

Good morning, Bank Slaters!

I hope you all had a great weekend! I was able to spend some time with some good friends and family.

Let's talk about hiring with long-term growth in mind.

I was recently asked by [American Banker](#) reporter John Reosti to discuss the reasons why an expansion-minded community bank would hire executives from larger institutions. Doing so makes sense on so many levels, I responded.

"Executives from bigger banks are going to have experience when it comes to underwriting larger loans and ... the compliance expectations for larger institutions," I said. "They may also be helpful when it comes to expansion into other product lines and adding delivery channels."

Banks intent on crossing \$10 billion of assets, where more regulation kicks in, would be keen to hire from larger financial institutions. Those looking at M&A would also benefit from hiring someone well-versed in that area.

What do you think? Are you looking to hire from larger institutions? Let me know at info@thebankslate.com.

Let's dive into some recent headlines.

The Big Headline

Two big bank deals finally closed: U.S. Bancorp's purchase of MUFG Union Bank and New York Community Bancorp's acquisition of Flagstar Bancorp. Regulators added conditions when they approved each (read more about those in our [recent newsletter](#)). At the same time, TD Bank Group and Bank of Montreal [pushed back the projected closing timelines](#) for their U.S. bank acquisitions.

Another Big Headline

The FDIC has growing concerns that some U.S. banks may eventually dispose of securities that have created "substantial" unrealized losses, Martin Gruenberg, the regulator's acting chairman, [told the Senate Banking Committee](#). Those unrealized losses have cut into banks' AOCI and tangible book values.

An Unbelievable Headline

Ousted CEO Vernon Hill has filed a lawsuit against Republic First Bancorp, alleging the Philadelphia company is illegally using images of his Yorkshire terrier in marketing materials, [according to the Philadelphia Inquirer](#). The bank declined to comment.

M&A

- We reported that Citizens Commerce Bancshares in Kentucky waited to reap as much financial benefit as possible from [deferred-tax assets](#) before agreeing to sell to City Holding in West Virginia.
- Byline Bancorp in Chicago [agreed to buy](#) Inland Bancorp in Illinois. Byline will pay \$165 million in a deal expected to close in the second quarter.
- LendingClub in San Francisco [agreed to buy](#) roughly \$1.1 billion of personal loans from the parent company of MUFG Union Bank. The loans, originated through LendingClub's marketplace, were acquired by MUFG Union Bank, which U.S. Bancorp recently bought from Mitsubishi UFJ Financial in Tokyo.
- Newtek Business Services in Florida [secured OCC approval](#) to buy National Bank of New York City. Newtek expects to complete its purchase next month.
- State Street in Boston and Brown Brothers Harriman agreed to [terminate a deal](#) where State Street would have acquired BBH's investor services business. BBH said State Street was unable to get regulatory approval.
- BMO Financial Group reached [a five-year, \\$40 billion agreement](#) with community groups to facilitate its pending purchase of Bank of the West in San Francisco.
- Safra New York Corp. [agreed to buy](#) Delta North Bankcorp in New York. The price wasn't disclosed.

Arrivals/Departures

- Former MLB player André Thornton [will join the board](#) of Farmers National Banc Corp. in Ohio on Jan. 31. Thornton, who played for the Cleveland Indians for 11 seasons, is president and CEO of ASW Global.
- TowneBank in Virginia said Brad Schwartz [will retire as president and COO](#) at yearend. Billy Foster will succeed Schwartz as president and become CEO when J. Morgan Davis leaves at yearend.
- First Reliance Bancshares in South Carolina said Robert Dozier [will resign as its COO](#) on Dec. 31 to become CEO of an unnamed nonbank financial services company.

- Central Bank of St. Louis said Dan Kleffner [will become its president](#) on Jan. 1. Kleffner, the bank's executive vice president of commercial lending, will succeed Dan Stephen.
- National Capital Bancorp in Washington, D.C., said Jimmy Olevson will [become bank CEO](#) on Jan. 1. Olevson, who is the bank's president, will succeed Randy Anderson, who will remain the company's president and CEO.

(Fin)tech

- Greenwood, a challenger bank focused on Black and Latino customers, [raised \\$45 million in new capital](#).
- Totem, a challenger bank in Oklahoma that plans to offer banking services to Native Americans, [raised \\$2.2 million](#) of pre-seed funding.
- Silvergate Capital in California said exposure to BlockFi, the latest crypto-focused company to seek bankruptcy protection, is [limited to a deposit relationship](#).

Odds & Ends

- Triumph Bancorp in Dallas [has rebranded](#) as Triumph Financial. The company said it had also replaced its "TBK" stock symbol with "TFIN."
- OceanFirst Financial in New Jersey will [record a \\$17.5 million unrealized gain](#) in the fourth quarter after boosting its stake in Auxilor Capital Partners, a specialty commercial equipment finance company.
- Integro Bank in Phoenix is now an [approved lender](#) for SBA's 7(a) lending.

That's what I learned last week. Gearing up for another busy week before we wrap up 2022!