



TRUXTON TRUST
A PRIVATE BANK

Truxton Times

VOLUME 13, NO.2
SPRING 2015

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WEALTH MANAGEMENT: DON'T FORGET THE INSURANCE

By : Andrew May

A component of Truxton's approach to comprehensive wealth management is reviewing our clients' life insurance policies. If you've bought Universal Life or Whole Life, and stopped paying the premiums after a few years, you MAY have a problem. You owe it to your heirs to find out. Policies were sold when interest rates were much higher and the insurance companies' bond portfolios were generating far higher returns. Today's low rates "blow up" the assumptions on which policy projections were based. If rates stay very low and you live a long time, many of these policies will lapse leaving bitterly disappointed policy owners and beneficiaries.

How do you find out if you have a problem? There is only one way. Order an "in-force illustration" from the insurance company. The annual policy statement will not suffice – it shows today's value and death benefit only and policy instability can occur very suddenly several years downstream. The agency that sold you the policy can help or you can contact the home office directly.

Policy year	Age	Guaranteed at rate of 4.00%			Not Guaranteed at mid-point scale (4.00%)			Not Guaranteed at illustrated scale (4.00%)			
		Premiums you pay (\$)	Net amount you pay (\$)	Net cash surrender value (\$)	Net death benefit (\$)	Net amount you pay (\$)	Net cash surrender value (\$)	Net death benefit (\$)	Net amount you pay (\$)	Net cash surrender value (\$)	Net death benefit (\$)
29	74	0	0	8,462	150,000	0	10,728	150,000	0	12,954	150,000
30	75	2,000	2,000	7,827	50,000	2,000	11,167	50,000	2,000	14,346	50,000
35	80	2,000	*	Coverage	Expires	2,000	11,043	50,000	2,000	21,382	50,000
40	85	0	*	*	*	*	*	*	*	Coverage	Expires
Your coverage ends in policy year		35			38			40			

* indicates that the policy will lapse. To avoid lapse, additional premium payments may be necessary.

We show one actual "in-force illustration above, one that told a sad story to the unsuspecting policy holder.

The gentleman who owned this policy had paid premiums for years. He had no idea that the policy might lapse within six years.

Be cautious, though, the in-force illustration is a complex document that shows several scenarios. Study it with care and seek expert advice if it raises more questions than answers.

What should you do if the illustration raises concerns? Situations vary, but you might want to begin paying premium again, ask the insurance company to reduce the death benefit, or cash in the policy now. Any action should be guided by experts because every approach has risks including, possibly, significant tax implications.

An effective review of one's financial situation includes analysis of investments, estate & tax plans, and insurance. Overlooking any of these components can lead to unmet objectives and expensive remediation. A comprehensive and coordinated approach to wealth management increases the probability of successful outcomes. Life insurance reviews are a part of that process. ■

CHAIRMAN'S CORNER

MAY 2015

By Charlie Cook

I always enjoy reporting good news to you about Truxton Trust and how it is performing. For the past few years, the American Banker, a monthly magazine and daily online source of information about the banking industry, has published a list of the 200 Top Performing community banks in the country ranked by their three-year average return on average equity (ROAE). There are over 750 institutions in the paper's community bank category. Truxton Trust reported three year average ROAE of 11.54 percent which ranked us 61st and put us comfortably in the top ten percent of this group of 750 banks. Last year we ranked 106th, and we are this area's only bank to make the list the last three years in a row. Our shareholders should be very happy.

One of the major factors contributing to this positive performance is the relatively large non-interest income we derive from our growing wealth management business. The report reflected that our non-interest income was \$6.6 million, while the median for the top 200 banks was only \$4.4 million, and the 750 bank universe had a much lower median at \$2.5 million. Many, if not most, of the banks in either group place relatively little emphasis on wealth management and, thus, derive most of their non-interest income from service charges, mortgage origination fees, or other fee generating activities. We are, indeed, unique.

