



Department of
Financial Institutions



2020 Annual Report

Tennessee Department of Financial Institutions | 46th Annual Report |





Bill Lee

Governor of Tennessee





Greg Gonzales
Commissioner of the
Tennessee Department of
Financial Institutions



Dear Governor Lee and Citizens of the State of Tennessee:

I am pleased to present the 46th Annual Report of the Department of Financial Institutions.

The Department regulates banks, credit unions, trust companies, business and industrial development corporations, industrial loan and thrift companies, insurance premium finance companies, mortgage lenders, brokers, servicers and originators, title pledge lenders, check cashers, deferred presentment services companies, money transmitters and flexible credit act lenders.

We play a vital role in regulating and supporting the financial services industry and ensuring that Tennessee financial institutions remain fiscally strong and comply with governing authority.

The Department's mission is to ensure a safe and sound system of state-chartered institutions for Tennessee citizens, while giving institutions the opportunity to contribute to economic progress. In short, we seek to find balanced regulation. The condition of the Tennessee banking system; overall, continues to be strong, even in the face of a global pandemic. Tennessee state-chartered depository institutions remain well positioned to continue serving their communities.

Tennessee banks and other institutions have served their customers and communities well through Paycheck Protection Program loans, loan modifications, adjusted office space and hours to protect the public among other efforts. The Department initially paused examinations to allow financial institutions to focus efforts on customers. Examinations were resumed completely offsite.

Although continued consolidation within the banking industry is anticipated in 2021, total loans and assets continue to increase, and the complexity and breadth of operations continue to significantly grow. Growth in the state banking and trust industries has been unprecedented. The state banking system by asset size basically doubled from 2011 to June 30, 2019. The conversion of First Horizon in October 2019 to a Tennessee state bank essentially doubled the state bank industry again in 2020. In a matter of just a few years, the combined Tennessee state bank and trust system by asset size in Tennessee is projected to approach in 2021 \$400 billion in assets.

The Department recommends legislation in 2021 dealing with bank powers through the state "wild card" provision.

The Tennessee banking system is critical to the state's economic vitality. The Department continues to develop and implement its Regulatory Balance mission for depository institutions. Department examiners seek to right size regulation to the merits of each institution and avoid a one size fits all approach in order to support the Governor's economic goals for Tennessee. The Department's balanced regulatory approach supports economic progress, and in particular, helps rural institutions support their local communities. With the unprecedented growth in the banking system, the Department continues to focus on creating more experience in the examiner ranks through focused training and retention strategies.

With respect to non-deposit companies, the Department has established a risk-focused examination program that establishes a risk profile on licensed locations so that we can focus more resources on companies that are high risk. The goal is to improve the risk profile and operations of non-deposit companies by sharing risk assessment information with each licensee.

To support the efficient and effective regulation of financial institutions, the Department implemented Alternative Workplace Solutions to reduce the office space that the Department is assigned by nearly 75%, avoiding over \$400,000 in annual cost. 100% of Department staff are now working primarily from home in response to COVID-19. The AWS expectation is to better retain employees and create more experience to further support finding regulatory balance.

Our experience indicates that financial literacy is one of the keys to dealing with the economic issues facing us today. The Department has initiated a number of activities in recent years. Public service announcements, workshops, consumer alerts, panel discussions and an effort to reach Tennessee teachers and students were all a part of this effort. In recent years, working with a variety of partners to deal with elder financial exploitation has become an important initiative of the Department. I serve on the board of the Tennessee Financial Literacy Commission. The purpose of this Commission is to equip Tennesseans to make sound financial decisions when it comes to planning, saving, and investing. A financially literate public is a key factor in establishing a safe and sound system of financial institutions.

Throughout this report, you will find additional information related to the work of this agency, as well as the condition of the entities the Department regulates. As you read this report, you will notice that Tennessee remains a premier state for banking, trust, and financial services companies. On behalf of the employees of the Department, this report is respectfully submitted.

Sincerely,



Greg Gonzales



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OUR MISSION:

The primary statutory mission of the Department of Financial Institutions is to provide the people of Tennessee with a safe and sound system of banks and other institutions by ensuring safety and soundness and compliance with governing law, while giving institutions the opportunity to contribute to the economic progress of Tennessee and the nation. Furthermore, with respect to non-deposit companies, our mission is to seek the greatest access to credit for consumers within the bounds of the law and prudent operations by licensed companies.

OUR VISION:

Our vision is the establishment of a regulatory program that provides for a sound state financial services system within which institutions have the opportunity to succeed and serve their communities by encouraging commerce while there is strong enforcement of laws and regulations to protect citizens.



Commissioner Gonzales' Biography

Greg Gonzales is the 18th commissioner of the Tennessee Department of Financial Institutions, who began serving in this role in 2005, and was reappointed by Governor Bill Lee. He has served in the Department since 1986. In this position, Gonzales serves as Tennessee's chief regulatory officer of all state-chartered depository and licensed non-depository financial institutions. Additionally, he has served as assistant commissioner and general counsel for the Department.

Commissioner Gonzales serves on Governor Lee's Economic Recovery Group, a public-private partnership that will prioritize connection, collaboration, and communication across industries, the medical community and state government to safely reboot Tennessee's economy. Gonzales is a past Chairman of the Conference of State Bank Supervisors (CSBS), which is the professional organization of state banking commissioners in the United States. Commissioner Gonzales, for a number of years, served as a member of the Board of Directors of the Money Transmitter Regulators Association (MTRA), an organization of a majority of the states that regulate funds transfer companies. He serves as Chairman of the State Liaison Committee that incorporates the state supervisory perspective into the Federal Financial Institutions Examination Council (FFIEC). The FFIEC affects regulatory guidance on all depository financial institutions in the United States. He served on the U.S. Treasury's Bank Secrecy Act Advisory Group. Commissioner Gonzales currently serves on the Board of Directors of the Tennessee Financial Literacy Commission and the Tennessee Collateral Pool Board.

Commissioner Gonzales was born in Cookeville, Tennessee and graduated Cum Laude in Cursu Honorum with a bachelor's degree from Tennessee Technological University in 1980. Gonzales served as a research assistant in 1980 to Sir Patrick Cormack, a Conservative Party member of the British Parliament. He earned a law degree from the University of Tennessee in 1984.



DEPARTMENT OVERVIEW

TOTAL NUMBER OF STATE-CHARTERED INSTITUTIONS WITH TOTAL ASSETS UNDER SUPERVISION

Fiscal Year June 30, 2019 vs. Fiscal Year June 30, 2020

CHARTERS	6/30/19	Total Assets	6/30/20	Total Assets
Commercial Banks/Savings Banks	129	\$88B	123	\$153B
Trust Companies	14	\$47B	15	\$55.5B
Credit Unions/Corporate Credit	80	\$13B	80	\$15B
TOTAL NUMBER OF CHARTERS	223		217	

TOTAL NUMBER OF LICENSED OR REGISTERED NON-DEPOSITORY FINANCIAL INSTITUTIONS AND INDIVIDUALS

Fiscal Year June 30, 2019 vs. Fiscal Year June 30, 2020

LICENSEES/REGISTRANTS	June 30, 2019	June 30, 2020
Business and Industrial Development Corporations	1	2
Check Cashing Companies	549	543
Deferred Presentment Services Providers	836	771
Flexible Credit Lenders	674	693
Insurance Premium Finance Companies	43	41
Industrial Loan and Thrift Companies	1,128	1,097
Money Transmitters	136	146
Mortgage Companies	700	769
Mortgage Loan Originators	12,390	13,901
Title Pledge Lenders	696	651
TOTAL NUMBER OF LICENSEES/REGISTRANTS	17,153	18,614



TOTAL REFUNDS TO CONSUMERS PER INDUSTRY
Fiscal Year Ending June 30, 2020

LICENSEES / REGISTRANTS	TOTAL
Check Cashing Companies	\$2,365.95
Deferred Presentment Services Providers	\$11,350.83
Flexible Credit Lenders	\$112,144.92
Mortgage Companies	\$48,060.49
Industrial Loan and Thrift Companies	\$243,105.48
Insurance Premium Finance Companies	\$1,821.41
Title Pledge Lenders	\$103,905.64
TOTAL REFUNDED	\$522,754.72

DEPARTMENTAL EFFICIENCY

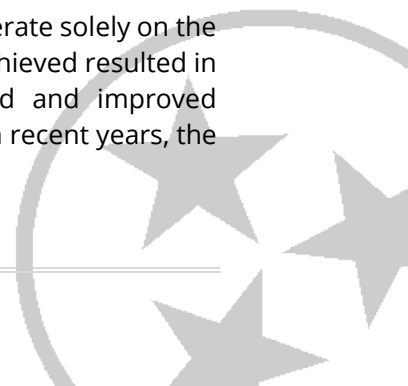
The COVID-19 Pandemic changed the dynamic of how the Department functions on a daily basis. We have used this as an opportunity to implement efficiency measures. A primary function of the Department has traditionally been to be on-site at the financial institutions we regulate to perform examinations. The stay-at-home directive from Governor Lee led us to pause examination efforts briefly so that financial institutions could focus on their customers. Conference and training travel have been suspended in favor of virtual events. Examinations resumed offsite which has resulted in savings from reduced overnight stays and travel to and from institutions. Offsite examinations can reduce regulatory burden on institutions.

This operational change eliminates travel costs and the need for leased vehicles. The Department returned all examiner leased cars, which will result in \$400K annualized savings. Another \$400K in yearly savings is anticipated by eliminating overnight stays related to examinations, training, and other purposes.

The Department is 100% deploying Alternative Workplace Solutions (AWS) by all employees working from home, at an institution or at shared state office space. Relying on more electronic communication and documentation will also reduce shipping costs for examination documents and to some degree reduce supply costs.

Potentially, reducing our rentable square footage footprint at the Tennessee Tower over the next year, we could realize additional recurring savings in rent and central office costs like IPT phones, leased copiers/ printers/fax machines and other office equipment.

The Department is self-funded and we do not receive state or federal funds. We operate solely on the fees assessed to the institutions we regulate. Therefore, the efficiencies we have achieved resulted in reduced fee assessments for many financial institutions while we maintained and improved Department services. Despite the unprecedented bank and trust industry growth in recent years, the Department actually has fewer staff positions than we maintained a decade ago.



ADMINISTRATIVE DIVISION

The Administrative Division manages the Department's budget and oversees fiscal services, human resources, training and development, legal, information systems, and consumer resources. Therefore, the Administrative Division provides support to the three regulatory divisions.

COMMISSIONER'S OFFICE

- Greg Gonzales, Commissioner
- Alica Owen, Executive Assistant/Scheduler/Public Information Officer/Webmaster
- Josh Robertson, CISA, CRISC, MBA, Chief Administrator-Regulatory Cybersecurity
- Jack M. Williams, CIA, CRMA, Internal Audit Director
- Ronnie Rogers-Sirten, EAA2/HR Liaison

ADMINISTRATIVE

FISCAL

- Michelle Berry, CPA, Budget/Fiscal Director
- Tommie Pendergrass, CPA, Fiscal Operations & Administrative Support Analyst
- Kenneth Weems, Chief Administrator, Administrative Division/Fiscal
- James Stack, Budget Analyst

CONSUMER RESOURCES

- Alan Smith, Chief Administrator – Consumer Resources
- Alicia Gay, Consumer Resources Examiner 2
- Betty Osborne, Consumer Resources Examiner 2

HUMAN RESOURCES

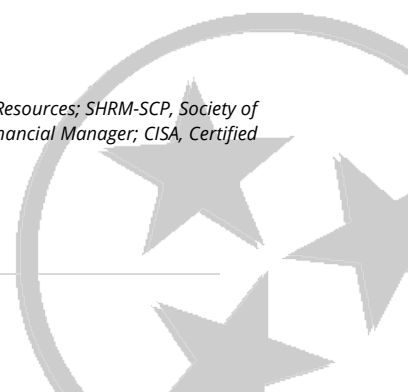
- Leslie Yanez, M.S., SPHR, SHRM-SCP, HR & Training Director
- Teri Crow, HR Analyst
- Carmen McCreedy, Administrative Services Assistant
- Kelley Murray, HR Assistant

LEGAL

- Marsha Anderson, General Counsel
- Sarah Branch, Assistant General Counsel
- Paula Cagle, Executive Administrative Assistant
- Denise Cole, Deputy General Counsel
- Daniel Espensen, Assistant General Counsel
- Rachel Gatlin, Assistant General Counsel
- Mark Kilpatrick, Assistant General Counsel
- Troy McPeak, Assistant General Counsel
- Eric Rogers, Chief Legal Counsel-Compliance Division
- Todd Staley, Legislative Liaison/Assistant General Counsel



Personnel Designation: M.S., Master's Degree; MBA, Master's of Business Administration; SPHR, Senior Professional of Human Resources; SHRM-SCP, Society of Human Resource Management-Senior Certified Professional; CPA, Certified Public Accountant, CGFM; Certified Government Financial Manager; CISA, Certified Information Systems Auditor; CRISC, Certified in Risk and Information Systems Control



FISCAL OVERVIEW

2020 FUNDING SOURCES

REVENUE SOURCES	AMOUNT (ROUNDED TO NEAREST HUNDRED DOLLARS)	PERCENT OF TOTAL REVENUE COLLECTED
Bank Division Fees*	\$15,413,200	62%
Compliance Division Fees	\$6,481,300	26%
Credit Union Division Fees	\$2,958,600	12%
Other	\$3,400	0%
TOTAL REVENUES	\$24,856,500	100%

The Department of Financial Institutions receives no federal or state taxpayer funds and is fully funded by the fees assessed to the financial institutions regulated and supervised by the Department.

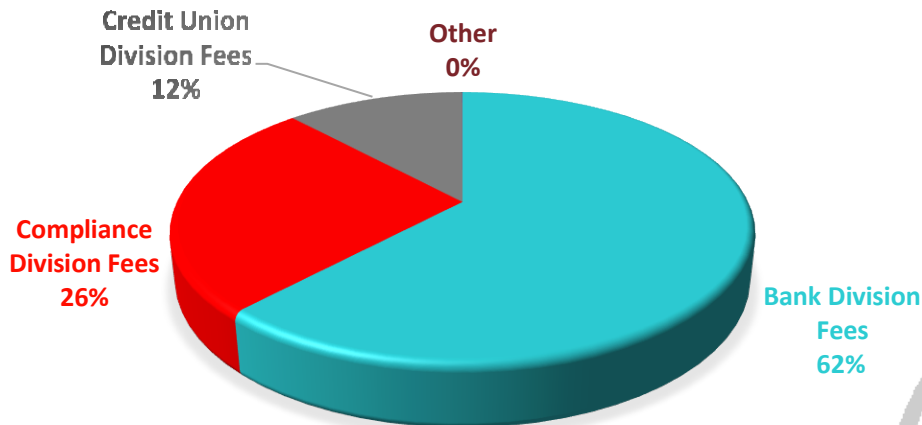
In addition to the 2020 revenue source chart, in late FY2012, Department received one-time settlement funds, totaling \$1,000,000, from a nationwide settlement. At June 30, 2020, the remaining balance of these funds totaled \$361,100 and was carried forward to FY2021. Also, \$52,600 of the unexpended FY2020 budget was carried forward to fund the Department’s Information Systems (IT) projects.

*Includes \$2,025,191 of bank assessments that was rebated to state banks in fiscal year 2021.

The Department’s regulatory oversight includes:

- State-Chartered Banks
- State-Chartered Credit Unions
- Business and Industrial Development Corporations (BIDCOs)
- Trust Companies
- Check Cashing Companies
- Deferred Presentment Services Providers
- Flexible Credit Lenders
- Industrial Loan and Thrift Companies
- Insurance Premium Finance Companies
- Money Transmitters
- Residential Mortgage Lenders, Brokers and Servicers
- Mortgage Loan Originators
- Title Pledge Lenders

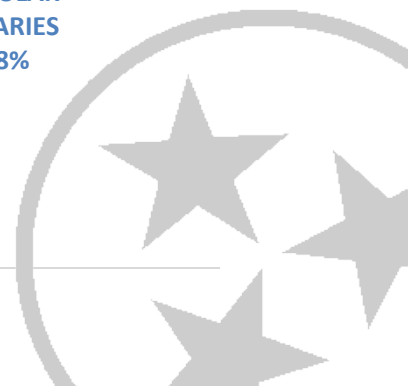
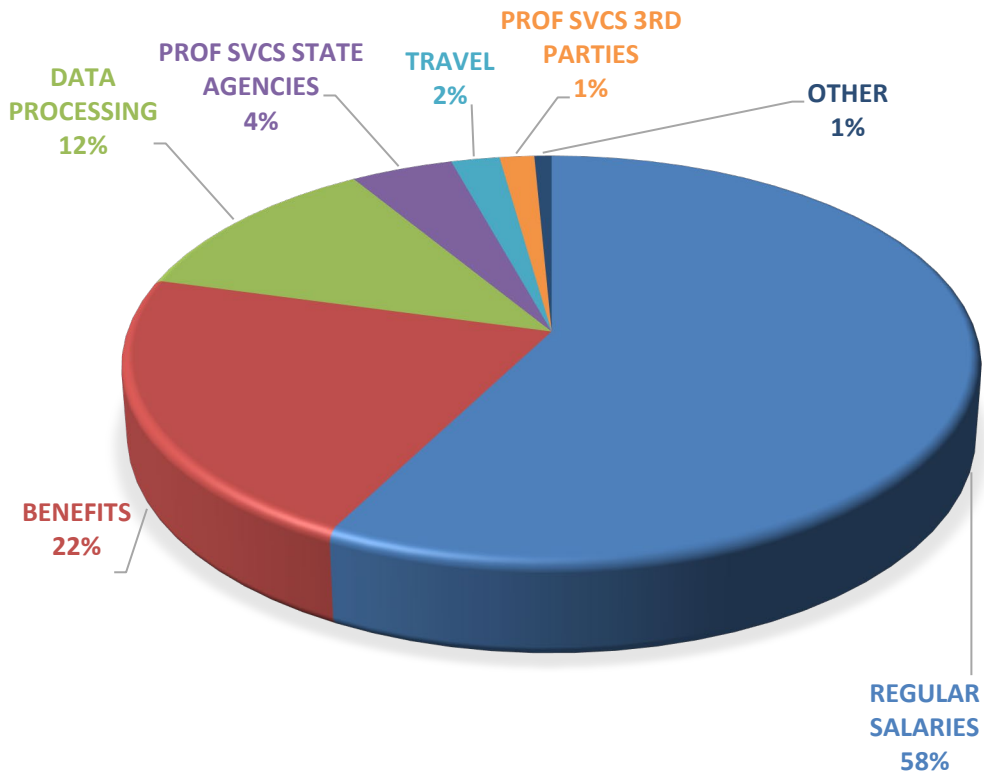
FUNDING SOURCES



2020 EXPENDITURES

EXPENDITURE CATEGORY	AMOUNT (ROUNDED TO NEAREST HUNDRED DOLLARS)	PERCENT OF TOTAL EXPENDITURES
Regular Salaries	\$12,389,300	58%
Benefits	\$4,640,900	22%
Professional Services State Agencies	\$2,620,800	12%
Data Processing	\$929,900	4%
Travel	\$449,200	2%
Professional Services Third Party	\$320,100	2%
Other	\$137,900	0%
TOTAL EXPENDITURES	\$21,488,100	100%

EXPENDITURE CLASSIFICATIONS



CYBERSECURITY PROGRAM



Amidst the pandemic in 2020, the Department continued its focus on cybersecurity by promoting cyber awareness within the banking system through a variety of avenues. While the pandemic provided many obstacles, it also provided opportunities for the Department to emphasize the importance of pandemic planning and business continuity strategy within the industry. Through the distribution of numerous cyber alerts, the Department highlighted risks and best practices regarding telework, pandemic guidance, COVID-19/CARES Act (The Coronavirus Aid, Relief, and Economic Security Act) related scams, and ransomware attacks to state-chartered institutions.

