



# the Shield *of excellence*

**Paragon**  
NATIONAL BANK



R. Marc Jordan, President and CEO of Memphis Regional Chamber, cuts the ribbon at the Grand Opening

## Paragon National Bank Gets A Fast Start

An overflowing crowd celebrated the official grand opening of Paragon National Bank on February 2, 2005.

Marc Jordon, President and CEO of the Memphis Regional Chamber, joined Paragon's Board of Directors as they cut the ribbon to officially open Paragon's doors.

Members of the Paragon Board of Directors and staff hosted several hundred guests during the evening's festivities. Hors d'oeuvres and beverages were enjoyed by all as they toured the beautiful new facility and enjoyed the music of renowned guitarist, Lily Ashfar.



Paragon's  
Grand  
Opening



*To our customers, shareholders, and our friends:*

*This is certainly an exciting time for the Paragon team. We have been gratified by the reception Paragon has received in the Memphis community.*



Andy Taylor, Robert Shaw, Michael Erhardt

*We thank you for opening accounts, borrowing money, and referring your friends to us. The volume of new business is exceeding the projections we made.*

*We appreciate the knowledge and enthusiasm from our Board of Directors. It was apparent from the first meeting that we have assembled an outstanding group to guide our bank.*

*We are elated by the team of veteran professionals we have put together. Although our bank is new, our team of employees has over 500 years of banking experience. Our average employee has 15 years of banking experience. To acquaint you with our staff, this first newsletter is devoted mainly to introducing members of our team. At Paragon National Bank, our employees provide our greatest competitive advantage.*

*If you have not yet come by the bank, please drop in and meet our hometown team who is committed to raising expectations in the Memphis banking market.*

*Best regards,*

*Robert S. Shaw, Jr.  
President and Chief Executive Officer*

*Michael S. Erhardt  
Executive Vice President and  
Chief Financial Officer*

*Andrew H. Taylor  
Executive Vice President and  
Senior Credit Officer*



## Paragon Place Banking Center Staff is Eager to Meet You

Carole Hughes, Diane Roten  
Mark Nance, Patrick O'Hearn

Our banking center staff is often the first group you see when you visit Paragon Place. Robert Shaw, President and CEO of Paragon "could not be more excited about the team we have assembled for this critical task. They exemplify our commitment to exceptional customer service."

Led by Mark Nance, the experienced lobby staff is dedicated to making your banking experience pleasant, easy, and efficient. "It is rewarding to be a part of a bank committed to continually improving the quality of services and products for our customers," stated Nance. Nance is joined in the banking center by Carole Hughes, Diane Roten, Patrick O'Hearn, and Rita Fiduccia.

After your initial visit to the Paragon Place lobby, do not be surprised to be called by your name on your return visit. The staff is committed to building relationships with Paragon customers. While you are there, enjoy a cappuccino, see the Memphis art collection, and find out about our deposit accounts designed to meet your banking needs.

The banking center is open 8:30 a.m. to 5:00 p.m. Monday through Thursday and 8:30 a.m. to 6:00 p.m. on Friday. One of the many advantages of banking with Paragon National Bank is that we do not have a deposit cutoff time. So relax on your way to the bank - all deposits are credited on the same day received, regardless of the time of day.

If you do not feel like coming in, you may find it more convenient to use one of the two drive-thru lanes, which include a drive-up ATM and a night depository for your convenience.



Paragon Place

## Sterling Banking Benefits Customers Over 50

For those customers over age 50, Paragon has a special banking package called Sterling Banking. The package includes special rates on savings and money market accounts in addition to discounts on safe deposit box rental.

Rita Fiduccia has primary responsibility for Sterling Banking relationships. Rita has focused on the over-50 market for 18 years and has developed a loyal following during that time. In fact, many of her customers came by to visit her before the bank officially opened. Rita said, "I enjoy working with the 50-plus group. I try to assist them in any way I can." Do not be surprised to see Rita outside the bank assisting a customer with an unrelated task. She takes assisting her customers to a very high level as evidenced by the group of customers who followed her to Paragon.



