection provisions, purchase rights, co-tenancy provisions, termination rights, landlord construction obligations, tenant improvement allowances or other provisions that may affect the overall market value of the lease.

ZONING

Since a city can shut down operations at a property that violate zoning restrictions, the lender must confirm that the property's use conforms to local zoning ordinances prior to loan closing (or if the property is non-conforming, that it has been granted an exemption or is grandfathered). Zoning should also be reviewed to confirm that the property complies with all relevant setbacks, building area, open space, height restrictions, and parking. Cities will generally provide a zoning certification letter confirming a property's compliance with local zoning ordinances; however, these letters are not created equal and, as a result, the lender needs to review these letters with an eye on what is actually covered by the letter and what must be determined through additional zoning due diligence. The lender may want to hire a zoning review consultant to prepare a zoning report to address all relevant zoning ordinances and issues.

CHECKLISTS

Tracking all of the various due diligence items for a CRE Loan can be a cumbersome task. As a result, at the very beginning of the due diligence process, the lender and its counsel should prepare a due diligence checklist and circulate the same to the borrower and its counsel. In preparing the checklist, the lender should keep in mind that each transaction is unique and, consequently, the checklist should not be prepared in a perfunctory manner. Rather, the checklist should be thoughtfully prepared and tailored to the details of the specific property and for applicable law. In addition, to ensure that all due diligence matters are addressed and resolved in a time and cost-efficient manner, it is also wise to hold regular status calls with the borrower to run through the various open items on the checklist. By so doing, the lender can ensure that it has addressed all possible issues and, thus, taken the necessary steps to mitigate or avoid any and all risks associated with extending the CRE Loan. ■

Landon A. Hardcastle, an attorney with the law firm of Jones Waldo Holbrook and McDonough, and concentrates his practice in real estate and commercial finance. Landon may be reached at lhardcastle@joneswaldo.com or 801-534-7288.

GETTING SMALLER MIGHT MAKE YOU STRONGER

By Scott Hildenbrand and Matthew Forgotson, Piper Sandler

Just several weeks ago, the prevailing wisdom was that banks would enter the next downturn from a position of relative strength, manifest in strong pre-provision earnings profiles, pristine credit quality and an abundance of capital relative to pre-Great Recession levels.

Then a black swan named COVID-19 showed up on our doorstep. The economy didn't slow down — it came to a screeching halt. We are now in a recession.

Appropriately, bank management teams and institutional investors are laser-focused on safety and soundness. Banks must prove their capital bases to earn the right to refocus on growth.

Against this painful backdrop, we examine how banks can bolster capital ratios by selling select bonds into a strong bid and using the proceeds to remove inefficient wholesale leverage. Institutions that are comfortable with their capital profiles might choose to return the balance sheet to its original size by releveling at a wider spread.

Let's evaluate these options from the perspective of Bank A, a solidly profitable community bank.

BANK A'S FUNDAMENTAL PROFILE

Bank A has assets of $1 billion and its asset-liability profile is effectively neutral. During a recent review, management identifies $25 million of wholesale leverage earning a negative spread. Management decides to evaluate two strategies: Strategy 1: sell securities and pay down debt (Delever) and Strategy 2: sell securities, pay down debt, and relever the balance sheet (Delever/Relever).

Strategy 1: Remove $25 Million of Inefficient Leverage			
	Balance	Yield/Cost	Int. Inc./Exp.
Securities	25,000	2.25	563
Borrowings	25,000	2.35	588
Pre-Tax Benefit			25
After-Tax Benefit (21% tax rate)			20

Strategy 1: Impact Analysis			
	Pre-Strategy	Pro Forma	Change
Assets	1,000,000	975,000	-25,000
Net Interest Income	36,000	36,025	25
Core Net Income[1]	13,500	13,520	20
Core EPS	4.50	4.51	0.01
Return on Assets	1.35	1.39	0.04
Net Interest Margin	4.00	4.12	0.12
Tang. Common Equity/Tang. Assets	12.0	12.3	0.31

[1]Assumes that gain on sale of securities offsets loss on debt extinguishment.
Source: Piper Sandler & Co.

Strategy 2: Remove $25 Million of Inefficient Leverage & Relever			
	Balance	Yield/Cost	Int. Inc./Exp.
Securities	25,000	1.50	375
Borrowings[1]	25,000	0.55	138
Pre-Tax Benefit			238
After-Tax Benefit (21% tax rate)			188

Strategy 2: Impact Analysis				
	Pre-Strategy	Delever	Relever	Chg. from Base
Assets	1,000,000	975,000	1,000,000	0
Net Interest Income	36,000	36,025	36,263	263
Core Net Income[2]	13,500	13,520	13,707	207
Core EPS	4.50	4.51	4.57	0.07
Return on Assets	1.35	1.39	1.37	0.02
Net Interest Margin	4.00	4.12	4.03	0.03
Tang. Common Equity/Tang. Assets	12.0	12.3	12.0	0.00

[1]Reflects 3-month FHLB Des Moines borrowing w/ 5 year pay-fixed swap. FHLB rates not dividend adjusted. Pricing is for illustrative purposes only as of May 19, 2020.
[2]Assumes that gain on sale of securities offsets loss on debt extinguishment.