Additionally, the Department participated in a Virtual Cybersecurity Tabletop Exercise sponsored by the Credit Union National Association (CUNA) and National Association of State Credit Union Supervisors (NASCUS) on June 30, 2020. The exercise allowed credit unions and credit union examiners to test their policies, procedures, and general readiness to identify, manage, and mitigate a cyber originated disruption in the credit union space.

The Department is also a participant on the Conference of State Bank Supervisors (CSBS) IT Advisory Committee which developed a Cyber Response Playbook for State Banking Departments and a subsequent Ransomware Self-Assessment Tool (R-SAT) in conjunction with the Banker's Electronic Crimes Task Force and the United States Secret Service. The R-SAT was issued to state-chartered banks on October 13, 2020, with the goal of increasing awareness and driving improvement in security practices to mitigate ransomware attacks within the community banking industry. To further this initiative, the Department gave a presentation on the R-SAT at the November 13, 2020, IT/Operations/Information Security Officer Forum sponsored by the Tennessee Banker's Association. The presentation discussed the ever-evolving threat of ransomware within the community banking sector, the importance of mitigation strategies, and the benefits of the R-SAT to state-chartered banks.

Moving forward, the Department will continue its commitment to promoting cyber awareness to its regulated institutions to ensure consumer confidence in the Tennessee banking system.



HUMAN RESOURCES AND TRAINING

The Human Resources and Training Section in the Department's Administrative Division coordinates and provides customer service to employees on issues/matters related to benefits, time and labor processing, policy clarification, personnel file management, recruitment and hiring, performance management, employee relations, worker's compensation, Family Medical Leave, ADA/AACOM Accommodations and other matters related to an employee's welfare and/or job performance. The Section also provides Edison support by ensuring employee's personnel records and training records are updated in Edison. In addition to supporting Department employees, the Human Resources and Training Section staff works collectively with Department management and leadership to provide reports and data related to turnover, demographics, staffing, leave accruals and other information related to personnel and staffing. The Section also works with management to establish appropriate position classifications to ensure the Department maintains a qualified, experienced staff able to carry out the Department's regulatory responsibilities. On January 21, 2020, the Department entered into a Memo of Understanding (MOU) with the Department of Human Resources – Business Solution, DOHR-BS. This MOU allows the DOHR-BS unit to serve as the Department's Human Resources and Training Division through shared services.

Over the past few years, the State of Tennessee has worked to develop and improve a performance management system that directs employee performance through SMART work outcomes. Department management has worked diligently to ensure that Individual Performance Plans have work outcomes that meet the SMART format criteria. Following an audit conducted by the Department of Human Resources, the Department continues to demonstrate compliance with the SMART format with a 100% compliance rating. With the Department successfully completing the SMART audit for the past three (3) years, DOHR did not require the Department to participate in the audit this year. With the addition of competencies as part of the performance management process, management was able to provide appropriate feedback to staff to ensure we are continually striving to provide good customer service to internal and external customers. Department management has also participated in training on the State of Tennessee Talent Management process to further support Department efforts to develop a qualified workforce and assist us in our succession planning efforts.

During the past few years, greater emphasis has been placed on employee development. As a Certified Learning Facilitator, the Human Resources Director facilitates training for staff and management related to state and department policies as well as Department of Human Resources curricula. Having our own certified Learning Facilitator has afforded the Department greater flexibility to ensure staff and management are able to participate in required and requested training in a manner that can accommodate their regulatory and examination responsibilities.



The Department's efforts to participate in the state's Alternative Workplace Solutions (AWS) program continues to be successful and staff have worked to embrace available technology for meetings and some training that can be accomplished outside of a classroom setting. Prior to the COVID-19 Pandemic, only fourteen (14) Department employees were permanently assigned work daily in the Nashville office. 90% of the Department's employees are classified as either mobile workers or work at home. Mobile workers generally report daily to a financial institution to participate in an examination. On days when they do not report to a financial institution, they work at home. Employees classified as work at home, generally work at home a minimum of three (3) days per week and work at the office on an average of two (2) days per week. In response to the COVID-19 Pandemic, the remaining fourteen (14) Department employees converted to an AWS-work from homesetting, and the mobile workforce converted to completing their required examinations in a remote environment. Implementation of AWS has reduced office expenses, decreased employee travel and parking in the Nashville area as well as increased productivity and improved morale. The ability to work at home has resulted in lower utilization of sick leave as well as enabled staff to work at home in lieu of utilizing Administrative Leave with Pay when inclement weather has resulted in the closing of state offices.

LEGAL DIVISION

The Legal Division provides legal advice and representation for the Department. It is comprised of a General Counsel, eight (8) staff attorneys and one Legal Assistant.

The Department's Legal Division advises the Commissioner and Department personnel in all legal matters affecting the Department. The Legal Division works closely with regulated entities and the general public in addressing legal issues. The Legal Division also works with the Governor's Office and the Tennessee General Assembly on legislative issues affecting financial institutions.



The Legal Division represents the Department in all administrative enforcement actions initiated by the various divisions in the Department. The Legal Division also assists in the coordination of enforcement initiatives with other federal and state regulators as well as with various law enforcement agencies.

The Legal Division was heavily involved in the 2020 legislative session by analyzing and tracking bills, working closely with the Governor's Office, the General Assembly, and other groups sponsoring legislation which impacted the Department. The Legal Division also provided assistance to the Department on a myriad of legal issues, ranging from issues pertaining to bank, trust company and credit union applications and operations, consumer lenders, including industrial loan and thrift companies, title pledge lenders, deferred presentment services providers, and flexible credit lenders, to issues involving mortgage companies, mortgage loan originator registration, money transmitter licensing, and check cashers, as well as other areas requiring legal expertise.

Throughout the COVID-19 pandemic, the Legal Division has worked remotely and has provided legal support to the Department to help enable other divisions in the Department to work remotely as well.

2020 LEGISLATION

Public Chapter 581—Amends T.C.A. Title 45, Chapter 2 Effective Date: March 19, 2020

Public Chapter 581 amends T.C.A. § 45-2-1603 of the Tennessee Banking Act, authorizing the Commissioner, in the Commissioner's discretion and in the interest of sound banking regulation, to publicly disclose written agreements jointly entered into by the Commissioner and the Federal Deposit Insurance Corporation (FDIC) or Federal Reserve.

Public Chapter 581 also amends T.C.A. § 45-2-2001(a) by deleting the requirement that all individuals who control the private trust company, who establish trusts or charitable organizations controlling

the private trust company or who control corporations, sole proprietorships, partnerships, joint ventures, associations, trusts, estates, business trusts, limited liability companies, or other companies controlling the private trust company must be family members.

Public Chapter 605-Amends T.C.A. Title 45, Chapter 2

Effective: March 20, 2020

Public Chapter 605 makes several changes to the Tennessee Banking Act, in pertinent part, as follows:

- Deletes the requirement in T.C.A. § 45-2-1305(b) that merging banks provide stockholder notice of a meeting by way of newspaper publication.
- Deletes the reciprocity requirement in T.C.A. § 45-2-1412(b) for out of state banks to establish or acquire branches in Tennessee.
- Amends the residency requirements for directors in T.C.A. § 45-2-401(a) by permitting the Commissioner to waive the requirements upon making certain findings.
- Amends the bank record retention requirements in T.C.A. § 45-2-616(b) by reducing the time period for retaining certain records (minute books, certain ledgers, daily statements of condition, the general journal, and copies of bank examination reports) from permanent retention to 7 years.
- Makes various other amendments to the Tennessee Banking Act, including a provision regarding information that does not need to be included in a restated charter (T.C.A. § 45-2-218) and provisions on joint account designations (T.C.A. § 45-2-703).
- Eliminates the June 22, 2022, sunset provision of the Elderly and Vulnerable Adult Financial Exploitation Prevention Act, found at T.C.A. Title 45, Chapter 2, Part 12.

Public Chapter 730-Amends T.C.A. Title 45, Chapter 7, Part 2

Effective Dates: June 22, 2020 and January 1, 2021

Public Chapter 730 of the Acts of 2020 makes the following changes to the Tennessee Money Transmitter Act of 1994:

- Amends the definition of “key shareholder” in T.C.A. § 45-7-203(7) by replacing the twenty-five percent (25%) ownership threshold with ten percent (10%), requiring each applicant to disclose those persons owning ten percent (10%) or more of an applicant’s stock.
- Amends T.C.A. § 45-7-207 by adding a new subsection (d) authorizing the Commissioner to require applicants (and the executive officers, key shareholders and directors of applicants as well as other associated individuals as reasonably necessary) to consent to fingerprint criminal history records checks conducted by the Tennessee Bureau of Investigation, the Federal Bureau of Investigation, or both, and pay the costs incurred in conducting these criminal history records checks.
- Adds a new section requiring money transmitters to, pursuant to an order or direction from the Commissioner, submit reports of condition to a multi-state automated licensing system and further deletes the requirement to submit certain information (specifically, information required by T.C.A. § 45-7-211(d)(2),(4), and (5)) in each money transmitter’s annual report as this information would be available through the reports of condition.

RULEMAKING

Repeal of Chapter 0180-33-Rules Pertaining to Title Pledge Lenders

Effective Date: December 29, 2020

Chapter 0180-33 had established the initial filing/licensing fees and annual licensing renewal fees for title pledge lenders under previous provisions of the Tennessee Title Pledge Act. However, Public Chapter 736 of the Acts of 2014 authorized the Department to assess persons regulated and supervised by the Department's compliance division, including persons licensed under the Tennessee Title Pledge Act, an annual supervision fee instead of being assessed initial filing/licensing fees, annual licensing renewal fees and certain other fees. Public Chapter 736 further replaced the provisions in the Tennessee Title Pledge Act referencing initial filing/licensing fees and annual licensing renewal fees with reference to the supervision fee set forth in T.C.A. § 45-1-118(i). As a result, Public Chapter 736 rendered Chapter 0180-33 ineffective. Accordingly, the Department has repealed Chapter 0180-33.

CONSUMER RESOURCES

The Consumer Resources Section reviews and tracks consumer complaints, fosters community outreach, and encourages financial education in Tennessee. The consumer complaint process helps provide insight into the operations of the financial institutions that the Department regulates.

Since the development of the Consumer Resources Section in 2004, the Section has processed almost 8000 consumer complaint files and has achieved \$778,796 in total refunds or waived fees through the consumer complaint process.



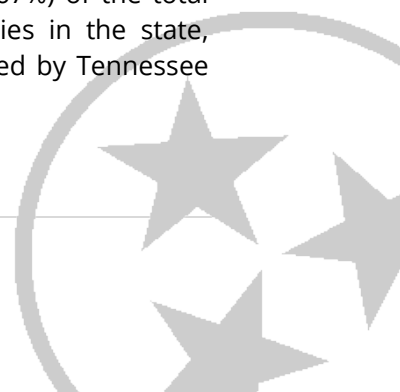
CONSUMER PROTECTION

The Section's key responsibility is to receive and process consumer complaints. The Department is the primary state agency that processes consumer concerns and complaints involving financial institutions operating under the various laws within the jurisdiction of the Department. If the Department receives a consumer inquiry or complaint involving an issue or entity that does not fall within our jurisdiction, those inquiries or complaints are forwarded to the appropriate agency and the consumer is advised accordingly.

The Section serves as an intermediary between the consumer and the financial institution against which the complaint is filed. In general, the Section's practice is to send the consumer's written complaint to the financial institution for response. The standard is to allow the financial institution 15 business days, making the entire consumer complaint review process on average approximately 32 calendar days. In 2020, the average processing time of all complaint files reviewed was 11.54 calendar days, which is an 11.64% improvement from the 2019 consumer complaints. Additionally, 94.99% of all complaints received and reviewed were finalized in 32 calendar days or less, which is a 4.49% improvement from 2019.

The Section processed a total of 419 formally filed consumer complaints throughout calendar year 2020. This is a 22.9% increase from 2019. These complaints were received from residents of 64 of the state's 95 counties (67.37%). A total of 87 (20.77%) complaints were filed by out of state residents. Additionally, of the total number of complaints that were filed, 255 or 60.86% were submitted using the Department's online consumer complaint form, which is an increase of 69 online complaint submissions, or 37.1% over online complaint filings in 2019.

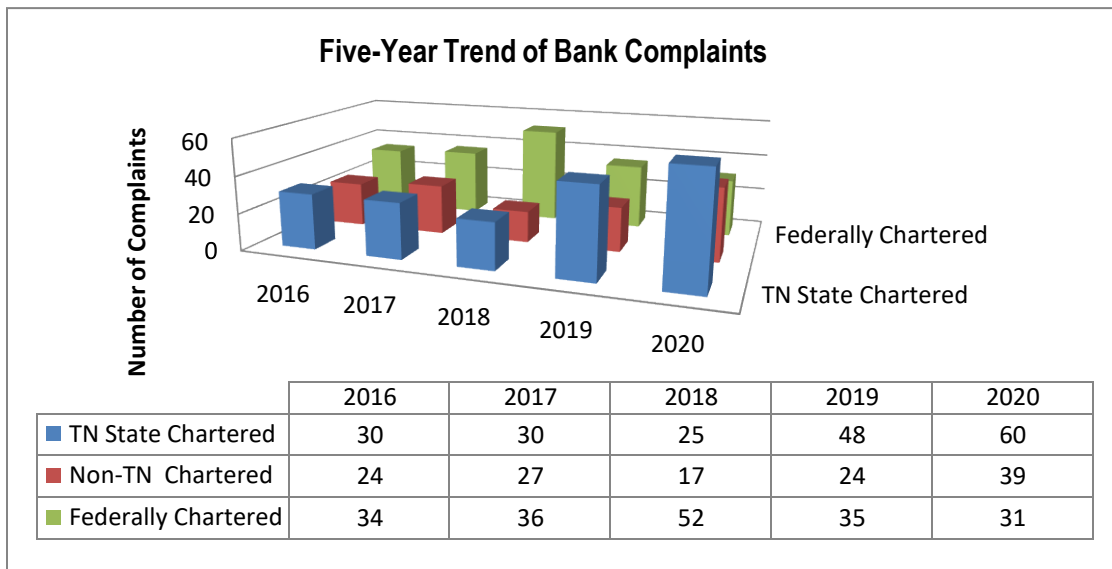
Shelby County residents had the highest number of complaints filed with 62 (18.67%) of the total Tennessee resident filed complaints. Complainants from the four largest counties in the state, Davidson, Shelby, Knox, and Hamilton, comprised 43.67% of all the complaints filed by Tennessee citizens with 145.



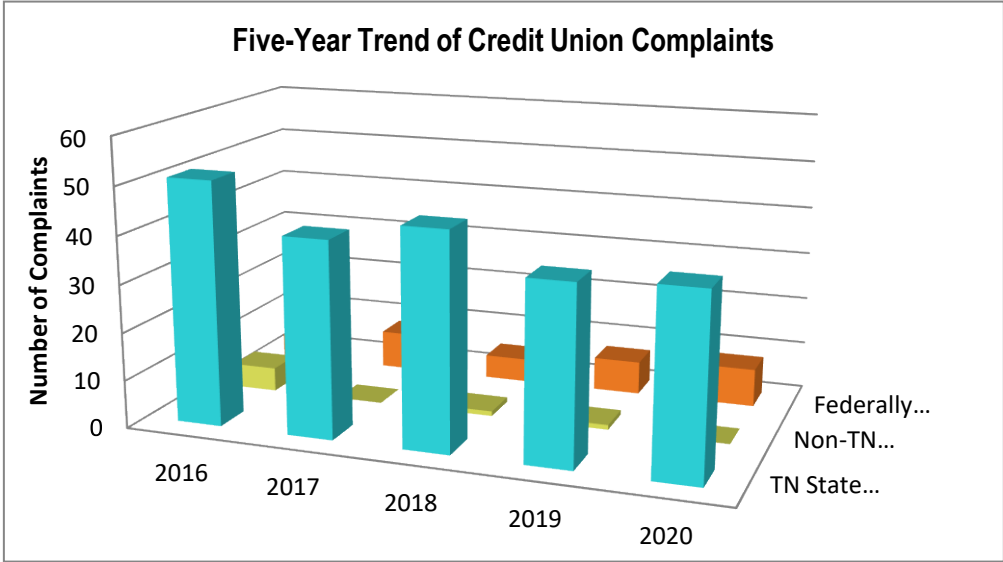
With Nashville-Davidson County and the six ring counties surrounding the city being the most populated areas of the state, consumer complaints from Davidson County and the ring counties comprised 28.01% of all the complaints filed by Tennessee residents. The complete county listing of consumer complaints filed in 2020 appears later in this report on page 23.



