

# Peer Exchange Guide

## BankDirector.<sup>®</sup> **BANK DIRECTOR PEER EXCHANGE**

Candid Discussions  
for Today's  
Financial Leaders

October 15-16 | Seattle | Four Seasons Hotel



# BANK DIRECTOR PEER EXCHANGE

Candid Discussions for Today's Financial Leaders

Internet Instructions

## NETWORK NAME:

FourSeasons Meeting

## INTERNET PASSWORD:

peer

## ON DEMAND PASSWORD:

peer

## TWITTER HASHTAG:

#BDPE15

The screenshot shows the BankDirector.com website with the following details:

- Header:** BankDirector.com - CHARTING A COURSE FOR AMERICA'S BANKING LEADERS
- Navigation Bar:** HOME | COMMITTEES | ISSUES | INSPIRATION | RESEARCH | MAGAZINE | EVENTS
- Current Location:** YOU ARE HERE: HOME > EVENTS > BANK DIRECTOR PEER EXCHANGE
- Section:** ON DEMAND
- Date:** THURSDAY / OCT 15
- View Options:** View By, Day, Speaker
- Schedule:**
  - 12:00 pm Lunch + Registration (General Session)
  - 01:00 pm Welcome + Opening Remarks (General Session)
  - 01:05 pm How A Strong Board Makes For A Strong Bank (General Session)
  - 01:30 pm Growing Your Bank (General Session)
  - 02:00 pm Peer Exchange Instructions (General Session)
  - 02:15 pm Peer Session I (General Session)
  - 03:40 pm How The Board Can Protect The Bank (General Session)
  - 04:20 pm Peer Session II (General Session)
  - 05:35 pm Networking Cocktail Reception (General Session)
- Bottom:** FRIDAY / OCT 16

## ACCESSING THE INTERNET

### Login Instructions:

1. Select Network: **FourSeasons Meeting**
2. Launch web browser.
3. You will be automatically directed to a login page.
4. Enter password: **peer** (*lowercase*)
5. Click **Connect** to finish connecting to the internet.

## ACCESSING THE DIGITAL NOTEBOOK

### To view the Digital Version of the Peer Exchange Notebook:

1. Visit **BankDirector.com**
2. In the orange navigation bar, click **Events**
3. Click **Upcoming Events**
4. Scroll down and click on **Bank Director Peer Exchange**
5. In the On Demand access box on the right, enter the passcode **peer** and click **GO**
6. To view a demo, click **On Demand Demo** located to the right in the conferences box

Here you will find the peer exchange presentations that may be downloaded to your hard drive or viewed through Adobe Reader. Presentations will be available through On Demand after the event using the same passcode information above.

# Bank Director

**Strong Board.** Strong Bank.

Table of Contents

Welcome Letter	2
Peer Exchange Sponsors	3
Conference Information	4
Venue Map	5
Day One Agenda	6
Day Two Agenda	7
Day One Session Notes	8-12
Day Two Session Notes	13-16
Banking Terms Glossary	17-22
Speaker Biographies	23-25
Who We Are	27-28

October 15, 2015

Welcome to the Four Seasons Hotel and our annual Bank Director Peer Exchange! We are very excited to welcome you to Seattle and look forward to a meaningful information exchange.

As we focus our time and attention to the challenges and issues facing banks today, we send a special thank you to the companies working with us. It is with their support that we bring together a cast of exceptional advisers from leading companies to bring various topics and trends to life.

As the host of this event, we are here to help make this the best program possible. Should you need any assistance during the peer exchange, feel free to contact anyone on our team. The registration desk will be staffed throughout the event to help meet your needs.

We hope you enjoy the program and that it exceeds your expectations. On behalf of our entire team, thank you for joining us.

With warmest regards,



**Al Dominick**

President | Bank Director  
[adominick@bankdirector.com](mailto:adominick@bankdirector.com)

# Bank Director

**Strong Board.** Strong Bank.

Peer Exchange Sponsors

**Hovde Group, LLC** | Hovde Group, LLC, a leading financial advisor for over 25 years, provides a full suite of investment banking, capital markets and financial advisory services focused exclusively on the banking industry. They assist clients with all phases of M&A transactions, asset purchases/dispositions, restructurings/recapitalizations, FDIC transactions, capital raises and other strategic options.

[www.hovdegroup.com](http://www.hovdegroup.com)



**McLagan** | For over 40 years, McLagan has specialized in providing compensation consulting, surveys and performance studies to the financial services sector. McLagan emphasizes a balanced analytical approach developing and implementing total rewards solutions. McLagan's client base includes the leading global financial service firms, hundreds of regional/community banks, investment banks and private equity firms.

[www.mclagan.com](http://www.mclagan.com)



**Miller Nash Graham & Dunn LLP** | Miller Nash Graham & Dunn is a full-service business law firm with a primary focus on the financial services industry. With a diverse client base throughout the West, their attorneys offer breadth and depth of industry knowledge and regulatory experience, and a proven track record of representing financial institutions, with mergers and acquisitions as a signature area of their practice.

[www.millernash.com](http://www.millernash.com)



**Moss Adams LLP** | Moss Adams is one of the 15 largest accounting and consulting firms in the United States. Founded in 1913, Moss Adams has a staff of more than 2,000 professionals. They offer audit, tax and consulting services to over 300 financial institutions. Additional services include enterprise risk management, regulatory compliance, internal audit services and internet security assessments.