Side-by-Side: Impact Analysis			
	Pre-Strategy	Strategy 1 Delever	Strategy 2 Delev./ Relev.
Assets	1,000,000	975,000	1,000,000
Net Interest Income	36,000	36,025	36,263
Core Net Income[1]	13,500	13,520	13,707
Core EPS	4.50	4.51	4.57
Return on Assets	1.35	1.39	1.37
Net Interest Margin	4.00	4.12	4.03
Tang. Common Equity/Tang. Assets	12.0	12.3	12.0

[1]Scenario assumes that gain on sale of securities offsets loss on debt extinguishment.
Source: Piper Sandler & Co.

STRATEGY 1: REMOVE $25 MILLION OF INEFFICIENT LEVERAGE

Bank A has $25 million of securities yielding 2.25% funded with wholesale borrowings costing 2.35%, as shown in the table above. This segment of the balance sheet is "upside-down" by 10 basis points, which results in a pretax earnings drag of $25k and an after-tax drag of $20k, assuming a 21% effective tax rate. Merely removing the negative spread would be a penny accretive to EPS, four basis points accretive to ROA, and 12 basis points accretive to NIM. The transaction also shrinks the balance sheet, nudging the TCE ratio from 12.00% to 12.31%.

Simultaneously, management completes a granular review of the loan portfolio, securities portfolio, loan loss reserve and other real estate owned. Management anticipates that a weakening economy will necessitate elevated loan loss provisions. Still, management observes that even in the most draconian economic scenario, the bank would remain solidly profitable. Thus, management is open to utilizing the 31 basis points for improvement in the TCE ratio.

BEFORE PRESSING ON, THREE NOTES TO CONSIDER:

1. For illustrative purposes, we assume that the gain on the sale of securities offsets the debt extinguishment charge. This is convenient, but not always the case. Importantly, the relative size of these accruals dictates the impact on GAAP and regulatory capital. The realized gains on the sale of securities are accretive to regulatory capital, but most likely neutral to GAAP capital because most of the gain already lives in OCI.

   Alternatively, the debt extinguishment charge reduces both regulatory capital and GAAP capital. It's also worth mentioning that investors tend to strip both accruals out of core earnings. Today, banks can sell agency MBS and agency CMBS (DUS and GNPLs) into the Federal Reserve's strong bid to source gains that offset the debt extinguishment charge.

2. It is self-evident that wholesale leverage earning a negative spread is inefficient. However, wholesale leverage earning a positive spread can also be inefficient if it steers the asset-liability profile away from neutral in a meaningful way, clouds earnings or relative profitability metrics, weighs disproportionately on capital metrics, or precludes alternative uses of capital that could create franchise value or foment incremental demand for the shares.

3. We assume that we're removing match-funded wholesale leverage. Thus, there is no impact on the bank's asset-liability profile. Again, convenient, but not always the case. Before greenlighting a delever, measure the impact on credit, convexity and liquidity.

STRATEGY 2: REMOVE $25 MILLION OF INEFFICIENT LEVERAGE AND RELEVER AT A WIDER SPREAD

Management might choose to leverage the 31 basis points of capital by adding →

→ $25 million of match funded wholesale leverage. The net effect is to return the balance sheet to its initial size.

Specifically, management evaluates rolling a three-month FHLB advance and creating term rate protection with a five-year pay-fixed swap costing 0.55% (aka the "Beat-the-Spread" funding strategy) and deploying the funds into securities yielding 1.50%.

By executing this strategy, Bank A converts a negative spread of 10 basis points into a positive spread of 95 basis points without skewing its asset-liability profile. The strategy produces 7 cents of EPS accretion, two basis points of ROA accretion, and three basis points of NIM accretion.

(Please note: If management were concerned about shrinking in the future, they might consider funding the securities purchases with short-term FHLB advances or brokered CDs rather than with a pay-fixed swap. The asset-liability implications of liability-sensitive leverage can be offset by purchasing shorter duration fixed-rate or floating-rate bonds.)

THE FINAL DECISION

Once the strategies are built, evaluate them side by side.

Strategy 1 (Delever) delivers slight core net income and EPS accretion, but powerful lift in relative profitability metrics. Strategy 2 (Delever/Relever) generates more core net income and EPS accretion, but less improvement in relative profitability metrics. Critically, Strategy 1 is capital accretive, while Strategy 2 is capital neutral. Based exclusively on the numbers, management would love to execute Strategy 2. However, management understands that in these uncertain times, capital is king. For this reason, management executes Strategy 1.