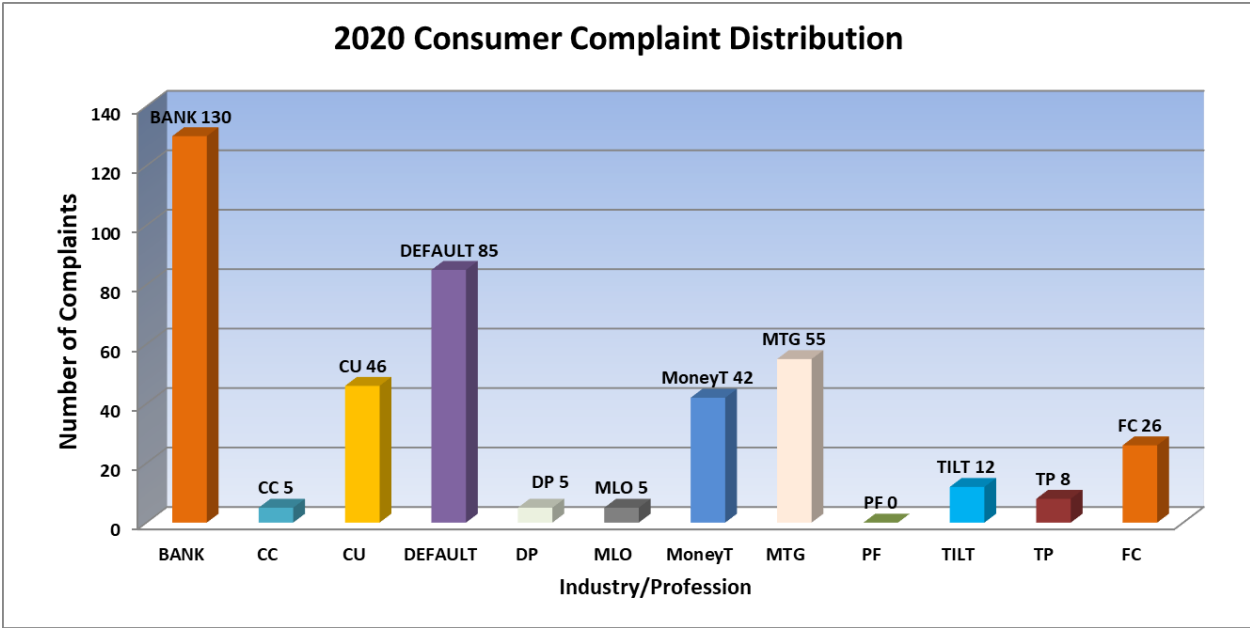
The following graphic shows the five-year trend for bank complaints the Section has received, based on the specific charter type of the institution named in the complaint. Complaints against federally chartered banks have seen a two-year trending decline since 2018. Non-Tennessee state bank complaints increased 62.5% between 2019 and 2020; while Tennessee chartered bank complaints have been trending higher with a 100% increase in 2020 versus 2016. (60-2020 v. 30-2016)



The next graphic shows the five-year trend for the various credit union complaints the Section has received. This is also based on whether the credit union is federally chartered, non-Tennessee state-chartered or a Tennessee chartered credit union. All three charter types have fluctuated over the past five years, with Tennessee chartered credit union complaints trending lower since 2018.



The following graphic shows a listing of the complaints received against the various industry types of financial institutions regulated by the Department.



*Calendar year ending December 31, 2020
 *Bank and credit union data includes federally chartered, out-of-state and Tennessee chartered institutions.
 **DEFAULT category contains complaints against financial institutions and/or companies that were not subject to the department's regulation and the complaint was referred to the correct agency holding jurisdiction or regulatory authority.
 ***Tennessee Industrial Loan and Thrift Companies
 **** Flexible Credit Loans became effective January 1, 2015

While some of the complaints received may have more than one allegation mentioned by the complainant, the following listing contains the Top Ten most frequently alleged situations.



TOP TEN CONSUMER COMPLAINT ALLEGATIONS

Rank	Allegation	Number
1	Customer Service Issues	42
2	Refund Issues	30
3	Unapproved Account Withdrawal	27
4	Credit Bureau Reporting Information	24
5	Payment Processing-Payment History	24
6	Account Balance Discrepancy	21
7	Application Processing Issues	20
8	Fraud	16
9	Scams	15
10	Foreclosure Issues	14

From the complaints reviewed and processed in 2020, consumers received \$30,258.95 in the form of direct credits, refunds to their accounts, physical checks made payable to the complainant or waived fees on their account. There were also several accounts that resulted in some form of a workout payment arrangement to assist the complainant in making their payments on their loans, which may have been in dispute when they submitted their complaint. The complete refunds by industry type are shown below:

REFUND/WAIVED FEE AMOUNT	INDUSTRY
	Default
\$216.71	TILT
\$1,544.41	Flexible Credit
\$2,704.66	Mortgage
\$1,000.00	MLO
\$00.00	Deferred Presentment
\$00.00	Title Pledge
\$00.00	Premium Finance
\$00.00	Check Casher
\$4,150.10	Money Transmitter
\$1,703.28	Credit Union
\$18,939.79	Bank
\$30,258.95	2020



TOTAL COMPLAINTS BY COUNTY

County	Total Complaints	Percent %	County	Total Complaints	Percent %	County	Total Complaints	Percent %
Out of State	87	20.76%	Hamblen	1	0.24%	Moore	0	0.00%
Anderson	2	0.48%	Hamilton	13	3.10%	Morgan	0	0.00%
Bedford	3	0.72%	Hancock	2	0.48%	Obion	2	0.48%
Benton	0	0.00%	Hardeman	1	0.24%	Overton	1	0.24%
Bledsoe	2	0.48%	Hardin	0	0.00%	Perry	0	0.00%
Blount	9	2.15%	Hawkins	2	0.48%	Pickett	0	0.00%
Bradley	8	1.91%	Haywood	1	0.24%	Polk	0	0.00%
Campbell	3	0.72%	Henderson	0	0.00%	Putnam	1	0.24%
Cannon	0	0.00%	Henry	0	0.00%	Rhea	0	0.00%
Carroll	2	0.48%	Hickman	1	0.24%	Roane	5	1.19%
Carter	1	0.24%	Houston	0	0.00%	Robertson	1	0.24%
Cheatham	3	0.72%	Humphreys	0	0.00%	Rutherford	20	4.77%
Chester	1	0.24%	Jackson	0	0.00%	Scott	0	0.00%
Claiborne	1	0.24%	Jefferson	0	0.00%	Sequatchie	0	0.00%
Clay	0	0.00%	Johnson	1	0.24%	Sevier	6	1.43%
Cocke	1	0.24%	Knox	28	6.68%	Shelby	62	14.80%
Coffee	4	0.95%	Lake	0	0.00%	Smith	1	0.24%
Crockett	1	0.24%	Lauderdale	1	0.24%	Stewart	1	0.24%
Cumberland	1	0.24%	Lawrence	2	0.48%	Sullivan	10	2.39%
Davidson	42	10.02%	Lewis	1	0.24%	Sumner	8	1.91%
Decatur	1	0.24%	Lincoln	1	0.24%	Tipton	2	0.48%
Dekalb	0	0.00%	Loudon	0	0.00%	Trousdale	0	0.00%
Dickson	2	0.48%	McMinn	0	0.00%	Unicoi	1	0.24%
Dyer	1	0.24%	McNairy	2	0.48%	Union	0	0.00%
Fayette	1	0.24%	Macon	0	0.00%	Van Buren	0	0.00%
Fentress	3	0.72%	Madison	2	0.48%	Warren	2	0.48%
Franklin	3	0.72%	Marion	1	0.24%	Washington	13	3.1%
Gibson	1	0.24%	Marshall	0	0.00%	Wayne	0	0.00%
Giles	0	0.00%	Maury	5	1.19%	Weakley	1	0.24%
Grainger	3	0.72%	Meigs	0	0.00%	White	1	0.24%
Greene	2	0.48%	Monroe	0	0.00%	Williamson	13	3.10%
Grundy	2	0.48%	Montgomery	7	1.67%	Wilson	6	1.43%
						Total	419	100.00%

CONSUMER EDUCATION

A key strategy in helping protect consumers is to develop and coordinate educational resources that can assist consumers in making informed financial decisions. Education is a powerful financial literacy tool. Consumers who understand their rights and responsibilities are better equipped to make sound financial decisions. Daily, the Consumer Resource Section staff provides one-on-one personal financial education through phone calls, letters and e-mail correspondence with consumers.



One of the goals of the Section is to ensure that all Tennesseans have access to financial literacy programs that will help them make better money management decisions. The Commissioner is a board member of the Tennessee Financial Literacy Commission, which acts as a clearing house for financial literacy activity in Tennessee and gives input to the effort to increase financial literacy in elementary schools. The Section was privileged to partner with other agencies to promote savings in conjunction with America Saves Week. Throughout

calendar year 2020, the Section continued its partnership with Tennessee Jumpstart, A Coalition for Personal Financial Literacy. Alan Smith, Chief Administrator for this section, was selected as President of Tennessee Jumpstart at the 4th Quarter Board of Directors meeting in December 2020 and begins a two-year term in the office with the organization.

The onset of the COVID-19 pandemic and safer at home directives limited the number of in-person financial education events in which Department representatives were able to participate. The Section was able to assist in working with other members of Department staff in relief efforts that were developed in response to the devastating tornadoes that impacted several counties across the state in early March. With much of the damage being concentrated in Davidson and Putnam counties, Department staff helped provide useful information and tips at the Disaster Assistance and Recovery Centers that were headed by federal authorities from FEMA and also the state's officials with TEMA.

FINANCIAL EDUCATION OUTREACH

The following is a listing of the presentations made, panelist participation and/or brochures provided to various groups during 2020:

- Tennessee Jumpstart 17th Annual Personal Finance Educators Conference
- Memphis and Nashville Financial Empowerment Centers Counselors



BANK DIVISION

The Bank Division has legal responsibility for ensuring that the Tennessee state-chartered banking system runs on a safe and sound basis. The division's risk-focused approach seeks to achieve the Department's mission of balancing safety and soundness with affording institutions the opportunity to contribute to economic development. In its supervisory role, the Bank Division periodically examines the financial soundness of all state-chartered banks, savings banks, and independent non-depository trust companies. The Department plays a vital role in regulating and supporting the financial services industry and ensuring that Tennessee financial institutions remain fiscally strong and comply with governing authority.

Bank examiners perform evaluations of each institution's assets, liabilities, income, and expenses; monitor compliance with governing laws and regulations; and rate the effectiveness of the institution's management. The adequacy of capital is assessed to ensure the protection of depositors. In addition, examiners review the Information Technology (IT) functions of state-chartered institutions for compliance with generally accepted IT practices and adherence to departmental regulations.

In recent years, the Bank Division implemented enhanced risk-scoping procedures prior to and during bank examinations. Examiners are empowered and expected to customize the direction and depth of the examination, to focus on higher risk areas, as the Department continues to seek to right-size regulation to the merits of each institution and avoid a one-size fits all approach in order to support the Governor's economic goals for Tennessee.

Although the number of regulated banks declined from 129 as of June 30, 2019 to 123 as of June 30, 2020, total consolidated assets of Tennessee state-chartered banks increased significantly. Six of the seven merger transactions from June 30, 2019 to June 30, 2020 were with another Tennessee state-chartered institution, which resulted in six fewer charters, but no reduction in total assets within the state system. Furthermore, three out-of-state banks merged with and into the Tennessee state system during this fiscal year. The most notable transaction with regard to asset size was the conversion of First Horizon Bank, Memphis to a state-chartered institution on October 25, 2019. Total consolidated assets under the Department's supervision continues to increase through organic growth and participation in the Small Business Administration's Paycheck Protection Program, as well as continued state merger transactions. As of July 2, 2020, Iberia Bank, previously based in Lafayette, Louisiana, merged with and into First Horizon Bank, Memphis, which added an additional \$35 billion to total consolidated assets which is not reflected in this annual report as of June 30, 2020. Total assets in the state system have grown from \$88 billion as of June 30, 2019 to \$153 billion as of June 30, 2020. This represents a 73% increase over one fiscal year.

Tennessee is a leading trust jurisdiction, which has facilitated strong industry growth over the past several years. The Bank Division supervises the trust industry, including non-depository public trust companies and state bank trust departments. As of June 30, 2020, the division supervised 15 public trust companies and 34 bank trust departments administering \$122 billion in assets.

This division also examines Business and Industrial Development Companies (BIDCOs) for compliance with governing statutes and evaluates applications for new institutions, branches, expanded financial activities and corporate reorganizations.

The Bank Division was reaccredited in 2020 by the Conference of State Bank Supervisors for another five years, demonstrating that the Department meets high standards in its operations.

ADMINISTRATION

- Tod Trulove, Assistant Commissioner, CEM
- Todd Rice, Chief Administrator – Examinations
- Debra Grissom, Chief Administrator – Applications
- Wade McCullough, Chief Administrator – Trust, CEIC
- Chad Holbert, Program Administrator – Trust
- Clyde McClaran, Division Training Director
- James Dewhirst, Consumer Compliance Liaison
- William Cook, Application Analyst
- Justin McClinton, Safety & Soundness Administrator
- Philip Ruffin, Chief Administrator – Large Banks
- Ekaette Udoumana, Safety & Soundness Administrator
- Grant Casselberry, Program Administrator – Large Banks
- Jo Ann Schumann, Safety & Soundness Administrator, CCBCO
- Gina Tarolli, Executive Administrative Assistant
- Jehmie Barrick, Administrative Assistant 2
- Kenneth Oliver, Program Administrator – Large Banks, CPA
- Holly Ragan, Program Administrator – Large Banks
- Michael Glaser, Program Administrator – Large Banks



EXAMINATION PERSONNEL

WEST TENNESSEE DIVISION

- Danny Nolen, Bank Division Manager, CEM
- Timothy Runions, Bank Regional Supervisor, CEIC
- Phillip Stafford, Bank Regional Supervisor, CEIC
- Brittany Williams, Bank Regional Supervisor
- Roxanne Taylor, FI Special Examiner Trust, CEIC
- Vicki Ivey, Bank Off-Site Monitoring Coordinator, CEIC
- Toniece Johnson, IT Bank Examiner, COE
- Stephen Koffman, Bank Examiner 4
- Jeffrey Rial, Bank Examiner 4
- Courtney Hopper, Bank Examiner 4
- Cheena Keltner, Bank Examiner 4
- Blake Mascolo, Bank Examiner 3
- Drew Jordan, Bank Examiner 2
- Naman Patel, Bank Examiner 2
- Cindy Buffaloe, Bank Examiner 1
- William Diamond, Bank Examiner 1
- Ryan Kemp, Bank Examiner 1
- Jon Sain, Bank Examiner 1

MIDDLE TENNESSEE DIVISION

- Mike Sisk, Bank Division Manager, CEIC
- Edward Black, Bank Regional Supervisor
- John Tubb, Bank Regional Supervisor
- Jordan Brown, Bank Regional Supervisor
- Sherri Cassetty, Bank Off-Site Monitoring Coordinator, CEIC, CFE
- Mark Herren, IT Bank Examiner
- Kimberly Morrow, FI Special Examiner Trust
- Allise Fowler, Bank Examiner 4
- Alan Kirkwood, Bank Examiner 3
- James Alley, Bank Examiner 3
- Cody Durham, Bank Examiner 3
- Darnell Tate, Bank Examiner 2
- Zach Tarwater, Bank Examiner 2
- Anne Mauldin, Bank Examiner 2
- Kyle Wright, Bank Examiner 2
- Jameel Lane, Bank Examiner 1
- Jessica Banda, Bank Examiner 1
- Dylan Wood, Bank Examiner 1

EAST TENNESSEE DIVISION

- Jessica Huff, Bank Division Manager, CSBE
- Jonathan Piper, Bank Off-Site Monitoring Coordinator, CEIC
- Jamice Lane-Washburn, Bank Regional Supervisor
- Anthony Valentino, Bank Regional Supervisor
- Michael Blair, Bank Regional Supervisor
- James Cody Jordan, IT Bank Examiner
- Corey Wright, FI Special Examiner Trust
- Joy Seaver, Bank Examiner 4
- Ashley McClellan, Bank Examiner 4
- Errol Griebel, Bank Examiner 2
- Adam Hyde, Bank Examiner 2
- Nicholas Watson, Bank Examiner 1
- Virginia Showers, Bank Examiner 1
- Joseph Rice, Bank Examiner 1

Personnel Designation: ACISE, Associate Certified Information Systems Examiner; CEIC, Certified Examiner-in-Charge; CEM, Certified Examinations Manager; CFE, Certified Fraud Examiner; COE, Certified Operations Examiner; CPA, Certified Public Accountant; CCBCO, Certified Community Bank Compliance Officer; CSBE, Certified Senior Bank Examiner



BANK APPLICATION ACTIVITIES FY 2019-2020

NEW BANKS OPEN

There have been no new bank openings during fiscal year 2019-2020.