[www.mossadams.com](http://www.mossadams.com)

**MOSS ADAMS** LLP

Certified Public Accountants | Business Consultants

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Conference Information

**Attire** — We encourage business casual for all meetings and activities.

**Business Center** — The Four Seasons' full-service, 24-hour business center offers an array of services, such as computer and Internet access and printing services. You may contact the business center at (206) 749-7007. Services are at your own expense.

**Cell Phone** — Please be conscious of others and set your cell phone to the "vibrate" or "silent" mode once you enter a session.

**Certificates of Attendance** — To receive a certificate of attendance (COA), please fill out the appropriate form at the Conference Registration Desk before you leave the event. A certificate will be emailed to you.

**Charging Station** — If you are concerned that your mobile phone or other electronic device may lose power during this event, please bring your charger. There will be a limited number of outlets available at the Conference Registration Desk.

**Concierge** — The Four Seasons staffs a concierge desk to assist you with items such as meal, rental car and airline transportation reservations. You may contact the concierge by dialing (206) 749-7007.

**Digital Notebook** — The conference materials will be available in a digital format during and after the conference. If you do not have a digital device, a limited number of iPad rentals will be available at the Conference Registration Desk for use during the event.

**Faxes** — Should you need to receive faxes during your stay, the hotel's fax number is (206) 749-7099.

**Fitness Center** — The Fitness Center is available 24-hours daily. It includes cardio and weight training equipment, a pool and a steam room. There are also certified trainers on staff, should you wish to use their services. The facility offers complimentary cold towels, cucumber-infused ice water, Gatorade and fresh fruit daily.

**Guest Program** — Only registered guests may participate in the Guest Program. The \$150 fee includes admittance to Thursday's lunch and reception, as well as breakfast on Friday morning. All guests must have a name badge to be admitted to these events. To register a guest, please stop by Bank Director's Conference Registration Desk.

**Internet** — Complimentary Internet access is offered in the conference areas of The Four Seasons and in your individual hotel rooms.

**Meals** — Lunch and a cocktail reception will be provided on Thursday, and breakfast will be provided on Friday.

**Name Badges** — All conference attendees and guests must wear their Bank Director issued nametags in order to attend any sessions or events.

**Parking** — The cost for overnight valet parking at The Four Seasons is \$41/night. Self-service parking is not available.

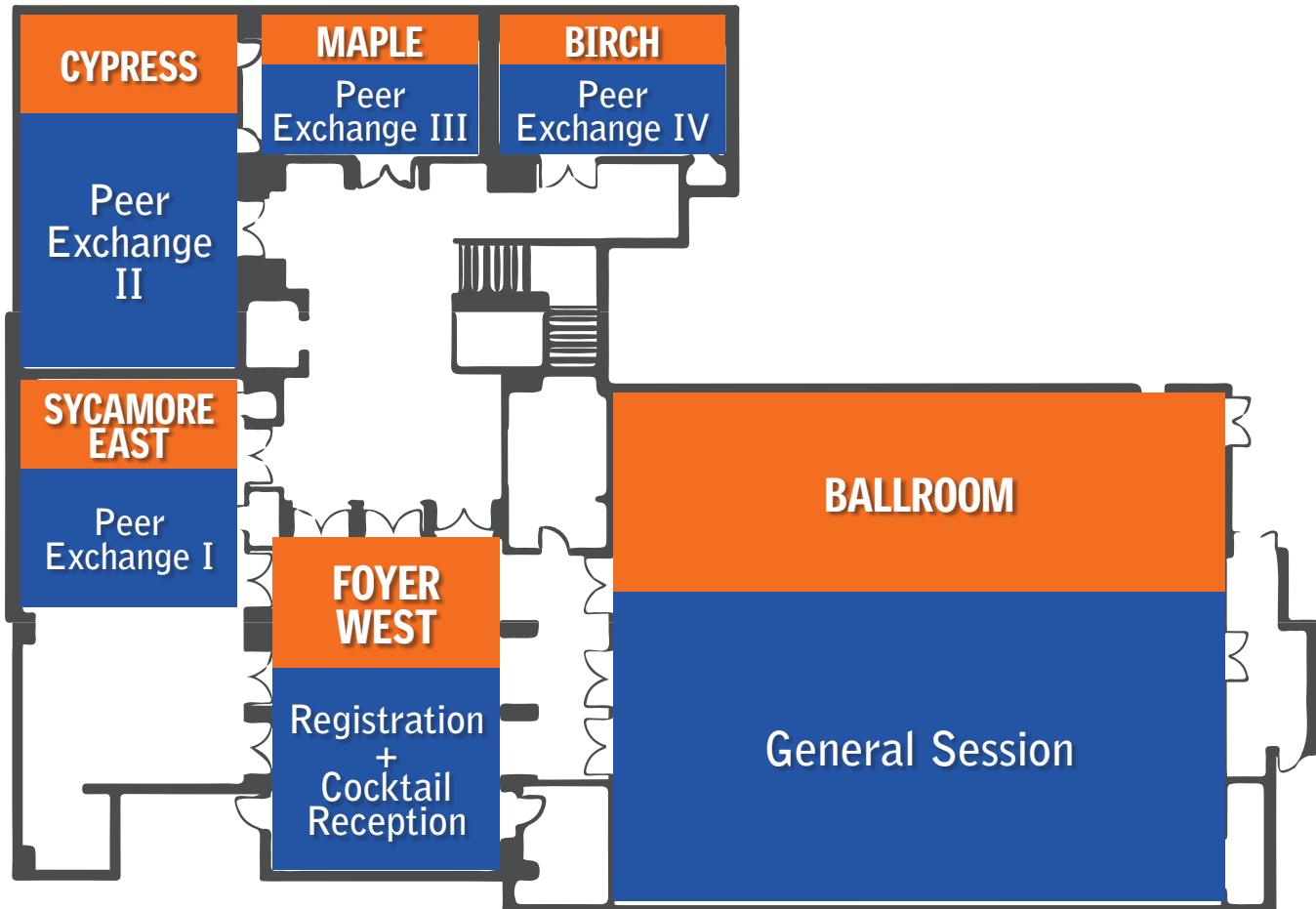
**Phone Calls** — The Four Seasons phone number is (206) 749-3370. Please know that we cannot be responsible for locating anyone during the sessions. If you are expecting an important call and need to be notified immediately, please make other arrangements.