ADDITIONAL STRATEGY CONSIDERATIONS

We have structured this case study to focus on two narrowly tailored strategies, but there is so much more that banks can do right now. Three strategies come to mind straight away:

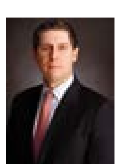
1. Banks can sell MBS or CMBS into the Federal Reserve's strong bid. Again, realized gains bolster regulatory capital, though they're most likely neutral to GAAP capital. Realized gains can also be used to anchor a portfolio repositioning to curtail credit risk, premium risk and reinvestment risk (i.e., fast paying bonds).

2. Institutions that are participating in the Paycheck Protection Program might view the net income from the program as a "backdoor capital raise." Banks that are comfortable with their credit and capital profiles might choose to leverage the proceeds.

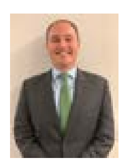
3. Depositories that are bracing for a deceleration in loan demand could pre-invest projected principal cash flows expected, say, over the next year. This strategy would require sourcing short-term wholesale funding, which would put temporary downward pressure on capital ratios. However, the principal cash flows would be used to pay down the short-term debt, ultimately returning the balance sheet to its original size.

CONCLUDING THOUGHTS

The key is to think holistically about your options, assessing each strategy's impact on your institution's asset-liability, earnings, credit, convexity, capital and liquidity profiles. Then think about how you're going to communicate the strategy to your stakeholders. Does the strategy resonate in a world in which safety and soundness matter so much more than profitability and growth? If so, move forward. If not, revisit your options. ■



Scott Hildenbrand is a managing director and head of Balance Sheet Analysis and Strategy in the Financial Services Group at Piper Sandler. Hildenbrand heads the Balance Sheet Analysis and Strategy Group, working with financial institutions on balance sheet strategy development, which includes interest rate risk management, investment portfolio strategy, retail and wholesale funding management, capital planning, budgeting, and stress testing. Hildenbrand also runs Piper Sandler Hedging Services, LLC, which is registered as a swap introducing broker with the Commodity Futures Trading Commission and is a member of the National Futures Association. In these capacities, Hildenbrand works closely with the firm's Investment Banking Group to identify and develop strategic opportunities for clients involved in mergers and acquisitions. Previously, he was a Principal and Chief Balance Sheet Strategist of Sandler O'Neill + Partners, L.P. Prior thereto, Hildenbrand worked in Sandler O'Neill's Interest Rate Products Group, focusing on developing and implementing structured wholesale funding strategies for financial institutions. He spent his first four years at the firm in the Asset/Liability Management Group. Prior to joining Sandler O'Neill in 2004, Hildenbrand worked as a financial analyst in asset/liability management at Tower Federal Credit Union in Maryland. Hildenbrand serves as treasurer on the Board of Directors for Liam's Room, a not-for-profit organization that focuses on pediatric palliative care, a specialized approach to medical care for children with serious illnesses. He is a frequent speaker at industry conferences and seminars. He holds an MBA in finance from Loyola College in Maryland and a bachelor's degree with a concentration in accounting and finance from Gettysburg College.



Matthew Forgotson is a director of Balance Sheet Analysis and Strategy in the Financial Services Group at Piper Sandler. Previously, Forgotson served as a director in Sandler O'Neill's Balance Sheet Analysis and Strategy Group since 2018. Prior thereto, Forgotson served as senior analyst and director in Sandler O'Neill's Equity Research Department, covering small and mid-cap banks and thrifts across the United States since 2010. For his work in 2017, Forgotson earned Thomson Reuters StarMine Awards for stock picking and earnings estimation. Forgotson started his career in Washington, D.C. working for Senator Joseph I. Lieberman and the Center for American Progress. Forgotson earned a B.A. in Political Science with Distinction from the University of Michigan as well as an MBA in Finance from the Zicklin School of Business at Baruch College.

#BANKERS4GOOD

SOCIAL MEDIA COORDINATION CAMPAIGN

Let's show everyone the critical role banks play in the success of our community. Here are the steps:

1. PLUG IN

- Follow us on your favorite social media platform ...
    - Twitter: @utahbankers
    - Instagram: @utahbankers
    - Facebook: Utah Bankers Association
    - LinkedIn: Utah Bankers Association
- Follow #Bankers4Good on your favorite social media platforms

2. TAKE ACTION

- Share, like, repost and retweet the stories you see on social media.
- Use #Bankers4Good when posting stories.