BANK MERGERS

Farmers & Merchants Bank, Adamsville, TN, merged with and into Centennial Bank, Trezevant, TN (July 2019)

Chester County Bank, Henderson, TN, merged with and into Centennial Bank, Trezevant, TN (July 2019)

Citizens First Bank, Wartburg, TN, merged with and into Bank of Putnam County, Cookeville, TN (October 2019)

First Alliance Bank, Cordova, TN, merged with and into Guaranty Bank and Trust Company, Belzoni, MS (November 2019)

Community Bank & Trust, Ashland City, TN, merged with and into Reliant Bank, Brentwood, TN (January 2020)

First National Bank and Trust, London, KY, merged with and into Commercial Bank, Harrogate, TN (February 2020)

The Farmers National Bank of Scottsville, Scottsville, KY, merged with and into FirstBank, Nashville, TN (February 2020)

Progressive Savings Bank, Jamestown, TN, merged with and into SmartBank, Pigeon Forge, TN (March 2020)

First Advantage Bank, Clarksville, TN, merged with and into Reliant Bank, Brentwood, TN (April 2020)

Columbia Bank, Lake City, FL, merged with and into Millennium Bank, Ooltewah, TN (June 2020)

BANK CONVERSIONS

First Tennessee Bank, National Association, Memphis, TN, converted from a national bank to a Tennessee state-chartered commercial bank, called First Horizon Bank (October 2019)

BANK CLOSURES

There have been no bank closures during fiscal year 2019-2020

NEW BIDCO OPEN

Commercial Capital BIDCO, Inc. (November 2019)

NEW TRUST COMPANIES OPEN

Magnolia Trust Company, LLC, Chattanooga, TN (October 2019)

TRUST COMPANY MERGERS

There have been no trust company mergers during fiscal year 2019-2020

TRUST COMPANY CONVERSIONS

There have been no trust company conversions during fiscal year 2019-2020

INFORMATION AT A GLANCE (AS OF JUNE 30, 2020)

BANK REGULATED INSTITUTIONS:

- 123 Banks
- 15 Independent non-depository public trust companies
- 2 BIDCOs

BANK DATA CONSOLIDATED TOTAL ASSETS:

\$153 billion, representing a \$64.6 billion, or 72.88 percent, increase since June 30, 2019

CONSOLIDATED CAPITAL:

\$17.9 billion, representing 11.72 percent of total assets

RETURN ON AVERAGE ASSETS (ROAA):

Median ROAA of 0.95 percent with a median Net Interest Margin of 3.68 percent (includes all banks)

ALLOWANCE FOR LOAN AND LEASE LOSSES (ALLL):

Median ALLL to total loans and leases ratio of 1.16 percent

PAST DUE RATIO:

Median past due ratio of 1.05 percent

TRUST COMPANY DATA TOTAL CONSOLIDATED CORPORATE ASSETS:

\$125.4 million, representing an increase of approximately 17 percent from June 30, 2019

AGGREGATED NET INCOME FOR TRUST COMPANIES:

\$9.5 million, representing an increase of approximately 57 percent compared to the same period in 2019

TRUST ASSETS UNDER MANAGEMENT AND/OR CUSTODY:

Reflects an increase of approximately 18 percent from \$47 billion to \$55.5 billion, inclusive of assets invested in common/collective trust funds

BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATION (BIDCOS)

Tennessee Code Annotated, Section 45-8-225 (Report of Accomplishments) requires a report to be published annually that summarizes the accomplishments of the various BIDCOs operating in Tennessee. The two BIDCOs licensed for the calendar year 2019, provided financing totaling \$2,789,000 to seven small businesses, preserving and/or creating an estimated 56 jobs. No loans were made to a minority owned business and one loan was made to a business owned by female proprietors in the amount of \$1,067,000. The summary analysis of the number and dollar amount of loans extended to certain broad categories is detailed as follows:

CATEGORY	NUMBER	AMOUNT
Agriculture, forestry, and fishing	1	\$ 432,900
Construction	1	\$ 636,000
Manufacturing	3	\$ 616,650
Services	2	\$ 1,103,376
TOTAL	7	\$ 2,788,926

TENNESSEE STATE-CHARTERED BANKS
CONSOLIDATED BALANCE SHEET (IN MILLIONS)
As of June 30, 2019 and June 30, 2020

ASSETS	June 30, 2020	June 30, 2019	\$ CHANGE	% CHANGE
Cash and Due From Banks	12,647	3,986	8,661	217.29%
Securities	19,085	12,483	6,602	52.89%
Federal Funds Sold and Securities	1,478	521	957	183.69%
Securities not held for trading	117	33	84	254.55%
Loans and Leases Held for Sale	2,094	881	1,213	137.68%
Loans and Leases, Net of Unearned	104,805	63,522	41,283	64.99%
Allowance for Loan and Lease Losses	-1,436	-534	902	168.91%
Assets Held in Trading Accounts	1,587	10	1,577	15,770.00%
Premises and Fixed Assets	2,355	1,636	719	43.95%
Other Real Estate Owned	126	155	-29	-18.71%
Investments in Unconsolidated	259	209	50	23.92%
Intangible Assets	4,086	2,499	1,587	63.51%
Other Assets	5,656	3,020	2,636	87.28%
TOTAL ASSETS	152,859	88,421	64,438	72.88%
LIABILITIES				
Non-Interest Bearing Deposits	33,149	13,618	19,531	143.42%
Interest Bearing Deposits	91,703	58,002	33,701	58.10%
TOTAL DEPOSITS	124,852	71,620	53,232	74.33%
Federal Funds Purchased & Securities Sold Under Agreement to Repurchase	2,780	414	2,366	571.50%
Trading Liabilities	426	5	421	8,420.00%
Other Borrowed Money	4,421	4,129	292	7.07%
Other Liabilities	1,835	893	942	105.49%
TOTAL LIABILITIES	134,937	77,061	57,876	75.10%
Minority Interests in Unconsolidated Subsidiaries	3	1	2	200.00%

TENNESSEE STATE-CHARTERED BANKS
CONSOLIDATED BALANCE SHEET (IN MILLIONS)
As of June 30, 2019 and June 30, 2020

EQUITY CAPITAL	June 30, 2020	June 30, 2019	\$ Change	% Change
Preferred Stock	315	21	294	1,400.00%
Common Stock	429	351	78	22.22%
Surplus	10,845	6,425	4,420	68.79%
Undivided Profits	6,105	4,497	1,608	35.76%
Accumulated Other Comprehensive Income	226	70	156	222.86%
Other Equity Capital Components	0	-5	5	100.00%
TOTAL EQUITY CAPITAL	17,922	11,359	6,563	57.78%
TOTAL LIABILITIES AND EQUITY	152,859	88,421	64,438	72.88%

TENNESSEE STATE-CHARTERED BANKS
CONSOLIDATED INCOME STATEMENT (IN MILLIONS)
Six months ending June 30, 2019 and June 30, 2020

	JUNE 30, 2020	JUNE 30, 2019
Interest Income	2,655	1,947
Interest Expense	-479	-460
NET INTEREST INCOME	2,176	1,487
Non-Interest Income	929	405
Non-Interest Expense	-1,854	-1,141
Provision for Loan and Lease Losses	-582	-52
Securities Gains/Losses	6	-1
Pre-Tax Net Income	675	698
Applicable Income Taxes	-123	-153
NET OPERATING INCOME	552	545
Income attributed to noncontrolling minority interests	-1	
NET INCOME	553	545
TOTAL CASH DIVIDENDS	273	198

Banks report on a calendar year basis; therefore, the data in this graph represents only six-months of income for banks. Ratios are annualized and the balance sheet is a point in time. This graph will be the only six-month reference.

**TENNESSEE STATE-CHARTERED BANKS
SUMMARY OF INDIVIDUAL BANKS (IN THOUSANDS)**

		(A)	(B)	(C)	(D)	(E)		(F)	(G)	(H)	(I)	(J)
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
ATWOOD	Citizens Bank & Trust Company	3,528	11,842	9,184	74	543	25,023	22,220	46	0	2,757	48
BARTLETT	Bank of Bartlett	21,894	80,651	300,083	2,214	34,122	434,536	384,633	15,401	0	34,502	1,383
BELLS	Bank of Crockett	5,750	107,745	75,950	1,062	9,652	198,035	174,316	1,819	0	21,900	1,393
BRENTWOOD	Reliant Bank	91,042	249,652	2,418,864	18,237	240,982	2,982,303	2,533,705	90,549	0	358,049	15,786
BRIGHTON	Brighton Bank	5,464	5,840	30,815	540	1,710	43,289	37,327	3,201	0	2,760	-29
BROWNSVILLE	INSOUTH Bank	7,377	60,304	286,227	2,860	22,270	373,318	336,006	2,166	0	35,146	1,948
BYRDSTOWN	People's Bank and Trust Company of Pickett County	4,726	27,503	95,388	1,331	6,258	132,544	115,266	1,104	0	16,174	753
CAMDEN	Apex Bank	74,867	38,095	717,551	8,270	51,479	873,722	719,569	58,734	0	95,418	8,936
CARTHAGE	Citizens Bank	30,198	348,657	284,418	2,568	8,678	669,383	540,914	7,223	0	121,246	6,975
CHATTANOOGA	First Volunteer Bank	220,840	24,066	865,769	14,566	52,835	1,148,944	1,007,296	11,204	0	130,444	5,074
CLARKSVILLE	F&M Bank	32,615	179,848	965,048	5,992	115,944	1,287,463	1,058,459	89,019	0	139,985	6,090
CLARKSVILLE	Legends Bank	20,929	95,313	427,333	4,994	25,525	564,106	487,137	23,608	0	53,361	2,721
CLEVELAND	Bank of Cleveland	61,882	3,645	248,588	2,530	16,100	327,685	274,858	8,068	0	44,759	2,168
CLIFTON	Peoples Bank	16,809	18,073	171,613	2,073	16,742	221,164	176,868	23,257	0	21,039	1,058
COLLIERVILLE	BankTennessee	26,009	20,575	280,613	3,667	28,503	352,033	316,436	1,290	0	34,307	527
COLLIERVILLE	Landmark Community Bank	6,803	167,955	743,835	6,066	40,142	952,669	781,813	77,426	0	93,430	4,953
COLUMBIA	First Farmers and Merchants Bank	133,286	390,267	996,847	9,695	95,787	1,606,492	1,416,647	34,710	95	155,135	7,187
COLUMBIA	Heritage Bank & Trust	14,891	27,461	147,173	2,768	9,771	196,528	170,999	8,380	0	17,149	679
COOKEVILLE	One Bank of Tennessee	196,839	260,442	707,759	5,696	73,030	1,232,374	1,116,221	22,344	0	93,809	5,541
COOKEVILLE	Putnam 1st Mercantile Bank	3,619	30,885	104,583	1,371	3,146	140,862	124,639	949	0	15,274	916
DECATURVILLE	Decatur County Bank	12,132	28,214	120,618	1,371	9,125	168,718	144,598	12,826	0	11,294	713
DICKSON	Bank of Dickson	12,340	104,478	142,778	1,612	5,635	263,619	225,028	7,285	0	31,306	962
DICKSON	First Federal Bank	100,237	260,142	395,027	6,760	41,769	790,415	676,716	18,006	0	95,693	5,096
DICKSON	TriStar Bank	18,223	58,622	256,495	3,232	22,764	352,872	306,493	17,727	0	28,652	1,268
DUNLAP	Citizens Tri-County Bank	156,333	209,827	603,251	8,828	48,610	1,009,193	899,144	8,121	0	101,928	6,989
DUNLAP	Mountain Valley Bank	11,998	17,873	80,356	808	5,368	114,787	104,057	403	0	10,327	348
DYER	The Farmers & Merchants Bank	5,197	62,251	34,638	198	8,270	110,158	95,384	4,472	0	10,302	309
ELIZABETHTON	Citizens Bank	21,353	193,934	799,923	9,047	41,368	1,047,531	795,820	131,055	1,423	120,656	4,738
ELIZABETHTON	Security Federal Bank	2,185	13,260	42,490	448	4,354	61,841	44,059	7,686	0	10,096	152
ERIN	Traditions First Bank	42,343	36,064	93,991	808	7,314	178,904	161,240	2,018	0	15,645	562

		(A)	(B)	(C)	(D)	(E)		(F)	(G)	(H)	(I)	(J)
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
FARRAGUT	SouthEast Bank	136,277	0	1,628,210	11,058	110,251	1,863,680	1,645,215	52,819	0	165,646	6,713
FAYETTEVILLE	Bank of Lincoln County	28,108	13,471	121,403	1,581	7,561	168,962	147,517	1,142	0	20,303	1,165
FRANKEWING	Bank of Frankewing	71,730	16,487	242,825	4,382	16,517	343,177	303,743	2,986	0	36,447	1,412
FRANKLIN	Franklin Synergy Bank	235,216	503,877	2,855,910	38,100	211,610	3,768,513	3,144,145	148,028	93	476,340	14,464
GALLATIN	Sumner Bank & Trust	27,869	17,614	133,841	1,187	9,784	187,921	167,913	1,264	0	18,744	747
GATES	Gates Banking and Trust Company	755	33,077	15,507	306	2,630	51,663	43,978	1,538	0	6,147	176
GERMANTOWN	First Capital Bank	12,019	33,312	302,196	2,798	10,765	355,494	293,100	24,883	0	37,511	1,238
GLEASON	Bank of Gleason	18,027	50,885	47,224	593	2,398	117,941	89,495	713	0	27,733	731
GREENEVILLE	Andrew Johnson Bank	38,404	37,981	334,126	4,987	17,643	423,167	376,076	2,987	0	44,104	2,112
GREENEVILLE	Heritage Community Bank	20,468	3,507	104,797	1,253	7,355	134,874	115,349	7,485	0	12,040	417
GREENFIELD	Greenfield Banking Company	5,835	8,079	52,349	892	6,638	72,009	64,078	1,584	0	6,347	212
HALLS	Bank of Halls	3,808	47,850	44,519	631	6,324	101,870	88,878	3,098	0	9,894	444
HALLS	The Lauderdale County Bank	4,224	22,086	27,509	300	2,514	56,033	48,999	964	0	6,070	117
HARROGATE	Commercial Bank	69,983	159,131	1,219,040	10,341	128,610	1,566,423	1,310,246	108,099	0	148,078	9,307
HARTSVILLE	Citizens Bank	7,428	82,364	177,496	2,962	11,598	275,924	242,992	4,571	0	28,361	1,209
HUNTINGDON	Carroll Bank and Trust	32,978	39,593	233,848	2,246	27,606	331,779	297,926	1,573	0	32,280	1,407
JACKSON	The Bank of Jackson	4,430	138,308	74,649	1,169	7,006	223,224	181,299	17,861	0	24,064	1,282
JAMESTOWN	Union Bank	10,060	90,873	95,624	1,239	15,996	211,314	184,660	1,590	0	25,064	47
JASPER	Tower Community Bank	17,116	20,109	175,106	1,147	18,832	230,016	206,738	1,163	152	22,114	1,154
JEFFERSON CITY	First Peoples Bank of Tennessee	14,139	30,190	122,573	3,837	11,301	174,366	153,277	6,998	0	14,091	-2,991
JELICO	UBank	5,784	7,601	57,152	588	4,690	74,639	58,798	6,309	0	9,532	262
KINGSPORT	Bank of Tennessee	25,760	179,755	1,279,416	9,176	99,002	1,574,757	1,346,094	89,505	0	139,158	10,837
KNOXVILLE	Mountain Commerce Bank	82,870	126,838	936,550	10,801	33,310	1,168,767	902,641	156,403	0	109,724	4,141
LA FOLLETTE	Peoples Bank of the South	20,250	213	147,868	1,568	4,829	171,592	145,197	5,202	0	21,193	1,582
LAFAYETTE	Citizens Bank of Lafayette	64,298	284,415	618,856	9,290	52,254	1,010,533	833,628	53,431	0	123,474	5,376
LAFAYETTE	Macon Bank and Trust Company	36,381	219,108	196,864	2,733	21,554	471,174	399,468	15,085	0	56,621	1,417
LAWRENCEBURG	Lawrenceburg Federal Bank	10,058	0	59,967	217	3,848	73,656	56,709	1,467	0	15,480	201
LEBANON	CedarStone Bank	4,343	65,162	173,940	1,409	13,251	255,287	189,621	42,325	0	23,341	1,002
LEBANON	First Freedom Bank	69,803	0	513,501	5,255	42,915	620,964	492,386	76,336	0	52,242	2,826
LEBANON	Wilson Bank and Trust	243,355	497,230	2,299,159	34,466	145,628	3,150,906	2,752,900	36,819	0	361,187	18,673
LEWISBURG	First Commerce Bank	53,731	80,126	338,904	4,146	21,448	490,063	440,112	8,592	0	41,359	2,658
LEXINGTON	Community Bank	2,918	15,850	148,261	1,598	8,603	174,034	150,930	6,102	0	17,002	1,307
LIVINGSTON	American Bank & Trust of the Cumberlands	67,213	9,459	200,250	2,176	11,669	286,415	259,076	2,212	0	25,127	2,939

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
LIVINGSTON	Union Bank & Trust Company	16,201	16,552	58,466	782	3,036	93,473	81,528	245	0	11,700	877
LOBELVILLE	Bank of Perry County	4,536	31,827	146,676	1,626	10,090	191,503	157,568	16,929	0	17,006	1,442
MADISONVILLE	Peoples Bank of East Tennessee	31,645	37,056	179,286	1,785	14,284	260,486	228,833	3,355	0	28,319	1,571
MADISONVILLE	Volunteer Federal Savings Bank	66,118	19,191	132,983	684	14,727	232,335	195,159	6,753	0	30,424	768
MANCHESTER	Coffee County Bank	24,606	16,018	178,294	2,433	4,531	221,016	193,600	2,732	0	24,684	2,407
MANCHESTER	Peoples Bank & Trust Company	16,649	16,920	74,663	1,032	5,243	112,443	97,507	1,375	0	13,561	567
MARYVILLE	CBBC Bank	37,944	132,303	219,577	3,660	12,367	398,531	326,934	8,899	0	62,698	3,428
MC KENZIE	McKenzie Banking Company	60,828	8,385	76,348	1,896	10,264	153,929	133,082	1,372	0	19,475	1,340
MCMINNVILLE	Homeland Community Bank	19,343	36,838	113,015	1,289	8,411	176,318	159,405	1,700	0	15,213	742
MCMINNVILLE	Security Federal Savings Bank of McMinnville	26,868	33,876	175,531	1,720	8,746	243,301	210,124	8,035	0	25,142	1,107
MEMPHIS	Bank3	25,475	31,667	236,062	2,740	13,468	303,932	254,844	17,849	0	31,239	1,653
MEMPHIS	Financial Federal Bank	20,820	2,500	671,914	7,404	16,758	704,588	526,520	94,171	0	83,897	5,800
MEMPHIS	First Horizon	3,738,715	5,900,027	33,454,731	537,881	5,909,645	48,465,237	39,025,284	4,064,318	615	5,375,635	102,936
MEMPHIS	Independent Bank	73,365	6,503	933,396	8,328	161,912	1,166,848	1,017,483	9,369	0	139,995	6,891
MEMPHIS	Paragon Bank	11,795	58,709	416,281	4,498	15,423	497,710	418,544	30,760	0	48,405	1,562
MEMPHIS	Tri-State Bank of Memphis	5,071	42,096	52,095	1,625	5,626	103,263	92,025	415	0	10,823	-587
MEMPHIS	Triumph Bank	14,370	158,325	703,948	7,126	18,572	888,089	722,959	81,904	0	83,226	3,758
MILAN	The Bank of Milan	16,235	20,929	43,260	268	3,388	83,544	74,293	1,642	0	7,609	253
MILLINGTON	Patriot Bank	8,312	177,997	230,676	2,439	18,615	433,161	361,622	31,590	0	39,949	3,403
MOUNT JULIET	Southern Bank of Tennessee	49,762	27,502	228,101	1,921	19,838	323,282	281,445	1,408	0	40,429	1,102
MOUNTAIN CITY	Farmers State Bank	4,708	46,653	93,370	950	10,845	154,626	127,403	2,946	0	24,277	431
MOUNTAIN CITY	Johnson County Bank	897	60,551	67,136	422	5,515	133,677	109,615	3,238	0	20,824	491
NASHVILLE	CapStar Bank	368,242	255,734	1,722,533	21,036	148,742	2,444,215	2,135,815	38,065	0	270,336	8,008
NASHVILLE	Citizens Savings Bank and Trust Company	17,204	5,739	79,511	1,110	2,751	104,095	93,871	3,536	0	6,688	38
NASHVILLE	FirstBank	682,954	786,405	5,262,502	113,129	631,797	7,250,529	5,953,329	453,609	0	843,591	24,937
NASHVILLE	Fourth Capital Bank	83,478	13,441	217,422	3,208	15,734	326,867	273,228	24,208	0	29,432	-1,771
NASHVILLE	InsBank	32,282	28,508	500,025	6,480	37,360	591,695	464,722	63,505	0	63,468	1,739
NASHVILLE	Pinnacle Bank	2,689,490	4,385,900	22,605,944	285,372	3,799,217	33,195,179	25,848,195	2,585,995	123	4,760,989	99,431
NASHVILLE	Studio Bank	63,816	30,316	232,542	2,628	10,553	334,599	279,508	18,059	0	37,032	-1,141
NASHVILLE	Truxton Trust Company	79,796	145,931	419,900	4,003	23,454	665,078	513,825	88,057	0	63,196	4,587
NEWBERN	Security Bank	9,405	141,855	73,382	1,229	15,535	238,948	169,240	44,516	0	25,192	1,075
OAK RIDGE	TNBANK	15,594	52,588	196,770	1,724	14,799	278,027	242,342	31,331	0	22,354	755
OLTEWAH	Millennium Bank	62,209	35,639	358,584	4,478	21,936	473,944	407,925	18,495	0	47,523	5