**Spa** — The spa at The Four Seasons offers treatments such as massages, hand and foot treatments and facials. The spa is open Monday – Sunday from 9:00 a.m. – 8:00 p.m. To schedule an appointment, contact the spa directly by calling (206) 749-7077. Services are at your own expense.

# Bank Director

Strong Board. Strong Bank.

Venue Map



# BANK DIRECTOR PEER EXCHANGE

Candid Discussions for Today's Financial Leaders

Peer Exchange Agenda

## Day One | Thursday, October 15, 2015

### TIME

12:00 p.m. - 1:00 p.m.

### EVENT

Lunch + Registration

### LOCATION

Ballroom + Foyer West

1:00 p.m. - 1:05 p.m.

### Welcome

Jack Milligan, *Bank Director* magazine  
Mika Moser, Bank Director

Ballroom

1:05 p.m. - 1:30 p.m.

### How A Strong Board Makes For A Strong Bank

Gayle Appelbaum, McLagan  
Jeff Green, Moss Adams LLP  
Steve Hovde, Hovde Group, LLC  
Steve Klein, Miller Nash Graham & Dunn LLP  
Moderated by: Jack Milligan, *Bank Director* magazine

Ballroom

1:30 p.m. - 2:00 p.m.

### Growing Your Bank

Steve Hovde, Hovde Group, LLC

Ballroom

2:00 p.m. - 2:05 p.m.

### Peer Exchange Instructions

Mika Moser, Bank Director

Ballroom

2:15 p.m. - 3:30 p.m.

### Peer Exchange Session I

(See peer groupings sheet for grouping + room location)

Various Locations

3:40 p.m. - 4:10 p.m.

### How The Board Can Protect The Bank

Dan Huston, Moss Adams LLP

Ballroom

4:20 p.m. - 5:35 p.m.

### Peer Exchange Session II

(See peer groupings sheet for grouping + room location)

Various Locations

5:35 p.m. - 7:00 p.m.

### Networking Cocktail Reception

Foyer West

## Day Two | Friday, October 16, 2015

**TIME**

**7:15 a.m. - 8:00 a.m.**

**EVENT**

**Breakfast + Registration**

**LOCATION**

Ballroom + Foyer West

**8:00 a.m. - 8:05 a.m.**

**Welcome**

Jack Milligan, *Bank Director* magazine  
Mika Moser, Bank Director

Ballroom

**8:05 a.m. - 8:35 a.m.**

**Today's Top Five Legal Issues**

Steve Klein, Miller Nash Graham & Dunn LLP

Ballroom

**8:45 a.m. - 10:00 a.m.**

**Peer Exchange Session III**

(See peer groupings sheet for grouping + room location)

Various Locations

**10:10 a.m. - 10:40 a.m.**

**Compensation Strategies**

Liz Kiley, McLagan  
Bryan Lemke, McLagan

Ballroom

**10:50 a.m. - 12:05 p.m.**

**Peer Exchange Session IV**

(See peer groupings sheet for grouping + room location)

Various Locations

**12:05 p.m.**

**Conclusion of the Event**

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Day One Session Notes

1:05 p.m. - 1:30 p.m.

### **How A Strong Board Makes For A Strong Bank**

**Location:** Ballroom

Gayle Appelbaum, Principal, McLagan

Jeff Green, Partner and National Practice Leader, Financial Institutions, Moss Adams LLP

Steve Hovde, President & CEO, Hovde Group, LLC

Steve Klein, Partner, Miller Nash Graham & Dunn LLP

Moderated by: Jack Milligan, *Bank Director* magazine

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# Bank Director

**Strong Board.** Strong Bank.

Day One Session Notes

1:30 p.m. - 2:00 p.m.

**Growing Your Bank**

**Location:** Ballroom

Steve Hovde, President & CEO, Hovde Group, LLC

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# BANK DIRECTOR PEER EXCHANGE

Candid Discussions for Today's Financial Leaders

Day One Session Notes

2:15 p.m. - 3:30 p.m.

## Peer Exchange Session I

(See peer groupings sheet for grouping + room location)

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# Bank Director

**Strong Board.** Strong Bank.

Day One Session Notes

3:40 p.m. - 4:10 p.m.

**How The Board Can Protect The Bank**

**Location:** Ballroom

Dan Huston, Partner, Moss Adams LLP

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# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

## Day One Session Notes

4:20 p.m. - 5:35 p.m.

## Peer Exchange Session II

*(See peer groupings sheet for grouping + room location)*

# Bank Director

**Strong Board.** Strong Bank.

Day Two Session Notes

8:05 a.m. - 8:35 a.m.