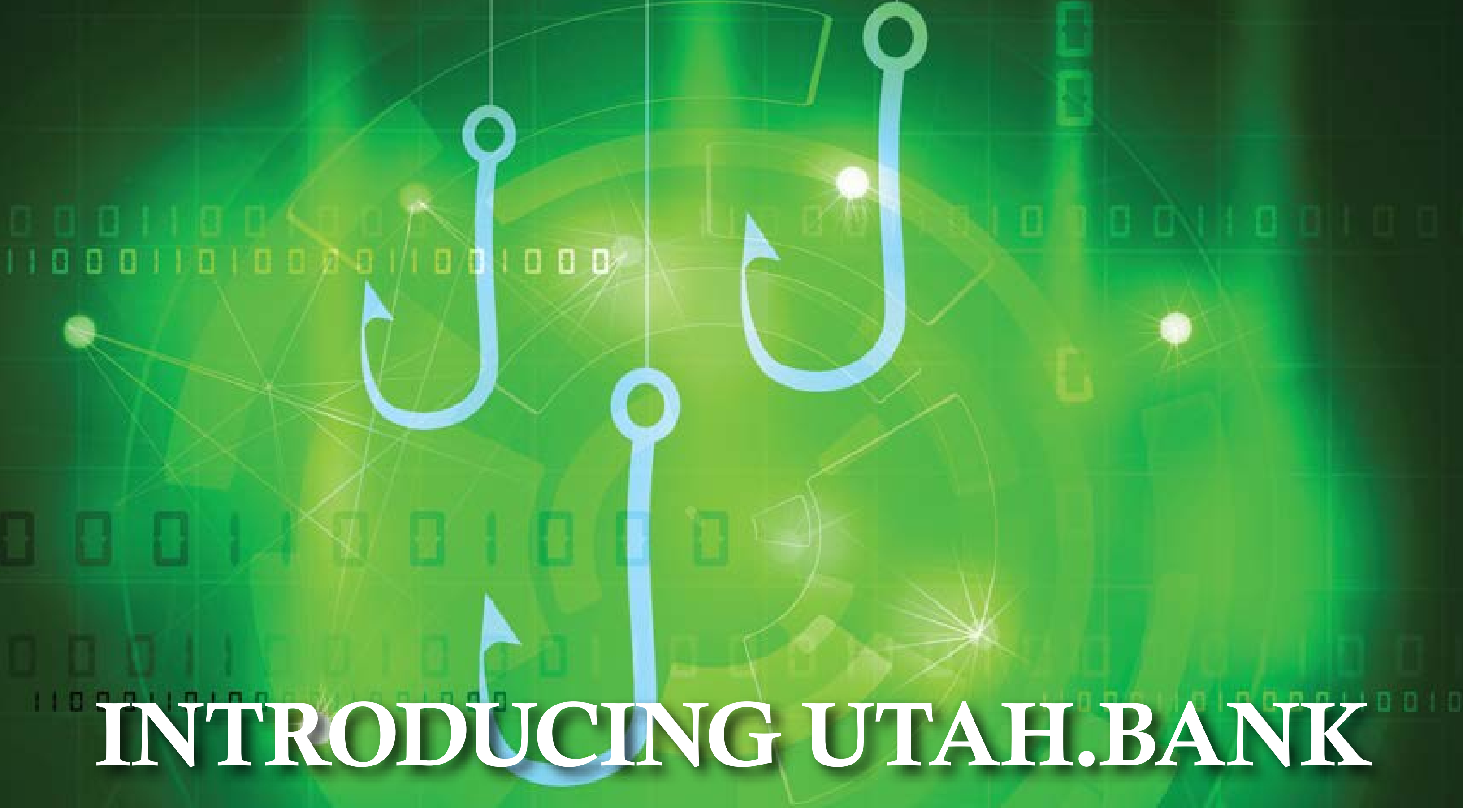
SAVE THE DATE:

UTAH BANKERS ASSOCIATION PRESENTS:

4TH ANNUAL UTAH BANKS & PARTNERS GOLF CLASSIC

SEPTEMBER 10, 2020

OLD MILL GOLF COURSE
6080 WASATCH BLVD
HOLLADAY, UT 84121



INTRODUCING UTAH.BANK

Email and cybersecurity are critical for the banking industry, particularly so for community banks who are increasingly the target of cyberattacks as they look to balance between regulatory burdens on capital and investing in IT security infrastructure. Phishing, spoofing and other cyberattacks are on the rise, accounting for over 92% of all breaches and the majority of identity theft and financial fraud cases in 2019. Now, with the outbreak of COVID-19, bad actors are taking advantage of the panic, the chaos, the remote workers and the escalation of B2C email to ramp up their activities.

We know you rely on us for information, and we want to be sure you can immediately authenticate and trust all email and online interactions with us. To enhance our cybersecurity posture and to give you a visual cue for authenticating all interactions with us, we have transitioned our UBA.org website and emails over to utah.bank. From now on, you can be certain that the email is from us, not a phishing attack, and that the website is ours when you see "utah.bank."

We will always put the security of our member banks first, which is why our move to .bank was prioritized during this time of escalated cybersecurity threats.

Please review these important changes regarding utah.bank:

UBA WEBSITE

Please bookmark the new UBA website address — utah.bank — for future use. Past links using Utah.org will redirect automatically to the new bank site.