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
PARIS	Commercial Bank & Trust Co.	131,463	219,167	538,631	7,423	44,984	926,822	820,719	7,721	0	98,382	6,529
PARIS	Security Bank and Trust Company	21,393	77,684	481,255	1,820	33,714	612,226	487,582	74,385	0	50,259	5,482
PARSONS	Farmers Bank	19,928	4,588	17,444	482	1,520	42,998	37,583	286	0	5,129	167
PIGEON FORGE	SmartBank	315,316	303,782	2,414,614	16,254	248,420	3,265,878	2,551,046	342,353	0	372,479	10,568
PIGEON FORGE	Tennessee State Bank	89,825	135,211	489,812	6,390	44,530	752,988	665,343	7,414	0	80,231	5,586
PIKEVILLE	First Farmers & Commercial Bank	12,715	28,074	107,676	834	7,737	155,368	139,229	1,064	0	15,075	644
PIPERTON	The Bank of Fayette County	78,375	49,835	580,087	6,836	29,735	731,196	634,744	31,409	0	65,043	4,648
PORTLAND	The Farmers Bank	44,257	194,799	454,178	5,615	40,521	728,140	629,627	9,112	0	89,401	4,742
PORTLAND	Volunteer State Bank	140,085	13,567	576,851	4,899	115,241	840,845	700,035	6,510	0	134,300	3,451
RIPLEY	Bank of Ripley	7,583	143,145	86,704	1,197	10,338	246,573	204,245	3,046	0	39,283	1,135
ROGERSVILLE	Civis Bank	21,622	12,038	52,404	390	8,650	94,324	91,110	936	0	2,278	-87
ROGERSVILLE	First Community Bank of East Tennessee	46,308	17,743	113,520	1,797	16,812	192,586	153,610	16,083	0	22,893	836
RUTLEDGE	Citizens Bank and Trust Company of Grainger County	13,802	143,331	64,801	782	10,424	231,576	189,617	2,155	0	39,804	976
SARDIS	The Peoples Bank	7,309	23,772	68,658	605	3,133	102,267	92,085	1,164	0	9,018	389
SAVANNAH	Central Bank	16,945	17,448	72,374	1,372	5,834	111,229	97,539	625	0	13,065	239
SAVANNAH	The Hardin County Bank	42,134	60,328	438,952	4,563	33,740	570,591	501,224	19,184	0	50,183	2,963
SELMER	Home Banking Company	7,733	53,820	36,600	418	5,925	103,660	91,425	1,184	0	11,051	155
SEVIERVILLE	Sevier County Bank	69,192	45,868	240,681	2,756	18,129	371,114	335,683	3,881	0	31,550	232
SHELBYVILLE	First Community Bank of Tennessee	51,103	84,061	509,382	3,169	87,711	729,088	492,628	151,126	0	85,334	18,728
SHELBYVILLE	Peoples Bank of Middle Tennessee	5,925	47,154	100,480	1,978	6,778	158,359	135,713	2,084	0	20,562	842
SPRING CITY	Simply Bank	56,730	28,295	319,893	3,810	16,140	417,248	368,010	13,266	0	35,972	2,743
TAZEWELL	First Century Bank	45,369	66,511	343,825	4,738	20,496	471,463	426,629	3,641	0	41,193	3,558
TREZEVANT	Centennial Bank	76,209	65,049	448,011	5,328	38,821	622,762	532,886	18,666	0	71,210	2,233
TULLAHOMA	First Vision Bank of Tennessee	15,314	55,470	231,108	2,684	14,789	313,997	270,577	14,207	0	29,213	1,851
WAYNESBORO	The Bank of Waynesboro	44,609	17,113	120,564	2,145	8,260	188,401	164,139	572	0	23,691	609
WAYNESBORO	Wayne County Bank	38,306	33,268	243,384	3,876	26,333	337,415	280,077	8,359	0	48,979	1,966
WINCHESTER	Citizens Community Bank	41,323	36,620	165,607	3,474	13,552	253,628	218,034	2,736	0	32,857	1,887
TOTAL		12,646,953	20,680,311	106,899,068	1,436,659	14,069,185	152,858,858	124,851,968	10,084,761	2,501	17,922,127	552,505

(A) Cash - Includes currency/coin, both interest-bearing and non-interest bearing balances due from depository institutions

(B) Investments - Investments owned: Includes securities, federal funds sold, and securities purchased under agreements to resell

(C) Total Loans - Includes all loans and lease financing receivables, net of unearned income

(D) Loan Loss Reserve - Allowance for Loan and Lease Losses

(E) Other Assets - Includes premises and fixed assets, trading assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, customer's liability to bank on acceptances outstanding, intangible assets, and assets not reportable elsewhere.

(F) Deposits - Includes all interest bearing and non-interest bearing customer deposits held.

(G) Other Liabilities - Includes federal funds purchased, securities sold under agreements to repurchase, demand notes issued to U.S. Treasury, mortgage indebtedness, obligations under capital leases, bank's liability on acceptances outstanding, and all other liabilities

(H) Minority Interest in Unconsolidated Subsidiaries

(I) Equity Capital - Includes preferred stock, common stock, surplus, undivided profits, and accumulated other comprehensive income

(J) Net Income - Income earned after all expenses, taxes, and extraordinary items

TENNESSEE STATE-CHARTERED BANKS KEY BANK RATIOS
As of June 30, 2020

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
ATWOOD	Citizens Bank & Trust Company	0.36	36.41	0.81	10.29	41.00	3.50
BARTLETT	Bank of Bartlett	0.72	68.55	0.74	7.70	77.44	8.30
BELLS	Bank of Crockett	1.50	37.82	1.40	9.53	42.96	13.47
BRENTWOOD	Reliant Bank	1.08	80.50	0.75	10.23	94.75	8.82
BRIGHTON	Brighton Bank	-0.14	69.94	1.75	6.73	81.11	-2.12
BROWNSVILLE	INSOUTH Bank	1.10	75.90	1.00	9.25	84.33	11.33
BYRDSTOWN	People's Bank and Trust Company of Pickett County	1.18	70.96	1.40	12.38	81.60	9.46
CAMDEN	Apex Bank	2.59	81.18	1.15	11.15	98.57	19.25
CARTHAGE	Citizens Bank	2.18	42.11	0.90	17.01	52.11	11.83
CHATTANOOGA	First Volunteer Bank	0.95	74.09	1.68	11.55	84.50	7.81
CLARKSVILLE	F&M Bank	1.01	74.49	0.62	8.82	90.61	8.91
CLARKSVILLE	Legends Bank	1.05	74.87	1.17	9.49	86.70	10.54
CLEVELAND	Bank of Cleveland	1.41	75.09	1.02	13.93	89.52	9.91
CLIFTON	Peoples Bank	0.98	76.66	1.21	9.60	95.86	10.34
COLLIERVILLE	BankTennessee	0.31	78.67	1.31	8.96	87.52	3.10
COLLIERVILLE	Landmark Community Bank	1.06	77.44	0.82	9.76	94.37	10.89
COLUMBIA	First Farmers and Merchants Bank	0.97	61.45	0.97	8.87	69.68	9.59
COLUMBIA	Heritage Bank & Trust	0.71	73.48	1.88	8.67	84.45	8.22
COOKEVILLE	Bank of Putnam County	0.97	56.97	0.80	7.34	62.90	11.98
COOKEVILLE	Putnam 1st Mercantile Bank	1.38	73.27	1.31	10.87	82.81	12.19
DECATURVILLE	Decatur County Bank	0.96	70.68	1.14	7.40	82.47	13.77
DICKSON	Bank of Dickson	0.78	53.55	1.13	11.62	62.73	6.34
DICKSON	First Federal Bank	1.37	49.12	1.71	10.57	57.38	10.94
DICKSON	TriStar Bank	0.77	71.77	1.26	8.00	82.63	9.33
DUNLAP	Citizens Tri-County Bank	1.45	58.90	1.46	9.15	66.11	14.62

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
DUNLAP	Mountain Valley Bank	0.62	69.30	1.01	8.85	76.45	6.90
DYER	The Farmers & Merchants Bank	0.59	31.26	0.57	9.10	36.11	6.26
ELIZABETHTON	Citizens Bank	1.02	75.50	1.13	11.38	99.38	8.14
ELIZABETHTON	Security Federal Bank	0.49	67.98	1.05	15.65	95.42	3.03
ERIN	Traditions First Bank	0.67	52.09	0.86	8.36	57.79	7.45
FARRAGUT	SouthEast Bank	0.71	86.77	0.68	8.57	98.29	8.28
FAYETTEVILLE	Bank of Lincoln County	1.47	70.92	1.30	12.18	81.23	11.84
FRANKEWING	Bank of Frankewing	0.88	69.48	1.80	10.96	78.50	7.95
FRANKLIN	Franklin Synergy Bank	0.75	74.77	1.33	11.85	89.62	6.19
GALLATIN	Sumner Bank & Trust	0.81	70.59	0.89	10.01	79.00	8.23
GATES	Gates Banking and Trust Company	0.72	29.42	1.97	10.44	34.57	6.05
GERMANTOWN	First Capital Bank	0.70	84.22	0.93	10.63	102.15	6.67
GLEASON	Bank of Gleason	1.28	39.54	1.26	23.08	52.10	5.43
GREENEVILLE	Andrew Johnson Bank	1.05	77.78	1.49	10.37	87.52	9.84
GREENEVILLE	Heritage Community Bank	0.66	76.77	1.20	9.21	89.77	7.04
GREENFIELD	Greenfield Banking Company	0.63	71.46	1.70	8.87	80.30	6.86
HALLS	Bank of Halls	0.96	43.08	1.42	9.15	49.38	9.44
HALLS	The Lauderdale County Bank	0.43	48.56	1.09	10.23	55.53	3.96
HARROGATE	Commercial Bank	1.22	77.16	0.85	9.20	92.25	13.20
HARTSVILLE	Citizens Bank	0.91	63.25	1.67	10.21	71.83	8.84
HUNTINGDON	Carroll Bank and Trust	0.91	69.81	0.96	9.66	77.74	8.95
JACKSON	The Bank of Jackson	1.27	32.92	1.57	9.24	40.53	11.51

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
JAMESTOWN	Union Bank	0.05	44.67	1.30	11.75	51.11	0.38
JASPER	Tower Community Bank	1.03	75.63	0.66	9.23	84.14	10.89
JEFFERSON CITY	First Peoples Bank of Tennessee	-3.73	68.10	3.13	8.47	77.46	-41.97
JELICO	UBank	0.75	75.78	1.03	12.76	96.20	5.58
KINGSPORT	Bank of Tennessee	1.46	80.66	0.72	8.67	94.36	16.04
KNOXVILLE	Mountain Commerce Bank	0.80	79.21	1.15	10.01	102.56	7.74
LA FOLLETTE	Peoples Bank of the South	1.96	85.26	1.06	12.62	100.76	14.93
LAFAYETTE	Citizens Bank of Lafayette	1.12	60.32	1.50	11.40	73.12	9.01
LAFAYETTE	Macon Bank and Trust Company	0.64	41.20	1.39	11.91	48.60	5.23
LAWRENCEBURG	Lawrenceburg Federal Bank	0.55	81.12	0.36	20.98	105.36	2.61
LEBANON	CedarStone Bank	0.85	67.58	0.81	9.79	90.99	8.77
LEBANON	First Freedom Bank	1.04	81.85	1.02	9.35	103.22	10.87
LEBANON	Wilson Bank and Trust	1.27	71.87	1.50	11.43	82.27	10.71
LEWISBURG	First Commerce Bank	1.16	68.31	1.22	8.80	76.06	13.19
LEXINGTON	Community Bank	1.57	84.27	1.08	9.67	97.17	16.13
LIVINGSTON	American Bank & Trust of the Cumberlands	2.21	69.16	1.09	9.08	76.45	24.48
LIVINGSTON	Union Bank & Trust Company	1.96	61.71	1.34	12.20	70.75	15.86
LOBELVILLE	Bank of Perry County	1.60	75.74	1.11	9.25	92.06	17.49
MADISONVILLE	Peoples Bank of East Tennessee	1.32	68.14	1.00	10.81	77.57	11.76
MADISONVILLE	Volunteer Federal Savings Bank	0.70	56.94	0.51	13.40	67.79	5.13
MANCHESTER	Coffee County Bank	2.34	79.57	1.36	11.19	90.84	19.98
MANCHESTER	Peoples Bank & Trust Company	1.06	65.48	1.38	12.05	75.51	8.67
MARYVILLE	CBBC Bank	1.85	54.18	1.67	15.64	66.04	11.48
MCKENZIE	McKenzie Banking Company	1.89	48.37	2.48	13.19	55.94	14.28

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
MCMINNVILLE	Homeland Community Bank	0.91	63.37	1.14	8.76	70.09	10.16
MCMINNVILLE	Security Federal Savings Bank of McMinnville	0.94	71.44	0.98	10.20	82.72	8.91
MEMPHIS	Bank3	1.26	76.77	1.16	10.63	91.55	10.85
MEMPHIS	Financial Federal Bank	1.75	94.31	1.10	12.30	126.21	14.11
MEMPHIS	First Horizon	0.45	67.92	1.61	8.54	84.35	3.86
MEMPHIS	Independent Bank	1.22	79.28	0.89	11.08	90.92	10.02
MEMPHIS	Paragon Bank	0.70	82.74	1.08	9.84	98.38	6.57
MEMPHIS	Tri-State Bank of Memphis	-1.28	48.88	3.12	8.84	54.84	-10.55
MEMPHIS	Triumph Bank	0.89	78.46	1.01	9.49	96.38	9.45
MILAN	The Bank of Milan	0.64	51.46	0.62	8.65	57.87	6.90
MILLINGTON	Patriot Bank	1.73	52.69	1.06	8.39	63.11	18.23
MOUNT JULIET	Southern Bank of Tennessee	0.71	69.96	0.84	12.14	80.36	5.45
MOUNTAIN CITY	Farmers State Bank	0.57	59.77	1.02	15.31	72.54	3.64
MOUNTAIN CITY	Johnson County Bank	0.77	49.91	0.63	15.22	60.86	4.83
NASHVILLE	CapStar Bank	0.73	69.61	1.22	9.58	79.66	6.05
NASHVILLE	Citizens Savings Bank and Trust Company	0.08	75.32	1.40	6.50	83.52	1.14
NASHVILLE	FirstBank	0.74	71.02	2.15	9.74	86.50	6.11
NASHVILLE	Fourth Capital	-1.26	65.54	1.48	10.12	78.40	-12.81
NASHVILLE	InsBank	0.62	83.41	1.30	10.81	106.20	5.55
NASHVILLE	Pinnacle Bank	0.66	67.24	1.26	8.90	86.35	4.23
NASHVILLE	Studio Bank	-0.84	68.71	1.13	12.06	82.26	-6.12
NASHVILLE	Truxton Trust Company	1.58	62.53	0.95	10.35	80.94	15.21
NEWBERN	Security Bank	1.01	30.20	1.67	9.38	42.63	9.01
OAK RIDGE	TNBANK	0.60	70.15	0.88	8.44	86.94	6.94
OOLTEWAH	MILLENNIUM BANK	0.00	74.71	1.25	9.84	86.81	0.02
PARIS	Commercial Bank & Trust Co.	1.56	57.31	1.38	9.79	64.72	14.26
PARIS	Security Bank and Trust Company	2.05	78.31	0.38	8.12	98.33	23.37
PARSONS	Farmers Bank	0.82	39.45	2.76	11.75	45.13	6.61
PIGEON FORGE	SmartBank	0.74	73.44	0.67	9.82	94.01	5.91
PIGEON FORGE	Tennessee State Bank	1.62	64.20	1.30	10.87	72.66	14.42

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
PIKEVILLE	First Farmers & Commercial Bank	0.87	68.77	0.77	9.85	76.74	8.64
PIPERTON	The Bank of Fayette County	1.36	78.40	1.18	9.11	90.31	14.87
PORTLAND	The Farmers Bank	1.37	61.60	1.24	12.37	71.24	11.05
PORTLAND	Volunteer State Bank	0.89	68.02	0.85	9.28	81.70	5.18
RIPLEY	Bank of Ripley	0.97	34.68	1.38	14.54	41.86	6.04
ROGERSVILLE	Civis Bank	-0.19	55.14	0.74	2.63	57.09	-7.93
ROGERSVILLE	First Community Bank of East Tennessee	0.95	58.01	1.58	11.97	72.73	7.43
RUTLEDGE	Citizens Bank and Trust Company of Grainger County	0.92	27.64	1.21	16.06	33.76	5.18
SARDIS	The Peoples Bank	0.83	66.54	0.88	9.03	73.90	8.82
SAVANNAH	Central Bank	0.46	63.83	1.90	11.22	72.79	3.71
SAVANNAH	Hardin County Bank	1.12	76.13	1.04	8.97	86.67	12.35
SELMER	Home Banking Company	0.31	34.90	1.14	9.77	39.58	2.95
SEVIERVILLE	Sevier County Bank	0.14	64.11	1.15	8.76	70.88	1.49
SHELBYVILLE	First Community Bank of Tennessee	5.90	69.43	0.62	11.85	102.76	50.83
SHELBYVILLE	Peoples Bank of Middle Tennessee	1.10	62.20	1.97	12.87	72.58	8.49
SPRING CITY	Simply Bank	1.43	75.75	1.19	8.78	85.89	15.69
TAZEWELL	First Century Bank	1.64	71.92	1.38	9.15	79.48	17.75
TREZEVANT	Centennial Bank	0.74	71.08	1.19	10.20	83.07	6.34
TULLAHOMA	First Vision Bank of Tennessee	1.26	72.75	1.16	9.35	84.42	13.00
WAYNESBORO	The Bank of Waynesboro	0.68	62.85	1.78	12.72	72.15	5.25
WAYNESBORO	Wayne County Bank	1.21	70.98	1.59	14.46	85.52	8.19
WINCHESTER	Citizens Community Bank	1.55	63.93	2.10	12.82	74.36	11.85
	Median Including All Institutions	0.95	69.43	1.16	9.85	80.94	8.77