## **Today's Top Five Legal Issues**

**Location:** Ballroom

Steve Klein, Partner, Miller Nash Graham & Dunn LLP

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# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Day Two Session Notes

8:45 a.m. - 10:00 a.m.

### **Peer Exchange Session III**

*(See peer groupings sheet for grouping + room location)*

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# Bank Director

**Strong Board.** Strong Bank.

Day Two Session Notes

10:10 a.m. - 10:40 a.m.

## **Compensation Strategies**

**Location:** Ballroom

Liz Kiley, Associate Partner, McLagan

Bryan Lemke, Director, McLagan

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# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Day Two Session Notes

10:50 a.m. - 12:05 p.m.

### Peer Exchange Session IV

(See peer groupings sheet for grouping + room location)

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## BANK OWNED LIFE INSURANCE (BOLI)

A form of life insurance that is used as a tax-free funding scheme for employee benefits. The policy is purchased by the bank and the bank is both the beneficiary and the owner. All premiums paid into the fund, as well as all capital appreciation, are tax free for the bank and the bank can use the policies to fund employee benefits on a tax-free basis.

## BANK SECRECY ACT (BSA)

Enacted in 1970, BSA requires financial institutions in the United States to monitor and report suspicious financial transactions to the federal government. It is an important tool that the government uses to combat money laundering activity related to terrorism, organized crime and the international drug trade.

## BANKING ACT OF 1933

Also referred to as the Glass-Steagall Act, this Depression-era law created a federal system of bank deposit insurance through the creation of the Federal Deposit Insurance Corp., and also prohibited banks from engaging in both commercial and investment banking.

## CAMELS RATING SYSTEM

A rating system that bank regulatory agencies use to evaluate and classify an institution's safety and soundness. The acronym CAMELS stands for Capital adequacy, Asset quality, Management capability, Earnings, Liquidity and Sensitivity. Institutions receive a one through five rating in each individual category, and also an overall composite score, with one being the highest and five being the lowest.

## CHANGE-IN-CONTROL AGREEMENTS

An agreement that is used to secure rights to compensation for an employee in exchange for their continued employment when a company changes ownership. The agreement provides a contingency plan in case the company changes ownership resulting in the employee being laid off without cause or quitting following this change of control. When this happens the agreement ensures that the employer will pay out a severance package of some kind to the employee.

## CIVIL MONEY PENALTIES

A fine imposed by a court or regulatory agency on an organization or individual for the purpose of punishing illegal behavior.

## CLAWBACK

A provision included in some performance-based pay plans that allows the employer to take back some or all of an employee's compensation contingent on certain events, such as a misstatement of a business' financial results either through a reporting error or fraud.

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Banking Terms Glossary

### COLLAR

A type of price protection in an M&A transaction that protects the buyer by limiting the number of shares of stock it will be required to issue if its stock price declines between signing and closing. The collar also limits the reduction of shares the buyer will issue to the selling shareholders if its stock price rises between signing and closing.

### DEFINED BENEFITS PLAN

A retirement plan where the employee receives a fixed retirement benefit that is determined by such factors as salary and length of employment. The employer, which is also the plan sponsor, assumes all investment risk for the plan. The traditional corporate or government pension is an example of a defined benefit plan.

### DEFINED CONTRIBUTION PLAN

A retirement plan in which the employee contributes a certain percentage of their annual compensation to one or more investment funds that have been provided by the employer, generally through a third-party provider like a mutual fund company. The employee assumes all investment risk for the plan. A 401(k) plan, where the employer may match a portion of the employee's contribution up to a certain amount, is an example of a defined contribution plan.

### DIRECTORS & OFFICERS (D&O) LIABILITY INSURANCE

A form of insurance, typically provided by the bank, that indemnifies board members and certain senior executives against liability lawsuits filed by shareholders or by a government agency.

### DODD-FRANK ACT OF 2010

Sweeping legislation that was enacted after the global financial crisis and provides for heightened regulation of the banking industry and various financial markets in the United States. The law is divided into 16 different sections or titles and addresses bank capitalization standards, the liquidation of failed banks and thrifts, consumer protection, regulation of the securitization and derivatives markets and oversight of credit rating agencies.

### DURBIN AMENDMENT

Named after Sen. Richard Durbin and included in the Dodd-Frank Act, the measure directed the Federal Reserve to develop a rule that would limit the transactions fees debit-card-issuing banks are permitted to charge merchants. In October 2012 the Fed issued a rule that capped these so-called interchange fees at 12 cents per transaction for banks with assets of \$10 billion or greater. Previously, the fees had averaged 44 cents per transaction. The rule does not apply to banks under the \$10 billion threshold.

## **ENTERPRISE RISK MANAGEMENT (ERM)**

A holistic approach to risk management that focuses on various categories of risk throughout the entire organization (or enterprise), with particular emphasis on how different risks might combine to raise the organization's risk profile.

## **EQUITY AWARDS**

Shares of stock which are granted to an employee as part of an performance incentive plan. Often the stock has a vesting period of three to five years before the employee can exercise full control over the shares.

## **FEDERAL PREEMPTION**

Refers to a broad exemption that national banks once enjoyed from various state banking laws, including certain consumer protection statutes. However, these exemptions were significantly narrowed by the Dodd-Frank Act.

## **FIDUCIARY RESPONSIBILITY**

Directors who serve on a corporate board have a legal and ethical responsibility to the company's owners to always act in the owner's best interests.