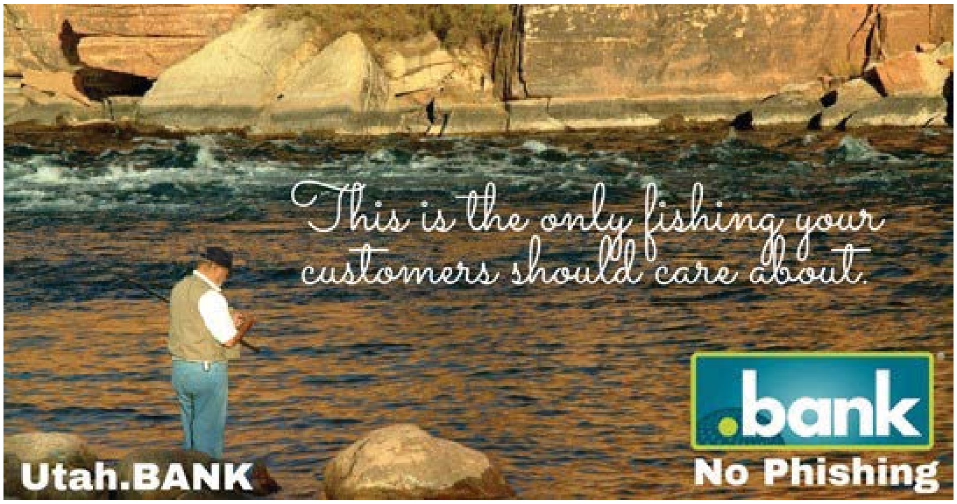
UBA EMAIL

Please update your address book with UBA's new emails:

- Howard Headlee — howard@utah.bank
- Becky Wilkes — bwilkes@utah.bank
- Lindsay Scott — lindsay@utah.bank
- Sara Matute — sara@utah.bank
- Anna Dudley — anna@utah.bank

Important note: Emails that you send to the former @uba.org will be forwarded to the new .bank emails, but emails received from uba.org should be considered suspicious.

For questions and more information, please contact Sara Matute at sara@utah.bank or visit registar.bank.



BANK KUDOS

ALTA BANK

ALTA BANK IS NAMED THE 2020 BEST OF STATE WINNER IN THE COMMUNITY BANKING CATEGORY

Altabank, Utah's largest community bank, has been named the 2020 Best of State winner in the community banking category. The award is based on Altabank's unmatched service to its clients and the communities it serves and reflects the bank's commitment to powering clients' financial success.

Altabank also is actively supporting business clients by deferring loan payments and participating in programs established by the CARES Act. With the financial strength of its parent company, People's Utah Bancorp (NASDAQ: PUB), Altabank is well positioned to take extra steps to help its clients. PUB recently reported first quarter earnings with total assets of $2.477 billion and net income of $10.77 million. The bank also reported an 11% increase in deposits, further cementing its position as the largest community bank in Utah.

BANK OF UTAH

BANK OF UTAH CELEBRATES A SUCCESSFUL CHOW DOWN CHALLENGE

Bank of Utah recently completed a successful Chow Down Challenge that resulted in donating nearly $8,000 to local restaurants in its 17 branch markets from Snowville to St. George, in April and May. The bank gave participating restaurants $20 for every takeout or delivery order photo that customers posted on Facebook, Twitter or Instagram, along with the local restaurant's name, location and the tags #BoUChowDown and @BankofUtah.

"In times of crisis, it's very important to band together," said Douglas L. DeFries, president of Bank of Utah. "So, we created a fun and creative way for people in the community to help local restaurants survive during a time when they had to dramatically reduce their business to takeout and delivery services only. Utah's restaurateurs did their best to keep us fed while protecting their employees and the public from the COVID-19 virus, and we rewarded them with a little extra cash to show our appreciation."

KEY BANK

KEYBANK RANKS #35 ON THE 2020 TOP 50 COMPANIES LIST FROM DIVERSITYINC

KeyBank was recently ranked 35th on the 2020 DiversityInc "Top 50 Companies for Diversity" list in recognition of its continued commitment to and advancement of diversity, equity and inclusion practices. KeyBank was also recognized on multiple specialty lists, including:

- Top 29 Companies for LGBT employees for the second consecutive year
- Top 16 Companies for People with Disabilities for the second consecutive year
- Top 13 Companies for Veterans for the first year

"Diversity, equity, and inclusion are business accelerators and real differentiators for our colleagues, for our clients, and for our communities. I am incredibly proud of this company, our culture, and our diverse and talented team. We are honored to be named a Top 50 Company for Diversity for the eleventh time," shared Chris Gorman, chairman and CEO, KeyCorp.

With more than 1,000 participants, DiversityInc's empirically-driven rankings are based on 2019 company-submitted data in six key areas: leadership accountability, human capital diversity metrics, talent programs, workforce practices, supplier diversity, and philanthropy.

KEYBANK TEAMS UP WITH UTAH JAZZ FOR COVID-19 SUPPORT

KeyBank joined forces with the sports community recently to support small businesses and aid essential workers in local communities, including a partnership with Joe Ingles from the Utah Jazz.