**TENNESSEE STATE-CHARTERED TRUST COMPANIES
CONSOLIDATED BALANCE SHEET (IN THOUSANDS)**

	June 30, 2020	June 30, 2019	\$ Change	% Change
ASSETS				
Cash and Due from Banks	45,663	32,077	13,586	42.35%
Securities and Investments	8,726	8,741	(15)	(0.17)%
Premises and Fixed Assets	7,379	3,955	3,424	86.57%
Intangible Assets	32,562	33,235	(673)	(2.02)%
Other Assets	31,150	28,630	2,520	8.80%
TOTAL ASSETS	125,480	106,638	18,842	17.67%
LIABILITIES				
Other Liabilities	41,389	30,671	10,718	34.95%
TOTAL LIABILITIES	41,389	30,671	10,718	34.95%
EQUITY CAPITAL				
Common Stock	16,450	16,261	189	1.16%
Less: Treasury Stock	1,319	1,283	36	2.81%
Surplus	64,136	62,520	1,616	3.20%
Undivided Profits	4,698	(1,568)	6,266	399.62%
Unrealized Gains and (Losses)	126	37	89	240.54%
TOTAL EQUITY CAPITAL	84,091	75,967	8,124	10.69%
TOTAL LIABILITIES AND EQUITY CAPITAL	125,480	106,638	18,842	17.67%

**TENNESSEE STATE-CHARTERED TRUST COMPANIES
CONSOLIDATED INCOME STATEMENT (IN THOUSANDS)**

	June 30, 2020	June 30, 2019	\$ Change	% Change
Fee Income	90,336	85,312	5,024	5.89%
NET FEE INCOME	90,336	85,312	5,024	5.89%
Other Income	139	228	(89)	(39.04)%
TOTAL INCOME	90,475	85,540	4,935	5.77%
Operating Expenses	75,829	76,206	(377)	(0.49)%
Securities (Gains) and	0	(15)	15	(100)%
TOTAL OPERATING EXPENSES	75,829	76,191	(362)	(0.48)%
Pre-Tax Net Operating Income	14,646	9,349	5,297	56.66%
Applicable Income Taxes	1,473	527	946	179.51%
Non-Operating Expenses	3,598	2,720	878	32.28%
NET OPERATING INCOME	9,575	6,102	3,473	56.92%
Extraordinary Gains/Losses	0	0	0	0
NET INCOME	9,575	6,102	3,473	56.92%

**TENNESSEE STATE-CHARTERED TRUST COMPANIES
STATEMENT OF CONDITION (IN THOUSANDS)**

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Institution	City	Cash	Invest	Other Assets	Total Assets	Other Liabilities	Equity Capital	Net Income	TAUM	Common/Collective Funds	No. of Funds
Advocacy Trust, LLC	Chattanooga	2,443	0	697	3,140	868	2,272	290	680,274	0	0
Magnolia Trust Company	Chattanooga	1,153	0	459	1,612	421	1,191	67	340,172	0	0
Southeastern Trust Company	Chattanooga	2,382	0	2,023	4,405	301	4,104	371	446,396	0	0
American Trust Company	Cordova	9,120	0	27,228	36,348	8,413	27,935	834	2,894,234	1,898,361	150
Meridian Trust and Investment	Knoxville	109	1,570	971	2,650	536	2,114	1,015	820,082	0	0
The Trust Company of Tennessee	Knoxville	4,444	0	1,322	5,766	2,051	3,715	2,337	3,580,429	0	0
TCV Trust & Wealth Company	Knoxville	1,206	4,264	1,974	7,444	788	6,656	747	1,426,241	0	0
Diversified Trust Company	Memphis	5,907	0	7,422	13,329	9,238	4,091	0	6,849,569	2,183,660	12
Argent Trust Company	Nashville	4,393	0	23,458	27,851	10,121	17,730	681	24,577,070	17,630	2
Counsel Trust Company	Nashville	222	1,855	827	2,904	288	2,616	100	1,732,121	26,967	10
Cumberland Trust and Investment	Nashville	7,346	0	3,836	11,182	6,242	4,940	1,542	3,861,228	0	0
Equitable Trust Company	Nashville	3,288	1,037	326	4,651	1,804	2,847	1,410	3,197,280	0	0
Pendleton Square Trust Co., LLC	Nashville	1,749	0	434	2,183	295	1,888	-14	1,243,850	0	0
The Entrust Trust Company	Nashville	1,901	0	114	2,015	23	1,992	195	3,864,219	0	0
Totals		45,663	8,726	71,091	125,480	41,389	84,091	9,575	55,513,165	4,126,618	174

COMPLIANCE DIVISION

The Department's Compliance Division is responsible for the licensing and examination of certain non-depository financial institutions and individuals doing business in Tennessee that are subject by law to regulatory oversight by the department:

- Check Cashing Companies
- Deferred Presentment Services Providers
- Flexible Credit Lenders
- Home Equity Conversion (Reverse) Mortgage Lenders
- Industrial Loan and Thrift Companies
- Insurance Premium Finance Companies
- Money Transmitters
- Residential Mortgage Lenders, Brokers and Servicers
- Residential Mortgage Loan Originators
- Title Pledge Lenders

ADMINISTRATION

- Nicole Chamblee, Assistant Commissioner, CFE
- Melanie Harper, Administrative Services Assistant
- Melody Johnson, Financial Analyst

LICENSING

- David Axford, Chief Administrator, JD
- Carl Scott, Director of Licensing, CFSA
- Stephen Henley, Director of Licensing, CPA
- Luke Schroer, Financial Analyst
- Mandy Heady, Financial Analyst
- Steffany Daniel, Administrative Services Assistant

EXAMINATION

- Jack Lay, Chief Administrator
- Christy Adams, FI Program Administrator
- Cathy Henry, Compliance Examination Supervisor
- Patrick Somers, Compliance Examination Supervisor

EXAMINERS

- Robert Campbell, Loan Examiner 4
- Keith Sharp, Loan Examiner 3
- Steve Cranor, Loan Examiner 4
- James Simmons, Loan Examiner 4
- Robert Doyle, Loan Examiner 4
- Calvin Stout, Loan Examiner 3
- Grant Gouveia, Loan Examiner 4, CFE
- Kevin Hicks, Loan Examiner 4
- Marisa Graham, Loan Examiner 3
- Robert Walker, Loan Examiner 4
- Chad Haney, Loan Examiner 4
- Luke Ward, Loan Examiner 2
- Elizabeth Harrell, Loan Examiner 4
- Mike Wiggins, Loan Examiner 4
- Kerry Rial, Loan Examiner 4
- Heather Winfree, Loan Examiner 2

Personnel Designation: CPA, Certified Public Accountant; JD, Doctor of Jurisprudence; CFSA, Certified Financial Services Auditor; CFE, Certified Fraud Examiner

REGULATORY OVERSIGHT

Prior to engaging in business in Tennessee, each regulated institution or individual must first obtain a license, certificate of registration, or authorization from the Department. All such applications are processed by the Compliance Division, which ensures that each applicant meets the qualifications required by law to engage in such business.

Through a comprehensive examination program, licensed and registered entities are subject to periodic examination by the Compliance Division's examiners. Examinations are designed to test and enforce compliance with Tennessee laws, as well as certain federal laws and regulations such as the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA). These laws and regulations were promulgated to protect consumers by limiting the amount of interest, loan charges and insurance charges that may be imposed, as well as providing for specific disclosures to the consumer regarding loan provisions. The Compliance Division's examiners investigate consumer complaints and allegations of consumer fraud and usury.

Through 1,996 examinations and other methods of regulatory oversight of non-depository institutions, the Division returned refunds in the amount of \$522,755 to consumers for the fiscal year ending June 30, 2020. In addition, administrative enforcement actions initiated by the Division resulted in civil monetary penalties of \$330,593.

RISK-FOCUSED EXAMINATION PROGRAM

The Division implemented the Risk-Focused Examination Program ("the program") July 1, 2013, for Title Pledge, Check Cashing, and Deferred Presentment Services licensees. The program was expanded July 1, 2014, to include Industrial Loan and Thrift Company registrants, Residential Lending, Brokerage, and Servicing licensees, and Insurance Premium Finance licensees. Flexible Credit licensees were brought into the program on July 1, 2017.

The program uses information derived from a study of the historical examination reports and other related regulatory information for each license type to derive ratings based on how a location's information compares to the industry average. The ratings are used to develop the scheduling frequency of examinations which allows for examination resources to be focused on locations which show a higher than average risk.

The program has provided several positive industry and Division impacts. Since 2015, the program, through the annual risk disclosure, provides companies with projected examination dates and main risk factor information for low and high rated locations. The program has allowed the Division to better manage the examination workforce by deployment of examination resources based on each location's risk profile and not looking at every location and industry with a one-size-fits-all examination approach.

CHECK CASHING COMPANIES

For a fee, check cashers provide currency in exchange for a payment instrument, such as a check. They are licensed under the Check Cashing Act of 1997, Tenn. Code Ann. §§ 45-18-101, et seq. Licensed check cashers may charge fees as follows: in general, no more than 5% of the face amount of the payment instrument or \$5, whichever is greater; for payment instruments for state public assistance or federal social security benefits, no more than 3% of the face amount or \$2, whichever is greater; and for personal checks or money orders, no more than 10% of the face amount or \$5, whichever is greater.

The requirements for licensure include a minimum net worth of \$25,000 for each location. Licenses under the Check Cashing Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the Nationwide Multistate Licensing System (NMLS), between November 1 and December 31. As of June 30, 2020, there were 543 check cashing locations licensed with the Department. For fiscal year 2020, the Division conducted 268 examinations of check cashing businesses, resulting in refunds totaling \$2,366.



CHECK CASHING STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2019 to December 31, 2019.

Total Operating Income	\$23,407,211
Salary Expense	\$8,106,870
Bad Debt Expense	\$3,242,824
Owners' Compensation	\$977,874
Net Income*	\$1,597,657

**Excluding Owners' Compensation*

Of the 81 reporting companies, 13 reported operating losses and 16 reported net income of over \$100,000 for the period ending December 31, 2019. The average company made a profit of \$31,797. Salaries are a major company expense, amounting to about 35% of total operating income. The average salary expense for a reporting company was \$100,085. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 14% of total operating income.

DEFERRED PRESENTMENT SERVICES PROVIDERS

Licensees under the Deferred Presentment Services Act, Tenn. Code Ann. §§ 45-17-101, et seq., may engage in the business of deferred presentment services. A deferred presentment service is a transaction involving, in exchange for a fee, the acceptance and payment by the licensee of a check and the holding of the check for a period of time prior to presentment for payment. Licensees may charge a fee of not more than 15% of the face amount of the check, and may not have outstanding more than two (2) checks from any one (1) customer at the same time, with the aggregate face value of all outstanding checks from any one (1) customer not to exceed \$500.

The requirements for licensure include having a minimum net worth of \$25,000 for each location. Licenses under the Deferred Presentment Services Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through NMLS, between November 1 and December 31. As of June 30, 2020, there were 771 deferred presentment service locations licensed with the Department. For fiscal year 2020, the Division conducted 375 examinations of deferred presentment service businesses, resulting in refunds totaling \$11,350.83.

ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2019

Licensees are required by Tenn. Code Ann. § 45-17-119 to file with the Commissioner of Financial Institutions, an Annual Report covering the licensee's business activities as of the close of business on December 31 of the prior year. These reports include a balance sheet, statement of income and expense, as well as other statistical data.

The following tabulation represents aggregate information from reports filed by 136 licensed companies. The Department did not require an annual report from companies that opened after December 2019.

DEFERRED PRESENTMENT STATEMENT OF ASSETS, LIABILITIES, AND EQUITY

Total Assets	\$935,190,675
Total Liabilities	\$542,099,572
Net Worth	\$393,095,442

**DEFERRED PRESENTMENT STATEMENT
OF INCOME AND EXPENSES**

The following information was compiled from the statements of income and expenses for the period of January 1, 2019 to December 31, 2019.

Total Operating Income	\$194,940,347
Salary Expense	\$48,071,073
Bad Debt Expense	\$48,194,568
Owners' Compensation	\$2,827,425
Net Income*	\$32,118,410

**Excluding Owners' Compensation*

Of the 136 reporting companies, 37 reported operating losses and 24 reported net income of over \$100,000 for the period ending December 31, 2019. Losses on receivables constitute a major industry expense. Bad debt expense represented approximately 25% of total operating income.

DEFERRED PRESENTMENT TRANSACTIONAL DATA

The following transactional data was reported for the reporting period ending December 31, 2019:

Number of Transactions	2,857,665
Dollar Amount of Transactions During the Year	\$600,765,533
Average Size of Receivable Transactions	\$210

Check Amount	Number of Transactions
\$0 - \$150	317,652
\$151 - \$250	1,179,223
\$251 - 500	1,360,790

FLEXIBLE CREDIT LENDERS

Businesses licensed under the Flexible Credit Act, Tenn. Code Ann. §§ 45-12-101, et seq., may offer “flex loans” pursuant to flex loan plans. A flex loan plan is defined to mean a written agreement between a licensee and a customer establishing an open-end credit plan under which the licensee contemplates repeated noncommercial loans for personal, family or household purposes.

Flex loan plans may be unsecured or secured by personal property and may be without fixed maturities or limitations as to the length of term. Flexible credit lenders may charge a periodic interest rate not to exceed 24% per annum, and a customary fee not to exceed a daily rate of 0.7% of the average daily principal balance in any billing cycle. No flex loan plan may have an outstanding principal balance in excess of \$4,000 at any time.

The requirements for licensure under the Flexible Credit Act include having a minimum net worth of \$50,000 for each location and filing with the Department a surety bond in the amount of \$25,000 for each location up to a maximum of \$200,000 for any one (1) licensee.

Licenses under the Flexible Credit Act expire on December 31 of each year and may be renewed by filing a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 693 flexible credit locations licensed with the Department. For fiscal year 2020, the Division conducted 343 examinations of flexible credit lenders, resulting in refunds totaling \$112,144.92.

ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2019

Under Tenn. Code Ann. § 45-12-222, the Commissioner shall prepare and submit to the Governor and General Assembly, annually, an analysis and recapitulation of the reports for the preceding calendar year for the purpose of reflecting the general results of operations under this chapter.

The following tabulation represents aggregate information from the audited financial statements of 36 reporting entities.

STATEMENT OF ASSETS, LIABILITIES, AND EQUITY

Total Assets	\$732,445,424
Total Liabilities	\$358,641,740
Net Worth	\$373,803,683

FLEXIBLE CREDIT STATEMENT OF INCOME AND EXPENSES

The following tabulation represents aggregate information for the period ending December 31, 2019:

Total Operating Income	\$729,096,559
Salary Expense	\$106,310,146
Bad Debt Expense	\$279,869,503
Owners' Compensation	\$6,344,868
Net Income*	\$122,819,987

**Excluding Owners' Compensation*

Of the 36 reporting companies, 15 entities reported operating losses. Salaries are a major company expense, amounting to about 15% of total operating income. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 38% of total operating income.

FLEXIBLE CREDIT TRANSACTIONAL DATA

Number of New Agreements Entered Into for 2019	307,619
Dollar Amount of New Agreements During 2019	\$292,011,709

Distribution of 2019 New Agreements by Dollar Amount: (Maximum agreement amount = \$4,000)

New Agreements	Number of loans
\$0 - \$1,000	215,472
\$1,001 - \$3,000	78,422
\$3,001 - \$4,000	13,725

HOME EQUITY CONVERSION MORTGAGE LENDERS

Home equity conversion mortgages, also known as reverse mortgages, are governed in Tennessee by the Home Equity Conversion Mortgage Act, Tenn. Code Ann. §§ 47-30-101, et seq. A business that makes home equity conversion mortgages must be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. and must also be an authorized lender under the Home Equity Conversion Mortgage Act. All reverse mortgages issued in Tennessee must comply with all requirements for participation in the Federal Department of Housing and Urban Development's (HUD) Home Equity Conversion Mortgage Program (or other similar federal reverse mortgage loan programs) and must be insured by the Federal Housing Agency or other similar federal agency. Authorized lenders are examined for compliance with the Home Equity Conversion Mortgage Act at the same time that they are examined for compliance under the Tennessee Residential Lending, Brokerage and Servicing Act. As of June 30, 2020, 63 lenders were authorized to make reverse mortgage loans.

INDUSTRIAL LOAN AND THRIFT COMPANIES (TILT)

The Tennessee Industrial Loan and Thrift (TILT) Companies Act, Tenn. Code Ann. §§ 45-5-101, et seq., was adopted for the stated purpose of allowing the citizens of Tennessee to have available the facilities and resources of regulated lending institutions to meet their needs for loans at rates and charges reasonably commensurate with economic realities. TILT companies are authorized to charge rates of interest higher than the rates currently authorized under Tennessee's general usury statutes. The requirements for registration under the TILT Act include having a minimum net worth of \$25,000 for each location from which business is conducted and filing with the Department a surety bond in the amount of \$200,000 if the business proposes to make residential mortgage loans, or \$50,000 otherwise. Registrations under the TILT Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 1,097 TILT locations registered with the Department. For the fiscal year 2020, the Division conducted 454 examinations of TILT companies resulting in refunds totaling \$243,105.48.