## **FIXED EXCHANGE RATIO**

A type of transaction exchange ratio that calls for each of the seller's shares to be converted into a specific number of the buyer's shares at closing, without adjustment prior to closing.

## **FLOATING EXCHANGE RATIO**

A type of transaction exchange ratio that values the transaction at a dollar amount at the time of signing and allows the exchange ratio to adjust or float within a predetermined range between signing and closing based on the buyer's stock price.

## **INSTITUTIONAL SHAREHOLDER SERVICES (ISS)**

Institutional Shareholder Services is a proxy solicitation firm that also provides information on corporate proxy votes, primarily for the benefit of institutional investors. They also make recommendations as to whether it is in a shareholder's best interest to vote for or against particular proxies, and they advise businesses on how to handle corporate governance issues.

## **ISO 27005 STANDARD**

ISO 27005 standard is part of the 27000 series standard covering information security risk management. The standard provides guidelines for information security risk management (ISRM) in an organization, specifically supporting the requirements of an information security management system defined by ISO 27001. These standards are published jointly by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Banking Terms Glossary

### MATERIAL ADVERSE CHANGES (MAC) PROVISION

A provision in a mergers and acquisition agreement that enables the buyer to terminate the transaction if the seller suffers a change in their business or financial condition or, when the buyer's stock is used as consideration, the financial condition of the buyer.

### MATERIALITY

A concept within the discipline of auditing and accounting that refers to the significance of transactions, balances or errors contained in a company's financial statements. Materiality defines the threshold after which financial information becomes relevant to the decision making needs of the users. For example, if an individual borrower defaults on a \$1,000 loan to a bank with a \$10 billion balance sheet, the impact of the default would not have a material impact on the company's financial statement. However, default on a \$10 million loan would in all likelihood have a material impact on the bank's financial statement.

### MINIMUM COMMON EQUITY RATIO

A new requirement contained in the Basel III capital standard. Beginning in 2013, banks must have at least have capital from their common equity shares and retained earnings equal to 3.5% of their risk adjusted assets. This requirement rises to 4.0% in 2014 and 4.5% in 2015.

### PRIVATE INVESTMENT IN PUBLIC ENTITY (PIPE)

A private investment in public equity, often called a PIPE deal, involves the selling of publicly traded common shares or some form of preferred stock or convertible security to private investors. It is an allocation of shares in a public company not through a public offering in a stock exchange. PIPE deals are part of the primary market. In the U.S., a PIPE offering may be registered with the Securities and Exchange Commission on a registration statement or may be completed as an unregistered private placement.

### REALIZABLE PAY

A methodology for determining whether an executive's incentive compensation plan contains a strong link between pay and performance and is thus aligned with the interests of shareholders. This approach looks at the amount of cash compensation actually paid, plus the period-ending economic value of long-term equity awards, rather than their grant value. In essence, realizable pay compares a compensation value that is closer to what is actually paid, using the outcomes after performance has been measured.

### RESTRICTED STOCK

This is a grant of company stock in which the recipient's rights in the stock are restricted until the shares vest. Once the vesting requirements are met, an employee owns the shares outright and may treat them as she would any other share of stock in her account.

## RISK APPETITE

The level of risk a bank is willing to accept in pursuit of its strategic goals. It can be easily expressed in a variety of metrics like level of loan delinquencies or sensitivity to a 100 basis point increases in interest rates.

## RISK-WEIGHTED CAPITAL

Based on a regulatory calculation, each asset category is assigned a risk weighting factor to reflect the specific item's relative riskiness in terms of collectability. The total of all the risk weighted balances is used as the denominator in risk weighted capital ratios.

## SINGLE-TRIGGER WALK-AWAY PROVISION

This walk-away provision only considers the buyer's stock price and triggers a walk-away right if the buyer's stock price declines between signing of the merger agreement and closing by an amount usually in the 15-20% range.

## STRESS TESTING

An analysis of a bank's vulnerability to a variety of economic shocks through the use of simulated models that can be set to a variety of scenarios. An example would be how the bank's auto loan portfolio would perform if unemployment spiked to 9%.

## SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS (SERPS)

A non-qualified retirement plan for key company employees that provides a higher level of benefits than those provided in more commonplace retirement plans such as IRAs and 401(k)s. The plans are also costly to provide and have been criticized by some shareholder advocates.

## SYSTEMICALLY IMPORTANT FINANCIAL INSTITUTION (SIFI)

A systemically important financial institution (SIFI) is a bank, insurance company, or other financial institution whose failure might trigger a financial crisis.

## TRANSACTION CONSIDERATION

The monetary instrument which is used to pay for the acquired bank. This can involve a straight exchange of shares, all cash or a mixture of cash and stock.

## TRANSACTION EXCHANGE RATIO

When stock is used as consideration in a merger transaction the exchange ratio defines the number of shares of the buyer's stock that the seller's shareholders will receive for each share of stock they own. This exchange ratio determines the value of stock consideration received by the seller's shareholders.

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Banking Terms Glossary

### **TRANSACTION PRICE PROTECTION MECHANISM**

Often used in larger M&A transactions, the parties will negotiate various forms of protection to protect the buyer and seller against fluctuations in either party's stock price.

### **TRANSACTION TERMINATION PROVISION**

This provision in a mergers and acquisition agreement allows either party to terminate a transaction due to the failure to meet certain closing conditions, including the failure to receive shareholder or regulatory approvals, breaches of representations and warranties, and/or material adverse changes.

