



# Prime Interest

## Winter 2018

### PRESIDENT'S CORNER

During my tenure as a local chapter president and board member and as a member of the CAVA board, I have learned that attendance at CAVA board meetings is an excellent way to pick up ideas to enhance a local chapter (Hampton Roads in my case). A large part of each CAVA board meeting is devoted to a discussion of events, education and programming that have worked successfully for other chapters. You also build relationships that enable you to call other chapters to brainstorm ideas and solve challenges.

To give you an idea of some of the benefits that CAVA, as a regional chapter, provides to its local chapters, here is a list of some of them that immediately come to mind:

- **Insurance**--Comprehensive general liability insurance coverage for chapter events
- **Tax Filing**--Taxes roll up under the regional chapter and it files a single tax return that consolidates all income and expenses of CAVA and each local chapter
- **Chapter Support** – CAVA provides financial support to local chapters for open enrollment classes, attendance at CLC, attendance at the CAVA annual conference, etc.
- **Carolinas-Virginias Newsletter** -- Distributed three-to-four times per year, providing updates on Chapter activities, recognizing selected associate members, publishing relevant articles and providing other information.
- **Annual Conference** – CAVA's signature two-day event each Spring is recognized as one of the best regional RMA conferences in the United States. The conference features first-rate speakers, hot topics, roundtables on key subjects, networking opportunities and fellowship. CRC credit is awarded annually for these programs.
- **RMA/ECU Commercial Lending Schools** (Basic, Advanced, and Real Estate) — week-long intensive lending school held at East Carolina University which has been serving RMA members for 45+ years.
- **Open Enrollment Courses** — CAVA sponsors classes in areas not currently served by a local chapter.
- **Roundtables** — Regional events, such as the always in demand Appraisal Roundtables.

Consider having a CAVA Update agenda item for each of your Board meetings. Those who attend CAVA meetings can provide a short briefing on what is going on at the regional chapter and its programming.

One area of focus for CAVA this year is increasing attendance at the Spring Conference. The programming is outstanding for risk, credit and sales professionals, plus the fellowship and networking isn't bad either. We will be asking for your assistance to recruit attendees to the Conference from your chapter, whether members or non-members. The Conference is May 2-3, 2019 at the Grandover Resort in Greensboro, NC.

Finally, but of importance, please contact me or any other CAVA officer to discuss areas where your chapter needs assistance or is struggling so we can see what can be done to help each local chapter reach its goals and objectives.

**Best Wishes, Grig Scifres, CAVA President**



## Congratulations CAVA!



Lacy Cross of CAVA (center), Nancy Foster of RMA (right)

Dear Lacy:

Congratulations again on your chapter winning Platinum in the Chapter Planning Guide Program. As a way to remember your moment at the Annual Risk Management Conference, we have attached a copy of the photo taken with Nancy Foster, CEO of RMA and Edward Schreiber, Chair of RMA. I hope you enjoyed the conference and left with valuable information and new relationships. I look forward to seeing you again at a future RMA event.

Regards,

*Laura*

**Laura W. Ridner, CRC**  
Associate Director, Chapter Development

### Credit Risk Certification (CRC)

#### Why CRC?

In today's rapidly changing financial services industry, you need practical, day-to-day knowledge that will help you excel in your profession. You need the latest skills—skills that are current and complete. And you need the demonstrated ability to serve a diverse base of clients. Plus, you need all of your knowledge, skills, and abilities to be validated by a respected organization like RMA.

For more information, visit <http://www.rmahq.org/crc>.

# RMA Charlotte Area Chapter's Annual Luncheon

## LIBOR Replacement – A 360° View of the Issues

Our panel of experts will discuss issues every firm should consider about LIBOR replacement including:

- What preparations does your firm need to consider as the industry transitions away from LIBOR?
- What is the Secured Overnight Funding Rate (SOFR) and what are the challenges, milestones and timelines related to this viable alternative?
- What is the difference between a secured rate vs an unsecured rate?
- For various products set to mature after 2021, what challenges exist and what should firms be doing to address them?
- What legal issues do you need to consider related to the transition?
- What valuation and pricing risks will firms face when moving to a new curve?
- What are the risks concerning model development, validation and model risks?