Through the #KeyBankAssists program, KeyBank and Ingles surprised people in and around Salt Lake with gift cards to local restaurants, and the two teamed up to make a $10,000 donation to Kulture City. Kulture City is a local non-profit organization that aims to make everyday environments more inclusive to people with autism and post-traumatic stress disorder.

In addition to partnering with Ingles, KeyBank also provided support to the Utah COVID-19 Community Response Fund and the Feeding the Frontlines Fund. The company also teamed with various professional sports teams across the nation to support their local communities with donations similar to those made with Ingles, including the Pittsburgh Penguins, Cleveland Cavaliers, Indiana Pacers, Portland Timbers, Seattle Mariners, Colorado Avalanche and others.

U.S. BANK

U.S BANK DONATES MEALS TO SALT LAKE'S FIRST RESPONDERS AND FRONTLINE WORKERS

U.S. Bank's ongoing #SupportLocal campaign donates meals to Salt Lake's first responders and frontline workers who are keeping us safe, cared for and fed during the Covid-19 crisis. The bank's Utah team donated more than 1,400 meals to the caregivers at McKay-Dee Hospital, and has also provided meals to supermarkets, childcare providers and police departments and sheriff's departments across the greater metro area. Many of the meals are purchased from local eateries, helping to support small businesses in the process. (Attached are photos from some of the deliveries).

U.S. BANK PROVIDES MUCH NEEDED GRANT TO THE SALT LAKE ROAD HOME

The Road Home, which provides assistance to individuals and families experiencing homelessness in Salt Lake City and along the Wasatch Front, announced in April that it received a grant from U.S. Bank's Market Impact Fund program to help respond to pressing community needs caused by the COVID-19 pandemic. The $25,000 grant to the Road Home is part of U.S. Bank's expedited annual $1 million Market Impact Fund grant program for 30 local nonprofits across the country that are working to support small businesses, maintain safe housing and ensure accessibility to critical human services by the communities' most economically vulnerable populations.

ZIONS BANK

ZIONS BANK HONORS LONGEST-TENURED EMPLOYEE

In March, Zions Bank bid a heartfelt farewell to personal banker Cheris Losee, who retired as the company's longest-tenured employee.

In her 49-year career with Zions Bank, Losee interacted with thousands of customers, and was a fixture and client favorite at the Spanish Fork branch.

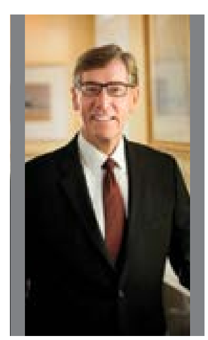
"She knows everyone, and it's not just that she knows their banking needs, she knows them personally," said assistant branch manager Amy Morris. "She knows their children, she knows their grandchildren; what they've done in their life, what their needs are."

Over the decades, Losee filled a series of roles that touched almost every area of the branch, including administrative support, customer service, and commercial, agricultural, mortgage and installment lending. Losee spent the last two decades of her career as a personal banker, desked in almost the same spot, helping clients open accounts and take out loans.
"The bank has been so good to me, and I'm really proud to have been here for as many years as I have," Losee said.

ZIONS BANK PRESIDENT RECEIVES STATE OF SPORT AWARD

Zions Bank President and CEO Scott Anderson was recently named one of Utah Sports Commission's "2020 Lifetime Achievement Award" recipients, alongside business leader and Utah Jazz owner Gail Miller. The State of Sport award honors individuals who have contributed to sports in Utah.

Whether he's sitting in the front row at the Days of '47 Rodeo or watching cyclists zoom by on one of the Tour of Utah stages, Anderson is a dedicated champion of sports across the state. Under his leadership, Zions Bank has gone to bat for local athletes and teams at all levels of play, supporting and sponsoring local sporting events.



Anderson currently serves as a board member of the new "Salt Lake City-Utah Committee for the Games," which was created in February 2020 to assist the city and state for future Olympic games bids.

UBA ASSOCIA

ABA Insurance Services Inc.
Mike Read
3401 Tuttle Rd Ste 300
Shaker Heights, OH 44122-6393
(800) 274-5222
mread@abais.com

Bank Marketing Center
Neal Reynolds
95 Old Stratton Chase
Atlanta, GA 30328-3652
(678) 528-6688
nreynolds@bankmarketingcenter.com

Bank Trends
Michael Stinson
175 S. Main St., Ste. 500
Salt Lake City, UT 84111-1927
(415) 754-8659
michael@spotlight-financial.com

Bankers' Bank of the West
Karen Maydick
1099 18th St., Ste. 2700
Denver, CO 80202-1927
(303) 313-8107
kmaydick@bbwest.com

BankTalentHQ
3201 W White Oaks Dr Ste 400
Springfield, IL 62704-6457

BDK CPAs & Advisors
Bud Hollenkamp
510 S. 200 W., Ste. 200
Salt Lake City, UT 84101-2320
(303) 861-4545
bhollenkamp@bkd.com