And, yes, we are unique in ways other than financial performance. Our staff of wealth management advisors

and private bankers serve our clients with the primary objective to "Do the Right Thing." Whether we are administering a trust account, managing assets

placed with us in an agency account, extending credit to a client in support of a business venture, or just managing cash in a depository account, our entire staff gives each client very personal attention in an effort to ensure that we are doing the best we know how to serve their needs.

Within the past few days, I have had two clients report to me on outstanding services our staff has provided them in two totally different ways. One involved a deceased relative who required hands-on financial help throughout the last several years of his life. We paid his bills, helped him to move to more suitable housing when the need arose, and generally cared for his well-being. The other reflected on the caring way in which we administered an estate with complicated real estate assets and multiple beneficiaries who live out of state. How many financial institutions do you know of that could handle such situations in a professional and caring way to the point that I would get such positive feedback?

We are unique. We want to continue to "Do the Right Thing" and maintain our growing reputation for our care for our clients. ■



TRUXTON CORPORATION ANNOUNCES 50% INCREASE IN CASH DIVIDEND

NASHVILLE, Tenn., April 16, 2015 –Truxton Corporation (OTCQB: TRUX), a financial holding company and the parent of Truxton Trust Company, announced that its Board of Directors has approved a semi-annual cash dividend of \$0.30 per common share payable June 26th, 2015 to shareholders of record as of June 5th, 2015. ■

TRUXTON AT HABITAT

On April 19, 2015, over 20 of Truxton employees spent the day working on a Habitat house. It was a great day and a lot of fun. Habitat for Humanity has been an organization with which many Truxton folks have been actively involved for many years.

Habitat provides a leg up to families who have qualified to receive help purchasing their new home, as well as training for how to handle all the responsibility that home ownership carries with it. Since 1985, Habitat has built over 600 homes in Nashville. Nashville area banks have been a partner with Habitat all along the way. On Truxton's build day, we were able to complete the exterior siding as well as a variety of interior caulking, insulation and trim work. Even though intermittent rain threatened to slow our crew down, we succeeded in keeping our house on schedule for an on time completion in May. ■



HABITAT 

TRUXTON CORPORATION REPORTS FIRST QUARTER 2015 RESULTS

NASHVILLE, Tenn., March 16, 2015 –Truxton Corporation (OTCQB: TRUX), a financial holding company and the parent of Truxton Trust Company, reported consolidated net income of \$1,001,000 for the first quarter of 2015, a 7 percent increase compared with \$938,000 for the first quarter of 2014. Earnings per fully diluted share for the three months were \$0.38 for 2015 compared to \$0.38 for the same period in 2014.

At March 31, 2015, the company reported total assets of \$353.5 million, a 4 percent increase from March 31, 2014. Over the same period, total loans increased 18 percent to \$235.7 million, while deposits fell 4 percent to \$276.1 million. At March 31, 2015, the Bank's estimated Tier 1 leverage ratio was 10.44%.

Non-interest income for the first quarter of 2015 was \$1,874,000, compared to \$1,564,000 for the same period in 2014, an increase of 20 percent.

Tangible Book Value per share at March 31, 2015 was \$15.30 compared to \$13.89 at the same time a year ago.

“We are pleased with the start to 2015.” said CEO Tom Stumb. “We have experienced excellent loan growth so far this year and continue to see strong increases in our non-interest income, over 90% of which comes from wealth management. We expect solid EPS growth in the balance of 2015.” ■



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WELCOME TO THE TEAM



Gerry Heath:

Gerry joined Truxton Trust's Administration team in February as a Banking Administrator. She is a native Nashvillian with over 20 years of experience in Banking and Financial Counseling. Her favorite restaurant is Etch.



Sarah Hayes:

Sarah joined Truxton Trust in February to assist Accounting Operations. She graduated from Lipscomb University in August 2015 with a Bachelor's degree in accounting is now pursuing her MBA in accounting. Her favorite restaurant in Nashville is Burger Republic.