### **TRUST PREFERRED SECURITIES**

Preferred stock issued by a bank or bank holding company through a business trust. Trust preferred issues qualify as debt instruments for tax purposes and also meet the bank regulatory definition for Tier 1 capital.

### **VOLCKER RULE**

Section 619 of the Dodd-Frank Act -- known informally as the Volcker Rule and so-named after its principal proponent, former Federal Reserve Chairman Paul Volcker -- restricts the proprietary trading activities of commercial banks. The restrictions are scheduled to go into effect in April 2014.

### **WALK-AWAY PROVISION**

This termination provision allows the seller to terminate the transaction if the buyer's stock price falls precipitously between signing and closing of the transaction.

#### **Gayle Appelbaum**

Gayle Appelbaum is a principal in the Minneapolis office of McLagan's corporate and consumer banking consulting practice. Ms. Appelbaum brings over 30 years of experience to her clients. Her extensive knowledge of compensation trends and the banking industry, coupled with her keen ability to understand each client's needs, enables her to create solutions unique to each situation. She specializes in developing incentive compensation plans that balance short and long-term risk while building shareholder value. Ms. Appelbaum's expertise encompasses the full spectrum of compensation and benefits issues, including corporate governance, pay-for-performance, risk assessment, taxation, regulatory compliance and compensation agreement provisions.

In a recent engagement, Ms. Appelbaum helped a six billion dollar bank assess the competitiveness and soundness of its incentive compensation plans. Changes in incentive plan design reduced enterprise risk while also increasing total pay opportunities to a more appropriate competitive level for this high-performing organization. In addition, all incentive plans were evaluated and documented to assure compliance with new rules and regulations.

Ms. Appelbaum's passion for helping business owners led her to founding and operating her own financial planning and consulting firm for 22 years, where she specialized in business planning, executive benefits and estate planning. She later was founder and managing director of Amalfi Consulting, a firm that specialized in compensation consulting for the banking industry. Prior to joining McLagan, Ms. Appelbaum served in an executive role at a leading investment and financial company.

Ms. Appelbaum is a graduate of the University of Minnesota, earning bachelor's degrees in business administration and philosophy. She is a chartered life underwriter (CLU) and a chartered financial consultant (ChFC). Ms. Appelbaum has served as an adjunct professor for Minnesota State University's certified financial planning and certificate program. She is a featured speaker at numerous industry conferences and webinar

#### **Gayle Appelbaum bio continued**

programs, and she is a published author of articles pertaining to current and leading edge compensation issues.

#### **Jeff Green**

Jeff Green is partner and national practice leader for financial institutions of Moss Adams LLP. Mr. Green has been in public accounting and has worked with financial institutions since 1988. He is recognized for his expertise in accounting, auditing and strategic issues facing SEC-reporting banks, community banks, mortgage companies, thrifts and credit unions.

Mr. Green has extensive experience with HUD reporting, FDIC-assisted transactions, recapitalizations, SEC filings and registration statements (S-1, S-3, and S-4, among others), mutual to stock conversions, start-up banks, merger and acquisition consulting and stock-based compensation. He is also proficient in all phases of audits, including HUD reporting, Sarbanes-Oxley and FDICIA control testing, fieldwork and report preparation.

#### **Louise Hanson**

Louise Hanson is a partner at Moss Adams LLP. She has been in public accounting since 1999 and specializes in serving financial institutions, including credit unions, de novo institutions, community banks, thrifts, mutual banks, SEC-reporting banks and mortgage banking companies. Ms. Hanson has been involved with initial public offerings, registration statements, recapitalizations and mergers and acquisitions of both private and SEC-reporting entities. She has managed all stages of financial institution audits, including engagement reviews, planning, compliance testing, fieldwork and report preparation.

#### **Steven D. Hovde**

Steve Hovde is the president and CEO of Hovde Group, LLC. In this capacity, Mr. Hovde is responsible for managing its investment banking activities, the strategic development of mergers and acquisitions of bank and thrift institutions and its private equity activities. In this role, he has negotiated transactions in excess of several billion dollars in deal value and provides the firm's

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

### Speaker Biographies

#### **Steven D. Hovde bio continued**

investment bankers with technical and strategic advice on client transactions. Mr. Hovde is also involved in the firm's capital markets business, including placements of equity and trust preferred securities and the conversion to stock form of mutual thrift institutions.

In addition to being an investment banker, Mr. Hovde with his brother Eric, owns controlling interests in several banks throughout the United States. These include Sunwest Bank, headquartered in Tustin, CA, which has approximately \$690 million in assets and \$90 million in equity and Carrollton Bancorp/Bay Bank in the Baltimore area, which has approximately \$500 million in assets. As bankers, they see all of the issues that management and board members of banks wrestle with daily.

Mr. Hovde is also on the board of directors of a \$1.4 billion asset community bank in the Chicago area and a \$400 million asset bank in the Seattle area. He also serves as a trustee of several charitable foundations.

Before co-founding Hovde Group in 1987, Mr. Hovde was regional general counsel and vice president of a national commercial real estate development firm, Vantage Companies. Previous to that, Mr. Hovde served as an attorney with a 200-member law firm based in Chicago, Rudnick & Wolfe, which is today DLA Piper, specializing in real estate law. Prior to that, Mr. Hovde practiced accounting in Chicago as a CPA with one of the former "Big Eight" public accounting firms, Touche Ross LLP, which is today Deloitte & Touche LLP.

Mr. Hovde graduated summa cum laude with a BBA majoring in accounting from the school of business at the University of Wisconsin, Madison. He also earned his law degree, cum laude, at Northwestern University in Chicago, Illinois.