INDUSTRIAL LOAN AND THRIFT COMPANIES COMPOSITE ANNUAL REPORT
(Year Ending December 31, 2019)

Number of Companies Included in This Report	247
Number of Offices Included in This Report	1,259
Number of Employees Included in This Report	6,377
RATE OF RETURN	
Average Monthly Gross Receivable (Industry)	\$2,837,643,628
Net Income (Industry)	\$379,203,884
Rate of Return on Outstanding Receivables	13.36%
ANALYSIS OF ACCOUNTS OUTSTANDING (MONTHLY AVERAGE)	
Average Number of Accounts Outstanding (Industry)	665,748
Average Number of Accounts Outstanding (Company)	2,695
Average Number of Accounts Outstanding (Location)	530
OTHER INFORMATION	
Number of Loans Outstanding at Beginning of Year	655,486
Dollar Amount of Loans Outstanding at Beginning of Year	\$1,994,106,401
Average Amount per Loan Outstanding at Beginning of Year	\$3,042
Number of Loans Made During the Year	1,152,188
Dollar Amount of Loans Made During the Year	\$3,401,621,794
Average Amount per Loan Made	\$2,952
Number of Loans Charged Off During the Year	187,042
Dollar Amount of Loans Charged Off During the Year	\$179,868,630
Average Account Balance Charged Off	\$962
Number of Loans Outstanding at Year End	1,307,613
Dollar Amount of Loans Outstanding at Year End	\$2,322,577,972
Average Account Balance per Loan Outstanding at Year End	\$1,776

INSURANCE PREMIUM FINANCE COMPANIES

Persons engaged in the business of premium finance companies in Tennessee must be licensed under the Premium Finance Company Act of 1980, Tenn. Code Ann. §§ 56-37-101, et seq. Premium finance companies enter into agreements by which an insured or prospective insured promises to pay to the premium finance company the amount advanced or to be advanced under the agreement to an insurer or insurance agent or producing agent in payment of premiums of an insurance contract, together with interest and a service charge. A premium finance company may charge interest not to exceed a maximum effective rate of 24% per annum and may charge on pre-computed loans a service charge in an amount equal to 4% of the total amount of the loan.

The requirements for licensure under the Premium Finance Company Act include the experience, training, or education to be qualified in the business for which the license is required. Licenses under the Premium Finance Company Act expire on December 31 of each year and may be renewed by filing a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 41 insurance premium finance companies licensed with the Department. For fiscal year 2020, the Division conducted 21 examinations of insurance premium finance companies resulting in refunds totaling \$1,821.41.

MONEY TRANSMITTERS

The activities of money transmitter companies are governed by the Tennessee Money Transmitter Act of 1994, Tenn. Code Ann. §§ 45-7-201, et seq. There are exemptions that apply to certain government agencies, as well as business organizations, which are listed in Tenn. Code Ann. §§ 45-7-204.

The Department continues to enhance its policies and procedures to ensure that we efficiently and effectively facilitate our statutory responsibility to ensure certain consumer protections as well as to help provide a good business environment for legitimate industry. The Department also continues to be an active participant in the Money Transmitter Regulatory Association and Conference of State Bank Supervisors to facilitate fulfillment of its responsibilities with respect to money transmission licensing and regulation.



Each applicant for a money transmitter license must demonstrate, and each licensee must maintain, a net worth of not less than \$100,000 computed according to generally accepted accounting principles. Persons transmitting, or proposing to transmit, money shall have an additional net worth of \$25,000 per additional location or agent located in Tennessee, as applicable, to a maximum of \$500,000. The applicant must demonstrate such experience, character, and general fitness as to command the confidence of the public and warrant the belief that the business will be operated lawfully and fairly.

As of June 30, 2020, the division licensed 146 money transmitters. For fiscal year 2020, the Division conducted one (1) money transmitter examination and 37 examinations of money transmitters were either conducted by the Multistate Money Transmitter Exam Team (MMET), of which the Department is a member, or the examinations were conducted by other states and accepted by the Department. The Tennessee Money Transmitter Act authorizes the Department to accept examinations of an agency of another state.

RESIDENTIAL MORTGAGE LENDERS, BROKERS AND SERVICERS

Residential mortgage lenders, brokers and servicers doing business in Tennessee must be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. The requirements for licensure include having a minimum net worth of \$25,000, and filing with the Department a surety bond in an initial amount of between \$90,000 and \$200,000 depending on the nature of the business to be conducted, and the bond is adjustable annually based on the dollar amount of Tennessee residential mortgage loans originated in the preceding calendar year. Licenses expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 769 mortgage businesses licensed with the Department. For the fiscal year 2020, the Division conducted 137 examinations of mortgage companies, resulting in refunds totaling \$48,060.49.



RESIDENTIAL MORTGAGE LOAN ORIGINATORS

Residential mortgage loan originators must also be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. The requirements for licensure include the following: 20 hours of pre-licensure education, two (2) hours of which must be in Tennessee law; passing score on a national test with uniform state content; authorization for a fingerprint based criminal background check through the FBI; authorization for a credit report from a national credit reporting agency. A mortgage loan originator license is not active unless the individual is also sponsored by a licensed mortgage lender or mortgage loan broker, and a mortgage loan



originator is prohibited by law from providing origination services with an inactive license. Licenses expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 13,901 mortgage loan originators licensed with the Department. The Division examines the work product of individual mortgage loan originators when it examines the sponsoring broker or lender.

TITLE PLEDGE LENDERS

The Tennessee Title Pledge Act, Tenn. Code Ann. §§ 45-15-101, et seq., governs the activities of title pledge lenders in Tennessee. A title pledge loan is a 30-day loan, which may be renewed, secured by the borrower’s motor vehicle. Title pledge lenders may charge interest at a rate not to exceed 2% per month, and a customary fee of no more than 1/5 of the original principal amount of the loan or of the unpaid balance due at the inception of any renewal. If a borrower fails to repay a loan, the lender may repossess and sell the vehicle, but the borrower is not personally liable for any deficiency balance. The requirements for licensure under the Tennessee Title Pledge Act include having a minimum net worth of \$75,000 for each location, and filing with the Department a surety bond in the amount of \$25,000 for each location up to a maximum of \$200,000 for any one (1) licensee. Licenses under the Tennessee Title Pledge Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2020, there were 651 title pledge locations licensed with the Department. For the fiscal year 2020, the Division conducted 397 examinations of title pledge businesses resulting in refunds totaling \$103,905.64.

ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2019

The following tabulation represents aggregate information from reports filed by 83 licensed companies. The Department did not require an annual report from companies that opened after December 2019.

Total Assets	\$507,506,688
Total Liabilities	\$93,518,531
Net Worth	\$413,992,496

TITLE PLEDGE LENDERS STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2019 to December 31, 2019.

Total Operating Income	\$106,707,416
Salary Expense	\$21,770,202
Bad Debt Expense	\$26,189,060
Owners’ Compensation	\$1,427,986
Net Income*	\$17,256,504

**Excluding Owners’ Compensation*

Of the 83 reporting companies, 27 reported operating losses and 13 reported net income of over \$100,000 for the period ending December 31, 2019. The average company made a profit of \$225,114.

Salaries are a major company expense, amounting to about 20% of total operating income. The average salary expense for a reporting company was \$262,292. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 25% of total operating income.

TITLE PLEDGE LENDERS TRANSACTIONAL DATA

The following transactional data was reported for the reporting period ending December 31, 2019:

Number of New Agreements Entered Into for 2019	89,357
Dollar Amount of New Agreements During 2019	\$70,653,744
Number of Defaults	39,999
Number of Repossessions	11,763
Total Surplus Amount Returned to Customers after Sale of Repossessed Vehicles	\$1,055,646

Number of Customers Holding Agreements Outstanding as of December 31, 2019	70,682
Number of Customers who Deferred a Principal Payment Reduction in 2019	6,550



CREDIT UNION DIVISION

The Credit Union Division is responsible for the supervision and examination of state-chartered natural-person and corporate credit unions. Credit union examiners perform safety and soundness examinations for each state-chartered credit union as well as Volunteer Corporate Credit Union (VolCorp) to determine compliance with governing laws and regulations. Evaluations of each credit union's assets, liabilities, income, and expenses are performed to assess the solvency of the institution. They also perform investigations as a result of complaints filed with the Department's Consumer Resources Section.

Collectively, the 79 natural-person credit unions regulated by the Credit Union Division have assets of approximately \$15 billion. The return on average assets was 0.97%. Individually, the institutions present a vast array of asset sizes, fields of membership and services.

VolCorp, located in Nashville, Tennessee, continues to meet the financial service needs of natural-person credit unions, whether state or federally chartered. VolCorp is a \$2.2 billion corporate credit union that serves more than 325-member credit unions in Tennessee and other states. Primary offerings include traditional correspondent services such as investments, item processing, security safekeeping, consulting services, and web design.

The Credit Union Division remains accredited by the National Association of State Credit Union Supervisors (NASCUS). The NASCUS accreditation was re-certified in November 2020 for another five-year period.

The primary mission of the Credit Union Division is to provide the people of Tennessee with a safe and sound system of credit unions but not at the expense of credit unions' ability to support local economies. The most fundamental approach to achieve that is to regulate credit unions on an institution by institution basis by supervising credit unions based on their risk profile rather than a one-size fits all regulatory approach.

The Credit Union Division uses a risk focused examination approach, which allows our examiners to better focus on any identified emerging risk and to also be more efficient on examinations by understanding what areas may hold little risk and should not receive as much attention.

Regulatory balance is the act of striking the right balance between regulatory oversight (ensuring safety and soundness and compliance with law) while allowing for economic growth and profitability. Examples include customizing examinations instead of using a one-size fits all philosophy, utilizing regulatory authority to bring common sense and justice to bear, and influencing federal agencies toward a more balanced approach.

Through collaboration, examiners discuss best practices with credit union officials, but they do not attempt to micromanage institutions. Examiners inform officials that regardless of the information presented, the Board of Directors is ultimately responsible for making decisions. Examiners share information with management to include emerging risks, current issues, and hot topics. The Credit Union Division is an advocate for the success of credit unions serving Tennessee citizens.

The year 2020 has been a challenging one. With the COVID-19 Pandemic, all examinations were paused for a period of time. Once resumed, it was realized that a 100% offsite examination solution needed to be developed. The division had previously been moving to a more offsite position; however, 100% offsite created new challenges such as communication with the industry and the examination team; collection and review of documents for examination; and examiner training. Each of these challenges was met due to outstanding work by the examiners as well as the full support of department senior management and other state agencies.

As a result, examinations continued unabated with risk being identified and reported accurately. Our credit unions across the state readily accepted the new normal of examinations and worked with us to accomplish the necessary goals. In addition, we were able to increase efficiency and realize significant budget savings within the division.

ADMINISTRATION

- Brian Williams, Safety and Soundness Chief Administrator
- Memory Little, Program Administrator
- Jennifer Meade, Administrative Services Assistant 3

EXAMINATION PERSONNEL

West Tennessee District

- Jim Eller, FI Safety and Soundness Manager
- Randall Means, CSCUES, Credit Union Examiner 5
- Dana R. Owen, CFE, CEIC, CISE, Credit Union Examiner 4
- Josh Evans, CAMS, Credit Union Examiner 4

Middle Tennessee District

- Jim Eller, FI Safety and Soundness Manager
- Steve Eddings, CFE, CSCUE, CEIC, Credit Union Examiner 5
- Madison Tarwater, Credit Union Examiner 4
- Derek Quarles, Credit Union Examiner 3
- Robert Heisse, Credit Union Examiner 4

East Tennessee District

- Matthew Adkison, FI Safety and Soundness Manager
- Will Justice, Credit Union Examiner 4
- Shane Hardin, CFE, CSCUE, Credit Union Examiner 5
- Stephanie Dunn, Credit Union Examiner 3
- Dwight Ward, Credit Union Examiner 4

**Examination Personnel Designation:

CEIC, Certified Examiner-in-Charge; CFE, Certified Fraud Examiner; CISE, Certified Information Systems Examiner; CSCUE, Certified State Credit Union Examiner; CSCUES, Certified State Credit Union Examiner Supervisor; CAMS, Certified Anti Money Laundering Specialist



CREDIT UNION TRANSACTIONS

July 1, 2019 – June 30, 2020

MERGERS/LIQUIDATIONS

There were no credit union mergers or liquidations during the fiscal year.

NAME CHANGES

Ballad Credit Union changed its name to Beacon Financial Credit Union (09/10/2019)

Vanderbilt University Employees Credit Union changed its name to Vanderbilt Credit Union (04/08/2020)

PRINCIPAL ADDRESS CHANGE

Old Hickory Credit Union changed its principal office location to 410 Donelson Pike, Nashville, Tennessee (08/18/2019)

Appliance Credit Union changed its principal office location to 150 Linden Avenue, SE, Cleveland, Tennessee (04/27/2020)

Knoxville TVA Employees Credit Union changed its principal office location to 1409 Centerpoint Boulevard, Knoxville, Tennessee (06/22/2020)

NEW BRANCHES/BRANCH RELOCATIONS

Eastman Credit Union – Approval to establish a branch at 159 Cook Street, Abingdon, Virginia (03/24/2020)

Knoxville TVA Employees Credit Union – Approval to establish a branch at 7515 Central Avenue Pike, Powell, Tennessee (06/09/2020)

APPROVAL TO CLOSE/SELL BRANCHES

Memphis City Employees Credit Union – Closure of branch at 109 North Main Street, Memphis, Tennessee (06/16/2020)

Memphis City Employees Credit Union – Closure of branch at 5333 Getwell Road, Module E, Memphis, Tennessee (06/16/2020)

CERTIFICATE OF AUTHORITY FOR OUT OF STATE CREDIT UNION

A Certificate of Authority was issued for City and County Credit Union, St. Paul, Minnesota to establish a foreign branch office at 2532 General Mills Way, Murfreesboro, Tennessee (10/28/2020)

FIELD OF MEMBERSHIP APPLICATION APPROVALS

US Community Credit Union – Approval to expand community-based field of membership to include Cannon, Cheatham, Dickson, Hickman, Macon, Maury, Robertson, Smith, and Trousdale Counties (11/12/2019)

TENNESSEE STATE-CHARTERED CREDIT UNIONS KEY RATIOS

	June 2019	June 2020
CAPITAL ADEQUACY		
Net Worth/Total Assets	12.86	11.98
Total Delinquent Loans / Net Worth	2.06	1.94
Solvency Evaluation (Estimated)	114.85	113.62
Classified Assets (Estimated) / Net Worth	4.23	4.41
ASSET QUALITY		
Delinquent Loans / Total Loans	0.34	0.31
* Net Charge-Offs / Average Loans	0.35	0.32
Fair (Market) HTM Invest Value/Book Value HTM Invest.	99.76	100.33
Accum Unreal G/L On AFS/Cost Of AFS	-0.21	0.91
Delinquent Loans / Assets	0.27	0.23
EARNINGS		
* Return on Average Assets	1.24	0.97
* Return on Average Assets Excluding Stabilization Income/Expense & NCUSIF Premium	N/A	N/A
* Gross Income/Average Assets	5.48	5.05
* Yield on Average Loans	4.69	4.69
* Yield on Average Investments	2.08	1.13
* Fee & Other Op.Income / Avg. Assets	1.45	1.26
* Cost of Funds / Avg. Assets	0.82	0.85
* Net Margin / Avg. Assets	4.66	4.2
* Operating Exp./ Avg. Assets	3.19	2.92
* Provision for Loan & Lease Losses / Average Assets	0.3	0.31
* Net Interest Margin/Avg. Assets	3.2	2.94
Operating Exp./Gross Income	58.2	57.81
Fixed Assets & Foreclosed & Repossessed Assets / Total Assets	2.5	2.34
* Net Operating Exp. /Avg. Assets	2.46	2.35
ASSET / LIABILITY MANAGEMENT		
Net Long-Term Assets / Total Assets	34.11	34.88
Reg. Shares / Total Shares & Borrowings	31.96	34.13
Total Loans / Total Shares	92.05	86.26
Total Loans / Total Assets	78.22	74.14
Cash + Short-Term Investments / Assets	13.84	17.63
Total Shares, Dep. & Borrs/Earning Assets	90.97	92.11
Reg /Shares + Short-Term Investments/Assets	48.76	52.05
Borrowings/Total Shares & Net Worth	1.46	1.44
PRODUCTIVITY		
Members/Potential Members	7.76	7.49
Borrowers/Members	59.14	59.2
Members/Full-Time Employees	354.86	357.87
Avg. Shares Per Member	\$10,189	\$11,507
Avg. Loan Balance	\$15,859	\$16,764
*Salary and Benefits/Full-Time Employees	\$70,467	\$72,578
OTHER RATIOS		
*Net Worth Growth	9.94	7.89
*Market (Share) Growth	12.32	24.63
* Loan Growth	8.39	9.72
*Asset Growth	11.07	22.41
*Investment Growth	23.82	81.97
*Membership Growth	5.96	4.14
*Annualized Ratios		

**TENNESSEE STATE-CHARTERED CREDIT UNIONS
CONSOLIDATED BALANCE SHEET**

	June 2019	June 2020
ASSETS		
CASH:		
Cash on Hand	115,718,435	199,685,832
Cash on Deposit	1,004,809,762	1,817,909,121
Cash Equivalents	67,809,930	75,330,754
TOTAL CASH & EQUIVALENTS	1,188,338,127	2,092,925,407
INVESTMENTS:		
Trading Securities	0	0
Available for Sale Securities	157,529,830	N/A
Held-to-Maturity Securities	244,006,552	0
Deposits in Commercial Banks, S&Ls, Savings Banks	434,144,616	499,242,708
Loans to, Deposits in, and Investments in Natural Person Credit Unions	67,960,372	85,543,139
Total MCSD/Nonperpetual Contributed Capital and PIC/Perpetual Contributed Capital	27,326,675	27,326,370
All Other Investments in Corporate CUs	18,894,122	16,258,346
All Other Investments	45,711,315	47,331,890
TOTAL INVESTMENTS	995,573,482	1,221,319,979
LOANS HELD FOR SALE	3,981,462	11,711,517
LOANS AND LEASES:		
Unsecured Credit Card Loans	300,623,168	292,792,149
All Other Unsecured Loans/Lines of Credit	328,818,235	330,392,026
Payday Alternative Loans (PAL Loans) (FCUs only)	0	0
Non-Federally Guaranteed Student Loans	71,368,602	75,379,077
New Vehicle Loans	2,191,961,928	2,376,432,952
Used Vehicle Loans	1,961,507,949	2,045,594,308
Leases Receivable	273,240	216,266
All Other Secured Non-Real Estate Loans/Lines of Credit	558,586,561	620,903,644