BMA
Kevin Stevenson
2151 S. 3600 W.
Salt Lake City, UT 84119-1121
(801) 978-0200 ext. 121
kevin.stevenson@bmabankingsys-
tems.com

Compliance Alliance, Inc.
Scott Daugherty
203 W. 10th St.
Austin, TX 78701
(888) 353-3933
scott@compliancealliance.com

CrossCheck Compliance
Liza Warner
810 W. Washington Blvd.
Chicago, IL 60607-2302
(262) 649-2258
lwarner@crosscheckcompliance.com

D.A. Davidson & Co.
Tom Hayes
83rd St. N.
Great Falls, MT 59401-3104
(406) 268-3084
thayes@dadco.com

Discover Debit
Mark Froemke
1301 Mckinney St. Ste 2500
Houston, TX 77010-3062
(605) 336-3409
markfroemke@discover.com

Dorsey & Whitney LLP
Steve Waterman
111 S. Main St., 21st Floor
Salt Lake City, UT 84111
(801) 933-7365
waterman.steven@dorsey.com

eDraw, Inc.
Cam Harris
395 S. Main St., #101
American Fork, UT 84003
(435) 557-0412
cam@edrawapp.com

Eide Bailly LLP
Gary Smith
5 Triad Center, Ste. 600
Salt Lake City, UT 84121
(888) 777-2015
gsmith@eidebailly.com

Executech
Jarom Plewe
1314 W. 11400 S.
South Jordan, UT 84095-8960
(385) 482-5847
jarom.plewe@executech.com

Federal Home Loan Bank of Des Moines
Zac Bassett
909 Locust St.
Des Moines, IA 50309-2801
(206) 390-0229
zbassett@fhlbdm.com

Finastra
Kristi Kelley
744 Primera Blvd., Ste. 2000
Lake Mary, FL 32746
(512) 924-9392
kristi.kelley@finastra.com

FinPro, Inc.
Scott Polakoff
158 Route 206
Gladstone, NJ 07934
(908) 234-9398 ext. 102
spolakoff@finpro.us

FPS GOLD
Matt DeVisser
1525 W. 820 N.
Provo, UT 84601-1342
(801) 429-2126
mattd@fps-gold.com

Golden Eagle Insurance, Inc.
Brian Ruhe
9145 Miller Rd.
Johnstown, OH 43031-9355
(800) 461-9224 ext. 3424
Brian.Ruhe@goldeneagle-insurance.
com

Harland Clarke
Mike Kelly
15955 La Cantera Pkwy
San Antonio, TX 78256-2589
(801) 288-2133
Michael.Kelly@harlandclarke.com

Holland & Hart, LLP
Timothy Crisp
222 S. Main St., Ste. 2200
Salt Lake City, UT 84101-2194
(801) 799-5935
TSCrisp@hollandhart.com

Jones Waldo
George Sutton
170 S. Main St., Ste. 1500
Salt Lake City, UT 84101-1644
(801) 534-7217
gsutton@joneswaldo.com

KeyState Captive Management, LLC
P.O. Box 50102
Henderson, NV 89016-0102
(702) 598-3738

Kirton McConkie
Gary Winger
50 E. South Temple, Ste. 400
Salt Lake City, UT 84111-1010
(801) 328-3600
gwinger@kmclaw.com

LERETA, LLC
John Short
1123 Park View Dr.
Covina, CA 91724-3748
(626) 667-1506
jshort@lereta.com

TE MEMBERS

Moss Adams
Mike Thronson
601 W. Riverside Ave., Ste. 1800
Spokane, WA 99201
(509) 747-2600
mike.thronson@mossadams.com

Mountain West Small Business Finance
Danny Mangum
2595 E. 3300 S.
Salt Lake City, UT 84109-2727
(801) 474-3232
dmangum@mwsbf.com

Office Depot
Issac Mares
9501 Amberglen Blvd Ste 200
Austin, TX 78729-1156
(855) 337-6811 Ext 12878
issac.mares@officedepot.com

Parsons Behle & Latimer
Gary Doctorman
201 S. Main St., Ste. 1800
Salt Lake City, UT 84111-2218
(801) 536-6780
GDoctorman@parsonsbehle.com

PCBB
Jay Kenney
1676 N. California Blvd., Ste. 300
Walnut Creek, CA 94596-4185
jkenney@pcbb.com

Piper Sandler Companies
Avi Barak
1251 Avenue of the Americas, 6th Floor
New York, NY 10020
(212) 466-7908
Avi.Barak@psc.com

Promontory Interfinancial Network
Bryan Harper
1300 17th St. N., Ste. 1800
Arlington, VA 22209-3810
(703) 292-3462
bharper@promnetwork.com

PwC
Ryan Dent
201 S. Main St., Ste. 900
Salt Lake City, UT 84111
(435) 850-9797
ryan.j.dent@pwc.com

Ray Quinney & Nebeker P.C.
Michael Mayfield
36 S. State St., Ste. 1400
Salt Lake City, UT 84111-1451
(801) 532-1500
mmayfield@rqn.com