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### Featured Guest Speakers

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Ben Bonner	Managing Director, Head of FX, Rates and Commodities, Wells Fargo
Michael Siward	LIBOR Transition Program Executive, Bank of America
E. Tyler Smith	Counsel, Parker Poe
Randy Royther	Managing Director, Head of Capital Markets, South State Bank
Tom Dunn	Chief Market Risk Officer, Ally Financial

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### Moderator

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Michael Sheptin	Principal, Ernst & Young LLP
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### Sponsored By

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**Date:** September 19th, 2018

CAVA in partnership with Charlotte RMA Chapter held a widely attended event on the topic of LIBOR Replacement. The guest speaker panel brought a diverse set of expertise. Panelists included Ben Bonner, Managing Director, Head of FX, Rates and Commodities for Wells Fargo; Michael Siward, LIBOR Transition Program Executive for Bank of America; E. Tyler Smith, Counsel at Parker Poe; Randy Royther, Managing Director, Head of Capital Markets for South State Bank; and Tom Dunn, Chief Market Risk Officer for Ally Financial. The luncheon was moderated by Michael Sheptin, Principal at Ernst & Young LLP. The event went over the Secured Overnight Funding Rate (SOFR), the replacement for LIBOR, which started trading in the Spring of 2018. Participants came away with a deeper understanding of how each guest speaker's firm has been taking on change in LIBOR, various risks involved, and how they plan to help their clients navigate LIBOR replacement. This event was well attended with 93 registrants.

# Save The Date

for the

## 2019 RMA-CAVA Spring Conference

Thursday, May 2 - Friday, May 3, 2019  
Grandover Resort & Conference Center  
Greensboro, North Carolina

*Registration opens in January 2019!*



Each spring the Carolinas-Virginias regional chapter of the Risk Management Association hosts a 2-day risk conference, where professionals and industry leaders come together to discuss current topics and emerging issues facing banks and the financial industry. To effectively manage these risks and improve operational efficiencies, the attendees hear about best practices and receive useful guidance from leading bank and risk experts via a series of roundtables, panel discussions and break-out sessions. The conference also offers attendees the opportunity to speak and interact with third-party partners who provide strategic solutions for banks to manage the many risks facing them, including those discussed during the conference.

Conference feedback is always extremely positive, with high ratings received for the conference's programming, breadth and depth of speaker's expertise and knowledge and outstanding meeting venues. Survey responses have include comments such as - "*Extremely affordable*", "*Meaningful and timely topics*", and "*Excellent Speakers*." In addition, the following testimonials sum up the mindsets of many of the attendees and conference sponsors:

*"I've attending the Carolinas-Virginias Spring Conference for the past 10-years as I feel it provides me with a great understanding of key risk topics facing the financial industry at an extremely reasonable cost. Layer-in great networking with top risk professionals and cutting edge solutions partners, and you can't beat the CAVA Spring Conference."* James Clark, Director, Business Control Officer

*"For over a decade, Business Finance Group has attended the CAVA Spring Conference. It is a great opportunity to share best practices and hear from top speakers on the most pressing challenges and biggest opportunities within our industry. Bottom line: There is no better value!"* Curt Solomon, SVP, Business Finance Group.

This year's Spring Conference will be held May 2-3 at the Grandover Resort & Conference Center in Greensboro, NC. Programming will once again include timely industry topics, top-notch speakers and

exhibits by conference sponsors, such as Williams Mullen, PayNet, ERI, LSQ, Tranzon, Business Finance Group and Directed Capital. Registration will open in mid-January, with early-bird discounts once again being offered. Save the dates and look for the registration notification in January 2019!