#### **Dan Huston**

Dan Huston is a partner at Moss Adams LLP. He has worked in the banking industry since 1979 and directs the firm's internal audit and regulatory compliance services for financial institutions.

#### **Dan Huston bio continued**

Mr. Huston's areas of expertise include credit underwriting and lending compliance, anti-money laundering program administration, item processing, funds delivery, fiduciary services, loan origination and servicing, secondary market operations, automated systems reporting management and trust and fiduciary operations. Mr. Huston also develops risk assessment methodologies related to internal audit and compliance programs, helps clients implement risk management programs and integrates risk management strategies into the operations of smaller financial institutions.

#### **Liz Kiley**

Liz Kiley is an associate partner with McLagan, an Aon Hewitt Company. Ms. Kiley is part of McLagan's community and regional banking consulting team within the corporate and consumer banking consulting practice. Her work centers on client relationship and compensation consulting activities. She focuses on advising senior management and boards of directors on compensation, and she provides advice and support on broad-based compensation issues, including the design and implementation of total rewards programs.

Ms. Kiley has more than 20 years of experience driving business development, strategic initiatives and change management. Prior to joining McLagan, Ms. Kiley was a regional director of licensing with Diligent Board Member Services, Inc., a technology company focused on board portal software. The company served over 600 regional and community banks and over 3,500 businesses. She advised many of these companies across multiple industries.

Ms. Kiley holds a bachelor of arts degree with an emphasis in journalism and marketing from Miami University in Oxford, Ohio. She has also spent time as a director on non-profit boards and is a city leader with Room to Read in Seattle.

#### **Stephen M. Klein**

Steve Klein is a partner with Miller Nash Graham & Dunn LLP. Mr. Klein counsels financial institutions on a wide range of federal and state banking matters

#### **Stephen M. Klein bio continued**

and related SEC and financing issues. Applying his experience as a regulator and an accountant on Wall Street, he also assists clients in capital formation, mergers and acquisitions, SEC and regulatory compliance, corporate governance and strategic planning.

#### **Bryan Lemke**

Bryan Lemke is a director in McLagan's corporate and consumer banking consulting practice in the Minneapolis office. During his six years at McLagan, he has helped clients design compensation programs that are both value enhancing for the organization and market-competitive for their employees. Mr. Lemke advises clients on various compensation issues, including commercial and mortgage lender compensation, annual and long-term incentive plan design and regulatory compliance. He also assists clients in enhancing proxy disclosure in preparation for their say-on-pay vote, as well as responding to unfavorable proxy advisor recommendations or say-on-pay results.

Prior to joining McLagan, Mr. Lemke spent five years working as an accompanist, vocal coach and conductor, including three years on staff with the Minnesota Opera. Mr. Lemke holds a bachelor's of music degree from Bethel University in St. Paul, Minnesota and a master's of music degree from the University of Kansas.

#### **Dan Pake**

Dan Pake is a managing director with Hovde Group, LLC's investment banking group, based in the firm's Los Angeles office. Since joining the firm in 2012, he is responsible for strategic advisory assignments for banks and thrifts, including mergers and acquisitions and capital markets transactions. Mr. Pake has over 15 years of experience in the financial services industry and has closed over 100 transactions with a combined value of over \$11 billion during his career. His transactional experience includes completed assignments for community banks and thrifts, specialty finance and insurance companies.

#### **Dan Pake bio continued**

Prior to joining Hovde, Mr. Pake spent ten years in the financial services investment banking group at BB&T Capital Markets where he was a senior vice president.

Mr. Pake holds an MBA from Vanderbilt University and a bachelor of arts degree from Boston University. He is married with four children.

# Bank Director®

Guided By One Principle: Strong Boards Building Strong Banks

## BANK DIRECTOR MAGAZINE

As one of the most widely read and highly respected magazines in the banking and financial services industry since 1991, *Bank Director* magazine focuses on the core issues fundamental to a bank's CEO, senior leadership team, chairman and independent directors. Complementing our quarterly print publication, *Bank Director* offers a digital magazine published eight times a year. Each themed, interactive digital edition delivers in-depth information on the hot topics facing the financial industry – monthly issues focus on Legal, Talent, Growth, Audit & Risk, Governance and Technology.

## ANNUAL RESEARCH REPORTS

Throughout the year, we seek the opinions of officers and directors of various-sized institutions on issues like technology, mergers & acquisitions, compensation, risk, growth and strategic planning. Our reputation for qualified, independent research and analysis coupled with relationships with bankers across the country allows us to compile unparalleled insight and information.

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From private LinkedIn groups that enable peer groups to stay connected in the virtual world, to Twitter shares that link to current issues and topics that pertain to a bank's leadership team, our social media efforts line up with our publication's philosophy of contributing content and commentary to the men and women leading our nation's financial institutions.

## CONFERENCES + PEER EXCHANGES

*Bank Director* hosts a variety of conferences and director-training programs throughout the year designed to address hot-button issues affecting bank management and directors. *Bank Director* designs all events to help directors understand how to carry out their duties, prepare institutions to grow and compete in the future and introduce tools that help directors and officers monitor bank performance and reduce bank risk.

## COMPREHENSIVE MEMBERSHIP PROGRAM

In response to the mounting pressures placed on the banking community, *Bank Director* offers an ongoing collection of educational resources to a bank's board. This membership program combines *Bank Director*'s conferences, subscriptions to *Bank Director* magazine, a board performance survey, online training videos and a library of exclusive articles.