Raymond James
Steve Egli
One Embaradero Center, Ste. 650
San Francisco, CA 94111
(415) 616-8008
steve.egli@raymondjames.com

Rocky Mountain CRC
David Watkins
64 E. Winchester St., Ste. 230
Salt Lake City, UT 84107-5602
(801) 503-0547
dwatkins@rmcrc.org

RSM US LLP
Dan Shumovich
515 S. Flower Street, 17th Floor
Los Angeles, CA 90071
(213) 330-4668
dan.shumovich@rsmus.com

Scalley Reading Bates Hansen & Rasmussen
Darwin Bingham
15 W. South Temple, Ste. 600
Salt Lake City, UT 84101
(801) 531-7870
dbingham@scalleyreading.net

Select Bankcard
Pete Mudrow
170 S. Interstate Plz, Ste. 200
Lehi, UT 84043-8602
(801) 791-1938
pmudrow@selectbankcard.com

Simpson & Company, CPAs
Ken Simpson
5353 S. 960 E., Ste. 102
Salt Lake City, UT 84117-3569
(801) 484-5206
krsimpson@simpson-co.com

Shred-It
Matthew Wasson
3120 W. California Ave., Suite H
Salt Lake City, UT 84104
(801) 886-0622
Matt.Wasson@shredit.com

Snell & Wilmer, LLP
Brian Cunningham
15 W. South Temple, Ste. 1200
Salt Lake City, UT 84101-1547
(801) 257-1954
bcunningham@swlaw.com

Tanner LLC
Mark Erickson
36 S. State, Ste. 600
Salt Lake City, UT 84111-1400
(801) 532-7444
merickson@tannerco.com

The Baker Group
Brian Bates
2975 West Executive Parkway, Ste. 139
Lehi, UT 84043
(800) 288-9411
bbates@gobaker.com

Total Training Solutions
Kyle Bennett
P.O. Box 310
Waunakee, WI 53597
kbennett@ttstrain.com

Utah Center for Neighborhood Stabilization
Dan Adams
6880 S. 700 W., 2nd Floor
Midvale, UT 84047
(801) 316-9112
dan@utcns.com

Utah Housing Corporation
Grant Whitaker
2479 S. Lake Park Blvd.
Salt Lake City, UT 84120
(801) 902-8290
gwhitaker@uthc.org

vCom
Liz Carroll
12657 Alcosta Blvd., Ste. 418
San Ramon, CA 94583-4602
(503) 292-3640
lcarroll@vcomsolution.com

Zions Correspondent Banking Group
Phil Diederich
310 S. Main St., Ste. 1100
Salt Lake City, UT 84101-2105
(801) 844-7853
phillip.diederich@zionsbank.com

BANKERS ON THE MOVE

BANK OF UTAH

Ledrich Oller returned to Bank of Utah as the Provo branch manager, where he originally served as the bank's Orem branch manager from 2016 to 2018. The San Francisco native also served as branch manager for JPMorgan Chase, as a senior relationship manager for Union Bank of California and as branch manager and assistant vice president of Bank of America in Houston, Texas.

Carrie Haroldsen has been appointed as branch manager for Bank of Utah's City Creek Banking Center. A native of Sandy, Utah, Haroldsen started her 14-year career in banking as a teller at Chase Bank and worked her way up as a sales assistant and service associate before becoming a branch manager.

Bank of Utah recently hired Ogden native, Matthew Linford, to serve as the relationship manager on the bank's growing treasury management team at its corporate branch in Ogden. Linford graduated with a B.A. in business administration from WSU and for the past five years, he has worked in business development for Bank of the West.

Megan Kenley recently joined Bank of Utah as a communications and marketing specialist, after formerly serving seven-plus years as a senior account executive at MRM/McCann in Salt Lake City, managing marketing campaigns for Panasonic, Intel and Hitachi. After earning a B.A. in communications at Brigham Young University, Kenley interned as an assistant account executive at Young and Rubicam in New York City.

KEY BANK

KeyBank has named Cameron Cole Key Private Bank team leader. In this role, Cole will lead the efforts of the private bank in Utah to provide comprehensive, integrated investment, trust, banking and planning solutions for high-net-worth clients and their families. He will also help drive collaboration with Key business partners to generate revenue growth. Cole will report to Jason Stoddard, West region executive at Key Private Bank.

"Cameron has been a key part of our success in Utah the last four years, during which he has been focused on building client relationships while serving as a wealth advisor," said Jason Stoddard. "Our clients will benefit greatly from his understanding of wealth management and his ability to work successfully with a wide variety of both internal and external partners."

UTAH BANKER

Utah Bankers Association
175 S Main Street, Ste 1420
Salt Lake City, UT 84111

PRSRT STD
U.S. POSTAGE
PAID
SALT LAKE CITY, UT
PERMIT NO. 508

This magazine is designed and published by The newsLINK Group, LLC | 1.855.747.4003