	June 2019	June 2020
Residential Properties	3,729,016,240	4,288,852,073
Total Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	319,437,236	318,927,276
All Other Real Estate Loans/Lines of Credit	15,330,060	16,230,804
Commercial Loans/Lines of Credit Real Estate	653,220,256	774,786,843
Commercial Loans/Lines of Credit Not Real Estate Secured	18,188,155	11,154,818,827
TOTAL LOANS & LEASES	10,148,331,600	11,154,818,827
(ALLOWANCE FOR LOAN & LEASE LOSSES)	(70,582,194)	(79,454,239)
Foreclosed Real Estate	3,190,742	1,144,412
Repossessed Autos	2,949,759	2,608,707
Foreclosed and Repossessed Other Assets	355,630	483,043
TOTAL FORECLOSED and REPOSSESSED ASSETS	6,496,131	4,236,162
Land and Building	267,755,882	300,109,125
Other Fixed Assets	45,071,238	43,153,504
NCUA Share Insurance Capitalization Deposit	97,975,330	107,326,982
Identifiable Intangible Assets	232,129	-11,563
Goodwill	364,395	280,627
TOTAL INTANGIBLE ASSETS	596,524	269,064
Accrued Interest on Loans	27,460,438	31,720,740
Accrued Interest on Investments	3,318,372	2,752,630
Non-Trading Derivative Assets, net	1,071,380	388,770
All Other Assets	153,659,991	153,632,205
TOTAL OTHER ASSETS	185,510,181	188,494,345
TOTAL ASSETS	12,974,680,140	15,044,910,673
TOTAL CREDIT UNIONS	79	79

	June 2019	June 2020
LIABILITIES, SHARES AND EQUITY		
LIABILITIES:		
Other Borrowings	N/A	N/A
Other Notes, Promissory Notes, Interest Payable, & Draws Against Lines of Credit	185,024,899	211,606,989
Borrowing Repurchase Transactions	0	0
Subordinated Debt	0	0
Uninsured Secondary Capital and Subordinated Debt Included in Net Worth	0	0
Non-Trading Derivative Liabilities, net	0	0
Accrued Dividends and Interest Payable	2,321,684	2,583,887
Accounts Payable & Other Liabilities	125,564,945	136,847,795
SHARES AND DEPOSITS		
Share Drafts	1,883,883,591	2,356,596,480
Money Market Shares	1,177,194,449	1,297,936,978
Share Certificates	3,296,716,958	3,638,582,474
IRA/KEOGH Accounts	778,886,235	824,188,073
All Other Shares	104,501,018	131,709,645
Non-Member Deposits	200,991,659	197,900,854
TOTAL SHARES AND DEPOSITS	11,024,656,995	12,932,307,459
TOTAL LIABILITIES	11,337,568,523	13,283,357,927
EQUITY:		
Undivided Earnings	1,072,479,299	1,154,416,300
Regular Reserves	528,517,603	586,496,730
Appropriation for Non-Conforming Investments (SCU Only)	0	0
Other Reserves	19,705,244	20,518,676
Equity Acquired in Merger	26,429,641	26,429,642
Miscellaneous Equity	31,062	31,062
Accumulated Unrealized Gains (Losses) on Available for Sale Debt Securities	-535,877	2,481,344
Accumulated Unrealized Losses for OTTI (due to Other factors) on HTM Debt Securities	0	0
Accumulated Unrealized G/L on Cash Flow Hedges	-210,026	0
Other Comprehensive Income	-31,978,079	-43,568,488
Net Income *	22,672,750	14,747,480

*Net income shown in the equity section of this graph will not reconcile to the net income shown on the income statement. Credit unions are not required to close out their accounting records on a quarterly basis, only at year-end

	June 2019	June 2020
EQUITY TOTAL	1,637,111,617	1,761,552,746
TOTAL SHARES & EQUITY	12,661,768,612	14,693,860,205
TOTAL LIABILITIES, SHARES, & EQUITY	12,974,680,140	15,044,910,673
NCUA INSURED SAVINGS		
Uninsured Shares	663,810,740	867,842,426
Uninsured Shares	3,974,274	2,484,936
Total Uninsured Shares & Deposits	667,785,014	840,327,362
Insured Shares & Deposits	10,356,871,981	12,061,980,097
TOTAL NET WORTH	1,669,505,520	1,801,844,703

**TENNESSEE STATE-CHARTERED CREDIT UNIONS
CONSOLIDATED INCOME STATEMENT**

	June 2019	June 2020
INCOME AND EXPENSE		
INTEREST INCOME:		
Interest on Loans	233,030,398	255,639,075
Less Interest Refund	(0)	(27)
Income from Investments	21,416,649	15,128,917
Income from Trading	N/A	N/A
Interest income on Securities held in a Trading Account	25,457	-94,449
TOTAL INTEREST INCOME	254,472,504	270,673,516
INTEREST EXPENSE:		
Dividends	15,744,129	16,747,478
Interest on Deposits	34,233,553	41,660,280
Interest on Borrowed Money	2,135,076	2,044,251
TOTAL INTEREST EXPENSE	52,112,758	60,452,009
PROVISION FOR LOAN & LEASE LOSSES	18,779,364	21,925,870
NET INTEREST INCOME AFTER PLL	183,580,382	188,295,637
NON-INTEREST INCOME:		
Fee Income	45,996,787	40,541,323
Other Operating Income	45,859,017	49,605,339
Gain (Loss) on Investments	N/A	N/A
Gain (Loss) on Equity Securities (DO NOT Include Gain (Loss) on other securities)	403,076	98,692
Gain (Loss) on Other Securities (DO NOT Include Gain or Loss on Equity Securities)	68,211	66,210
Gain (Loss) on Non-Trading Derivatives	0	371,443
Gain (Loss) on Disposition of Assets	-337,619	-257807
Gain from Bargain Purchase (Merger)	6,938	6,938
Other Non-Oper Income (Expense)	4,315,568	-707,415
NCUSIF Stabilization Income	0	0
TOTAL NON-INTEREST INCOME	96,311,978	89,724,723

	June 2019	June 2020
NON-INTEREST EXPENSE		
Total Employee Compensation & Benefits	107,427,141	113,964,986
Travel, Conference Expense	1,807,609	1,238,071
Office Occupancy	11,707,943	12,541,939
Office Operation Expense	44,458,156	44,152,096
Education and Promotion	6,814,023	6,198,291
Loan Servicing Expense	9,141,009	9,871,398
Professional, Outside Service	15,534,541	16,220,160
Member Insurance	N/A	N/A
Member Insurance-NCUSIF Premium	-55,692	-729
Member Insurance-Temporary Corporate CU Stabilization Fund	N/A	N/A
Member Insurance-Other	80,523	70,483
Operating Fees	1,349,960	1,593,656
Misc. Operating Expense	3,287,076	2,750,390
TOTAL NON-INTEREST EXPENSE	201,552,289	208,600,741
NET INCOME (LOSS) EXCLUDING STABILIZATION EXPENSE AND NCUSIF PREMIUMS	N/A	N/A
NET INCOME (LOSS)	78,340,071	69,419,619
RESERVE TRANSFERS:		
Transfer to Regular Reserve	19,262,812	24,671,652

TENNESSEE STATE-CHARTERED CREDIT UNIONS
GROUPED BY ASSET SIZE
(HUNDRED THOUSANDTHS)

CREDIT UNION ASSET SIZE RANGE	# OF CREDIT UNIONS - CURRENT YEAR	CURRENT YEAR - TOTAL ASSETS	PERCENTAGE OF CREDIT UNIONS IN GROUP
\$250,000 OR LESS	1	\$52,977	1.25
\$250,001 TO \$500,000	0	\$0	0.00
\$500,001 TO \$1,000,000	1	\$649,314	1.25
\$1,000,001 TO \$5,000,000	11	\$26,787,431	13.75
\$5,000,001 TO \$10,000,000	6	\$43,550,413	7.50
\$10,000,001 TO \$50,000,000	30	\$793,624,306	37.50
\$50,000,001 TO \$100,000,000	11	\$739,196,857	13.75
\$100,000,001 TO \$200,000,000	7	\$928,399,234	8.75
\$200,000,001 TO \$500,000,000	8	\$2,858,125,575	10.00
\$500,000,001 AND OVER	5	\$11,882,122,006	6.25
TOTAL	80	\$17,272,508,113	100.00
	79 Without Corporate Credit Union	\$15,044,877,718	

TENNESSEE STATE-CHARTERED CREDIT UNIONS ASSETS
As of June 30, 2020

CREDIT UNION	ADDRESS	CITY	ZIP	STATE	ASSETS
A.U.B. EMPLOYEES'	P.O. BOX 874	ATHENS	37371-0874	TN	\$ 1,668,185
APPLIANCE	P.O. BOX 1057	CLEVELAND	37364	TN	\$ 11,869,697
BCBST EMPLOYEES	1 CAMERON HILL CIR	CHATTANOOGA	37402	TN	\$ 12,760,997
BEACON FINANCIAL	400 N STATE OF FRANKLIN RD	JOHNSON CITY	37604	TN	\$ 26,315,611
BOWATER EMPLOYEES	P.O. BOX 359	CALHOUN	37309-0359	TN	\$ 195,266,777
CEMC EMPLOYEES	P.O. BOX 3300	CLARKSVILLE	37043	TN	\$ 2,479,440
CHATTANOOGA FEDERAL EMPLOYEES	P.O. BOX 22205	CHATTANOOGA	37422-2205	TN	\$ 53,867,364
CITY EMPLOYEES	1720 WESTERN AVE	KNOXVILLE	37921	TN	\$ 88,782,231
CN/IC EMPLOYEES	2005 NONCONNAH BLVD STE 7	MEMPHIS	38132	TN	\$ 8,077,372
COLLEGEDALE	P.O. BOX 2098	COLLEGEDALE	37315	TN	\$ 45,702,700
CONSUMER	3634 E ANDREW JOHNSON HWY	GREENEVILLE	37745	TN	\$ 519,928,719
CORNERSTONE FINANCIAL	P.O. BOX 120729	NASHVILLE	37212-0729	TN	\$ 459,630,796
DIXIE LINE	567 VERITAS ST	NASHVILLE	37211	TN	\$ 12,893,593
EASTMAN	P.O. BOX 1989	KINGSPORT	37662	TN	\$ 5,677,475,597
EMPLOYEE RESOURCES	P.O. BOX 987	LAWRENCEBURG	38464-4455	TN	\$ 110,164,488
ENBRIGHT	2340 JACKSON DOWNS BLVD	NASHVILLE	37214	TN	\$ 73,290,236
EPB EMPLOYEES	1500 MCCALLIE AVE	CHATTANOOGA	37404-2937	TN	\$ 31,904,695
FIRST CHOICE COMMUNITY	100 N 17th St	KNOXVILLE	37921-6750	TN	\$ 41,380,736
FIRST SOUTH FINANCIAL	6471 STAGE RD STE 200	BARTLETT	38134	TN	\$ 690,368,551
GALLATIN STEAM PLANT	1499 STEAM PLANT RD.	GALLATIN	37066	TN	\$ 5,493,460
GATEWAY	100 OTIS SMITH DR	CLARKSVILLE	37043-8939	TN	\$ 12,556,937
GREATER EASTERN	P.O. BOX 5130	JOHNSON CITY	37602	TN	\$ 52,725,228
GREENEVILLE CITY EMPLOYEES'	310 S MAIN ST STE 3	GREENEVILLE	37743-6176	TN	\$ 11,356,512
GREENEVILLE WORKS EMPLS. SAV. ASSN.	2745 SNAPPS FERRY RD	GREENEVILLE	37745	TN	\$ 1,919,637
HAPPY VALLEY	P.O. BOX 1838	ELIZABETHTON	37644	TN	\$ 36,070,443
HARDIN COUNTY HOSPITAL EMPLOYEES	935 WAYNE RD	SAVANNAH	38372	TN	\$ 1,079,183
HEALTH SYSTEMS	3634 E ANDREW JOHNSON HWY	GREENEVILLE	37745	TN	\$ 4,888,055

CREDIT UNION	ADDRESS	CITY	ZIP	STATE	ASSETS
HEALTHCARE SERVICES	946 E 3RD ST	CHATTANOOGA	37403-2101	TN	\$ 22,381,517
HERITAGE SOUTH COMMUNITY	P.O. BOX 1219	SHELBYVILLE	37162	TN	\$ 261,164,509
HOLLEY	P.O. BOX 398	PARIS	38242	TN	\$ 67,680,246
HORIZON	1201 N EASTMAN RD	KINGSPORT	37664-3163	TN	\$ 62,278,930
HURD EMPLOYEES	200 W CHURCH ST	GREENEVILLE	37745-3806	TN	\$ 3,594,377
JACK DANIEL EMPLOYEES	P.O. BOX 199	LYNCHBURG	37352	TN	\$ 35,829,425
JOHNSONVILLE TVA EMPLOYEES	209 HIGHWAY 641 N	CAMDEN	38320	TN	\$ 114,319,850
KIMBERLY CLARK	1520 N 2ND ST	MEMPHIS	38107-1004	TN	\$ 121,800,339
KINGSPORT PRESS	528 W CENTER ST	KINGSPORT	37660	TN	\$ 77,848,033
KINGSTON TVA EMPLOYEES	714 SWAN POND RD	HARRIMAN	37748	TN	\$ 2,189,830
KNOX CO. EMPLOYEES	400 W MAIN ST RM 355	KNOXVILLE	37902	TN	\$ 10,323,240
KNOXVILLE TVA EMPLOYEES	P.O. BOX 15994	KNOXVILLE	37901	TN	\$ 2,766,718,744
LAKESIDE EMPLS.	1008 BROADWAY	NEW JOHNSONVILLE	37134	TN	\$ 38,527,347
LANGSTON BAG CO. EMPLS. SAV. ASSN.	1760 S 3RD ST	MEMPHIS	38109-7712	TN	\$ 52,977
LEADERS	87 MURRAY GUARD RD	JACKSON	38305	TN	\$ 495,452,922
LIFE	2010 CHURCH ST STE 204	NASHVILLE	37203-2078	TN	\$ 37,432,629
LIFEWAY	1 LIFEWAY PLAZA STE 20	NASHVILLE	37234	TN	\$ 45,486,286
LOWLAND	622 W 1ST NORTH ST	MORRISTOWN	37814	TN	\$ 113,105,352
M.P.D. COMMUNITY	2711 OLD LEBANON RD	NASHVILLE	37214	TN	\$ 31,341,899
MARYVILLE MUNICIPAL	321 W BROADWAY AVE	MARYVILLE	37801	TN	\$ 18,101,600
MCNAIRY COUNTY EMPLOYEES	P.O. BOX 867	ADAMSVILLE	38310-1931	TN	\$ 1,659,516
MEMORIAL	6800 LONGVIEW RD	CHATTANOOGA	37421	TN	\$ 8,065,505
MEMPHIS CITY EMPLOYEES	2608 AVERY AVE	MEMPHIS	38112-4821	TN	\$ 379,365,834
METROPOLITAN TEACHERS	1605 JEFFERSON ST	NASHVILLE	37208	TN	\$ 2,582,058
MID EAST TENNESSEE COMMUNITY	221 S RUTGERS AVE	OAK RIDGE	37831	TN	\$ 10,268,690
NASHVILLE FIREMEN'S	908 WOODLAND ST	NASHVILLE	37206	TN	\$ 28,012,636
NASHVILLE POST OFFICE	P.O. BOX 291233	NASHVILLE	37229	TN	\$ 69,795,510

CREDIT UNION	ADDRESS	CITY	ZIP	STATE	ASSETS
NEW SOUTH	3261 N MALL RD	KNOXVILLE	37924	TN	\$ 62,601,496
NORTHEAST COMMUNITY	980 JASON WITTEN WAY	ELIZABETHTON	37643	TN	\$ 140,604,664
O.M.C. EMPLOYEES'	P.O. BOX 828	CHARLESTON	37310	TN	\$ 29,496,882
OLD HICKORY	P.O. BOX 140478	NASHVILLE	37214	TN	\$ 260,634,024
OLIVET BAPTIST	10000 WOODLAND HILLS DR	CORDOVA	38018	TN	\$ 649,314
P.I.A.S.	305 PLUS PARK BLVD	NASHVILLE	37217	TN	\$ 5,327,183
PATHWAY	P.O. BOX 2035	CLEVELAND	37320	TN	\$ 6,905,792
PATRIOT EQUITY	1450 UNION UNIVERSITY DR	JACKSON	38305	TN	\$ 30,982,126
SCENIC COMMUNITY	4503 HIXSON PIKE	HIXSON	37343	TN	\$ 133,137,764
SKYLINE	3443 DICKERSON PIKE #G10	NASHVILLE	37207-2528	TN	\$ 16,801,188
SMART CHOICE	1075 BLYTHE AVE SE	CLEVELAND	37311-2948	TN	\$ 3,588,221
SOUTHEAST FINANCIAL	220 SOUTH ROYAL OAKS	FRANKLIN	37064	TN	\$ 409,557,349
SOUTHERN	P.O. BOX 3490	CHATTANOOGA	37404	TN	\$ 22,494,535
ST. THOMAS	4230 HARDING PIKE STE 103	NASHVILLE	37205	TN	\$ 30,462,451
TN DEPT OF SAFETY	1150 FOSTER AVE	NASHVILLE	37243-4400	TN	\$ 9,681,101
TENNESSEE EMPLOYEES	P.O. BOX 198617	NASHVILLE	37219-8617	TN	\$ 28,358,234
THE CREDIT UNION FOR ROBERTSON COUNTY	2416 MEMORIAL BLVD	SPRINGFIELD	37172	TN	\$ 67,626,666
THE TENNESSEE	1400 8TH AVENUE SOUTH	NASHVILLE	37203	TN	\$ 355,727,422
THE WEST TENNESSEE	2521 FITE RD	MEMPHIS	38127	TN	\$ 19,005,736
TNCONNECT	P.O. BOX 52990	KNOXVILLE	37950	TN	\$ 62,700,917
UPS EMPLOYEES	1814 E BROOKS RD	MEMPHIS	38116	TN	\$ 30,562,861
US COMMUNITY	P.O. BOX 140570	NASHVILLE	37214	TN	\$ 236,592,719
VANDERBILT	P.O. BOX 128426	NASHVILLE	37212	TN	\$ 46,089,295
VOLUNTEER CORPORATE	2460 ATRIUM WAY	NASHVILLE	37214	TN	\$ 2,227,630,395
WCG EMPLOYEES	P.O. BOX 284	MARTIN	38237	TN	\$ 1,138,929
YOUR BEST	26 CENTURY BLVD, STE 3	NASHVILLE	37214-3683	TN	\$ 18,853,808