*2018 CAVA Spring conference speakers provide perspectives on key industry topics*

## 2018–2019 Calendar of Events

### **Board Meetings**

January 29, 2019 – conference call

May 1, 2019 – Spring Conference, Greensboro, NC

May 21, 2019 – conference call

### **CAVA Spring Conference**

May 2-3, 2019 – Grandover Resort, Greensboro, NC

### **RMA EDU Lending Schools**

May 5-10, 2019 – Greenville, NC

### **Chapter's Leaders Conference**

June 19-21, 2018 – Scottsdale, AZ

### **National Conference**

November, 2019 – TBD

## CHAPTER OPEN ENROLLMENTS

### [Commercial Real Estate Lending I: Introduction](#)

December 12, 2018 - Fairfax, VA

### [Detecting Problem Loans](#)

February 12, 2019 - Richmond, VA

### [Understanding and Interpreting Real Estate Appraisals](#)

February 13, 2019 - Fairfax, VA

### [Lending to Medical and Dental Practices](#)

February 20, 2019 - Nashville, TN

### [Understanding and Interpreting Real Estate Appraisals](#)

February 26, 2019 - Raleigh, NC

### [Lending to Wealthy Individuals](#)

February 26, 2019 - High Point/Greensboro, NC

### [360 Negotiation Skills for Bankers](#)

March 6, 2019 - Williamsburg, VA

### [Analyzing Business Tax Returns\\*](#)

March 12, 2019 - Charlotte, NC

*Digital Course materials available through the RMA Reader*

### [Analyzing Personal Financial Statements and Tax Returns\\*](#)

March 13, 2019 - Charlotte, NC

*Digital Course materials available through the RMA Reader*

\*These two courses can be taken back-to-back for a combined reduced fee. [See our website for more information.](#)

### [Commercial Loan Documentation](#)

March 12-13 - Raleigh, NC

### [Structuring Commercial Loans II](#)

March 14, 2019 - Nashville, TN

### [Construction Loan Management: Administering the Construction Loan Process](#)

March 20, 2019 - Fairfax, VA

## 2017–2018 CAVA Chapter Officers

**President** – Grigsby Scifres, Esq. – Williams Mullen

**First VP** – Jennifer Jefferson - Ernst & Young

**Second VP** – Jason Paisley – Business Finance Group

**Secretary /Treasurer** - Theresa Arrighi – BB&T

**Immediate Past President** - Lacy Cross – Entegra Bank

**Advisory Board Committee Chair** - James E. Clark – Bank of America

**Roundtable Committee Chair** - Jennifer Welch - First National Bank

**Nominating Committee Chair** - Lacy Cross – Entegra Bank

**ECU Lending School Committee** – Mike Hendricks

**Article Writing Committee Chair** - Chuck Turner - FISCAL Credit Suite

**Audit Chair Committee Chair** - David Swank - Capital Bank

**Chapter Support Committee Chair** - Curt Solomon - Business Finance Group

**Communications Committee Chair** - Mike Tecosky – Pinnacle Financial Partners

**CRC Committee Chair** - Jennifer Jefferson - Ernst & Young

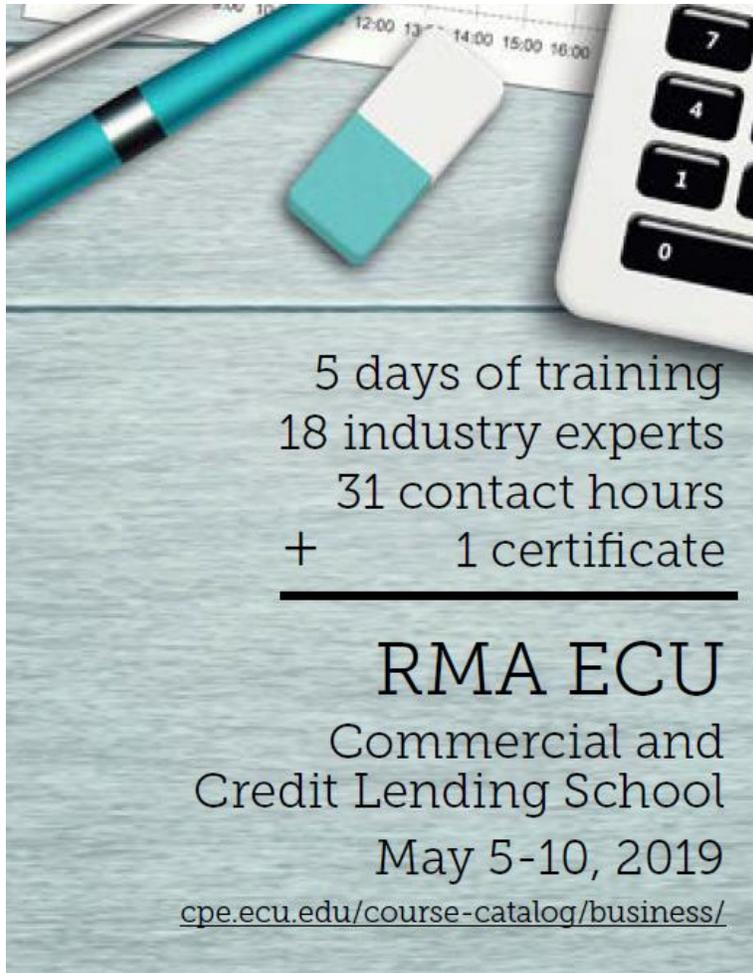
**Education/Academic Committee Chair** - Adam Lush - United Bank