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IN PERSON

# Bank Director

**Strong Board.** Strong Bank.

Who We Are



## **Al Dominick | President**

Al Dominick is the President of Bank Director. In this role, he is responsible for overseeing the strategy, operations and financial performance of the company. Al joined the company in 2010 and regularly speaks on board-related issues at conferences and writes for BankDirector.com. In addition, he frequently meets with CEOs, chairmen and members of the board, the men and women that run companies that provide services and support to these officers and directors, bank analysts, private equity executives and institutional investors.

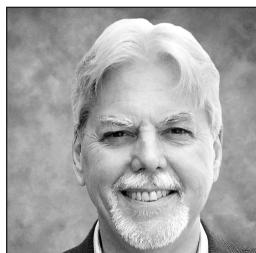
Al is a graduate of Washington & Lee University, where he was a four-year letterman on the varsity baseball team, and earned an MBA from the University of Maryland's Robert H. Smith School of Business. His financial and technology background includes positions with Board Member, Inc., Bank Director's previous company which is now part of the New York Stock Exchange, and Computech, a Bethesda, Maryland-based information technology firm now part of NCI (NASDAQ: NCIT). Follow Al on his blog at [aboutthatratio.com](http://aboutthatratio.com).



## **Mika Moser | Senior Vice President**

Mika Moser is the Senior Vice President and Director for Bank Director. With a dual background in marketing and technology, she develops and oversees the execution of Bank Director's integrated marketing strategy across multiple channels including email, web, social, search and mobile. Mika is a member of both Bank Director's board and management committees.

Prior to joining the company, Mika worked as an online marketing strategist for the Nashville-based technology firm, Bytes of Knowledge, establishing client relationships and managing the execution on a variety of website development projects. Her 14 years of professional experience includes data marketing, brand development and project management for companies such as Board Member Inc. and Private Business Inc. Mika is a graduate of the University of Georgia with a bachelor's degree in Journalism.



## **Jack Milligan | Editor**

Jack Milligan is the Editor of *Bank Director* magazine, a position to which he brings over 30 years of experience in financial journalism organizations. Jack is a member of Bank Director's management committee. Jack's professional background includes stints as editor in chief of *U.S. Banker*, a leading magazine covering the banking industry; editor in chief at SNL Financial, a research and publishing company specializing in financial services; and general editor at *Institutional Investor*, a prominent financial magazine.

Jack has written for a number of other publications including *Bank Director*, *ABA Banking Journal*, *American Banker*, *Time Digital* (later renamed *On* magazine) and *Newsweek International*. He has also written extensively about corporate governance and is the author of "The Guidebook to Effective Bank Board Committees," published by America's Community Bankers, and has written several units in ACB's "Community Bank Directors Workshop" educational series. Jack has a master's degree in Journalism from The Ohio State University.



## **Kelsey Weaver | Publisher**

Kelsey Weaver is the Publisher and Director for Bank Director. She is involved with a variety of Bank Director's business lines including the development of conference agendas and sponsorships, client relations on the East and West Coasts, sourcing content for BankDirector.com and overall company sales initiatives. Kelsey is a member of both Bank Director's board and management committees. Kelsey also oversees Bank Director's legal initiatives with a specialized focus on the general counsel audience. Kelsey graduated magna cum laude from Belmont University with a bachelor's degree in Finance.

# BANK DIRECTOR PEER EXCHANGE

## Candid Discussions for Today's Financial Leaders

Who We Are



### **Joan Susie | Chairman of the Board**

Joan Susie is the Chairman of Bank Director. As one of the founding members of the company, Joan helped start Bank Director, Corporate Board Member (which was sold to the NYSE in 2010) and Global Navigation, a peer to peer resource for board members of multinational companies.

Joan serves on private company and non-profit boards. Joan is a graduate of the University of Michigan.



### **William B. King | Founder and Chairman of the Executive Committee**

Bill King founded DirectorCorps, the publisher of *Bank Director* magazine, and heads the company's executive committee. He served as Chairman of the company from its founding until 2014. He was chairman of Private Business, Inc. from its founding through its 1996 IPO, and has served on the boards of both New York Stock Exchange and Nasdaq companies. Until its acquisition by Yahoo in 2007, he was chairman of Rivals.com. He serves on a number of private company boards including 247Sports, Magellan Press, StrategyCorps, Comicbook.com and Journal Communications, and is active with a number of non-profit organizations. Bill is a magna cum laude graduate of Princeton University and holds a JD degree from Vanderbilt University School of Law.



### **Laura Schield | Vice President, Conferences**

Laura Schield is the Vice President of Conferences for Bank Director. Laura oversees the planning and production for all Bank Director conferences, events and roundtables. She is a member of the Management Committee and reports to the President of Bank Director. Prior to Bank Director, she served as a project manager at Global Navigation, a consultancy focused on the needs and interests of members of the boards of companies with interests in the U.S. and China. She spent 10 years at AIG/American General running the company's community relations before helping to launch GlobalNav. Laura graduated from Florida State University with a bachelor's in both Marketing/Sales Management and Entrepreneurship & Small Business Management.



### **Michelle King | Vice President, Marketing**

Michelle King is Vice President of Marketing for Bank Director. Michelle leads the company's marketing, branding and public relations efforts. She is a member of the Management Committee and reports to the President of Bank Director. A former VP of marketing at Bank of America, Michelle has more than ten years of experience working within financial institutions.