**Membership Committee Chair** - Lacy Cross – Entegra Bank

**Newsletter Committee Chair** – Babette Stone – North State Bank

**Program Committee Chair** –

**Young Professionals Committee Chair** - Lemuel (Uel) Whitsett - Williams Mullen



5 days of training  
18 industry experts  
31 contact hours  
+ 1 certificate

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**RMA ECU**  
Commercial and  
Credit Lending School  
May 5-10, 2019  
[cpe.ecu.edu/course-catalog/business/](http://cpe.ecu.edu/course-catalog/business/)

The Commercial Credit and Lending School is held annually on the campus of East Carolina University®, Greenville, NC. The school offers 3 levels of instruction to commercial lending and banking professionals.

Topics include:

- Analyzing Cash Flow
- Framework for Credit Structuring
- Income Property Analysis
- Financial Projections
- Hotel Lending
- Church Lending
- Commercial Loan Structuring
- Real Estate Lending
- Analyzing Tax Returns



## Feed back from 2018 RMA ECU Lending School held in Greenville, NC

Lacy,

As a first year student I found the overall class very good.

As an analyst, I thought the cash flow portion was a little too long, and very manual. I think the thought process was that you would retain more by doing everything manually as opposed to using a spread sheet. I disagree and feel that the manual process was so cumbersome that it overshadowed some of the learning.

On the positive side, I found the selling class very engaging, and would have enjoyed more lectures surrounding the "Real World of the Loan Officer" along with selling and customer building skills.

Again, I would like to say that overall the class was enjoyable and informative. I look forward to next year.

Thank you,

John D Craig III

Commercial Credit Analyst

Entegra Bank

Hey Lacy,

Overall, it was a good introduction into commercial banking. I thought it was good to break down the basics of a cash flow. I think the sessions could have been shorter and more concise. But the teachers were knowledgeable. I enjoyed them. And they had a grasp on the concepts they were teaching.

I would suggest they cater lunches next time. The school cafeteria provided the lunches each day. They stuck out to me as the worst experiences of the whole week.

I would maybe give some of the experienced analysts and lenders the option to start at the second year level if they have a certain amount of knowledge of the course material. It seemed like the lenders of 20+ years were annoyed by the ground level information. Whereas for me, as a new analyst, it was helpful. I enjoyed the days where multiple teachers spoke as opposed to one or two. It made the day go by much faster. I might even suggest having longer breaks and offering snacks to help keep people attentive.

If you have any other questions, let me know. I will try to recall specifics, if need be.

Thanks,

Sarah

Lacy,

There was a lot of good information provided in the sessions and I learned a lot so don't want to come across as being negative, but just to point out a few things that I personally would've liked to have seen done differently.

- I would've gotten a little more out of the course if we had cut out a few of the sessions and focused in more depth on others. Having been ~4 months ago I don't remember exactly which ones I thought we could've done without but I do remember feeling like had we narrowed the focus a little more it would've been easier to retain some of the information. It's just a lot of information to try and cram in a week and sitting there 8 hours a day at a desk when you're jumping from topic to topic makes retaining as much as you would like to difficult. In the end, the instructors who were the most engaging and entertaining are the ones who you end up retaining the information from....the ones who present the information in a more dull manner just got lost in the mix.
- This could just be specific to me because I work better when I can be on the move and not stationary but being at a desk for 8 hours a day with nothing but a pen and paper was tough....the session, the days and just the course in general was too long. By the time about 2:30-3 rolls around you've already been at this desk for 6-7 hours and my brain and my attention span just didn't have anything else to give. For me, less is more when it comes to learning. If I'm at a desk for 8 hours going over 5 different topics I'm going to learn far less than if I was there for 5 hours and focused intently on 2 topics.
- Given how reliant all of us are on technology to do our jobs I think a more interactive course using a computer lab or bringing laptops and doing the exercises on the computer would've been more beneficial than doing them by hand on paper. It's just not something that any of us are going to do so I thought it would've been helpful to work through the exercises on the computer in Excel or another program.

Overall, it was a good experience and I would recommend it but I do feel like paring it down would be beneficial.

Thanks,

Doug

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## LOANS



**"I'd like an all-natural, hypoallergenic, gluten-free mortgage with a low-carbon footprint prepared with recycled soy ink in a peanut-safe environment."**

## Upper South Carolina Chapter – CEO Panel Discussion



Upper SC successfully held its third annual CEO Panel Discussion with over 200 attendees!



Speakers for the CEO Panel Discussion were: Lynn Harton, United Community Bank (\$13 Billion Assets); Kessel Stelling, Synovus Bank (\$32 Billion Assets); and Brian Jordan, First Tennessee Bank (\$40 Billion Assets).

## CAVA Board Members Serving RMA at the National Level

CAVA Board members have been and continue to be strong representatives of RMA at the local, regional and national levels. Over the years, there have been a multitude of CAVA alum who have served nationally, including the position of RMA Chairman (most recently Tol Broome). Current CAVA Board Members serving RMA at the national level are listed below. Congratulations and thank you for your dedication and hard work!

### Chapters & Membership Council

Jennifer Welch      Past President

Matt Cheek      Immediate Past President

### Academic Program Committee

Karen Bjelland      Past President

Kristopher De Long      Academic Committee Chair



**“If dolphins are just as smart as humans, why aren’t we investing in underwater shopping malls and teaching them how to use credit cards?”**

## RMA Local Chapters

STATE	CHAPTER	PRESIDENT	WEBSITE
North Carolina	Carolinas-Virginias	C. Grigsby Scifres	<a href="http://community.rmahq.org/carolinasvirginias/home">http://community.rmahq.org/carolinasvirginias/home</a>
	Charlotte	Mark Guthrie	<a href="http://community.rmahq.org/charlotte/home">http://community.rmahq.org/charlotte/home</a>
	Coastal Carolinas	Billy Smith	<a href="http://community.rmahq.org/coastalcarolinas/home">http://community.rmahq.org/coastalcarolinas/home</a>
	Eastern North Carolina	Don Davis	<a href="http://community.rmahq.org/easternnorthcarolina/home">http://community.rmahq.org/easternnorthcarolina/home</a>
	Great Smokies	Ryan Moody	<a href="http://community.rmahq.org/greatsmokies/home">http://community.rmahq.org/greatsmokies/home</a>
	Triad	Theresa Arrighi	<a href="http://community.rmahq.org/triad/home">http://community.rmahq.org/triad/home</a>
	South Carolina	Central South Carolina	TBD
Greater Charleston		Jason Herring	<a href="http://community.rmahq.org/greatercharleston/home">http://community.rmahq.org/greatercharleston/home</a>
Upper South Carolina		Marc Smith	<a href="http://community.rmahq.org/uppersouthcarolina/home">http://community.rmahq.org/uppersouthcarolina/home</a>
Virginia	Hampton Roads	Amanda Freeland	<a href="http://community.rmahq.org/hamptonroads/home">http://community.rmahq.org/hamptonroads/home</a>
	Potomac	Veronica Sharifaie	<a href="http://community.rmahq.org/potomac/home">http://community.rmahq.org/potomac/home</a>
	Richmond	Shareema Williams	<a href="http://community.rmahq.org/richmond/home">http://community.rmahq.org/richmond/home</a>
	Southwest Virginia	TBD	<a href="http://community.rmahq.org/southwestvirginia/home">http://community.rmahq.org/southwestvirginia/home</a>
West Virginia	West Virginia	TBD	<a href="http://community.rmahq.org/westvirginia/home">http://community.rmahq.org/westvirginia/home</a>

**JOIN. ENGAGE. LEAD.**