## Treasury Management Uses Technological Advances



Kim Hall, CTM

Probably no area in the bank has been more positively affected by changes in technology than Paragon's Treasury Management Department. Advances in technology continue to make the process of managing a business' cash flow increasingly more efficient. In fact, in 2004, electronic transactions surpassed the number of checks for the very first time.

Kim Hall, a Certified Treasury Manager, heads up Paragon's Treasury Management Department. Kim began her career at a large regional bank in St. Louis, Missouri where she worked with other experienced cash managers while honing her skills. A native Memphian, Kim returned home in 1998 to organize a cash management department for another local community bank.

Under Kim's leadership Paragon has assembled a set of cash management products comparable to large national banks. These products include: lockbox, cash sweep, merchant bankcard, internet banking, zero-balance accounts, repurchase agreements, ACH origination, direct deposit of payroll, payroll cards, electronic data interchange, positive pay, and gift cards.

The latest addition to Paragon's cash management product mix is remote deposit capture. Remote deposit capture allows customers to scan their checks to be deposited and transmit the images to Paragon for credit. Paragon is one of only two banks in Memphis that offer this service. If you are a small business owner and would like to talk with Kim about remote deposit capture or any other cash management product, just give her a call.

## Commercial Lending Provides Fast, Local Decisions

Paragon's commercial lending team serves a broad range of customers from small to medium sized businesses. We offer a variety of lending options to suit your business financing needs. The loans we make include: lines of credit; letters of credit; equipment financing; accounts receivable loans; inventory financing; real estate loans; aircraft loans; and working capital loans. Paragon is committed to customizing our products and services to suit the specific needs of our business customers.

Our commercial lending team will put the benefit of their experience to work for you. Led by Gordin McMurtry, our commercial lenders view our customer relationships as business partnerships. Working with their customers, they help create a strategy to help businesses achieve their financial objectives. Our loan officers establish relationships with customers and develop an understanding of their businesses so that we can assist when future needs arise.

Because Paragon is locally owned, the lenders can provide fast, customized decisions. Due to our local expertise, we can work creatively to structure loans to produce the best financing package possible, from new companies that need help starting up to long-

established businesses that need large lines of credit. Our loans do not have to fit criteria dictated by out-of-town decision makers. Our decisions are made locally by bankers who understand the Memphis area and your business.

We blend the sophisticated products and delivery systems of a larger bank with the caring personal service of a local community bank. Our commercial lending team, which in addition to Gordin McMurtry, includes Jeff Gach, Ron Murphy, and Liz Joyner, works closely with Kim Hall, our cash manager, to assist in maximizing customers' cash flow. In addition, Paragon has a wide variety of deposit products suited for both small and medium businesses.



Jeff Gach, Kim Hall, Ron Murphy, Liz Joyner, Gordin McMurtry



CPA Appreciation Day featuring Ben & Jerry's Ice cream



Employees and friends at the Zoo Soiree'

## Private Banking Maximizes Executives' Time

Business owners' and executives' most valuable asset is their time. Paragon's Private Banking Department is designed to maximize that time by handling all the details of banking. They provide quick, customized, and confidential solutions to meet your banking needs.

Private Banking customers typically have unique needs. Our Private Bankers partner with clients to offer credit services, depository services, personal financial services, and cash management services. Flexible lending options are tailor-made to provide results best suited for clients' needs. The lending products offered include: loans and lines of credit for special purchases; residential mortgages and home equity lines of credit; construction and renovation loans; and vacation and second home financing.

Paragon's team of experienced Private Bankers is led by Beth Perry. She is joined in Private Banking by Dorothy Cleaves, Janie Day, Debby Gifford, Lisa Yaffe, and Shirley Marshall. Each of these experienced bankers will be glad to visit you at your home or office.



Left/front to back: Janie Day, Debby Gifford, Beth Perry  
Right/front to back: Lisa Yaffe, Dorothy Cleaves, Shirley Marshall



Steve Maury, Margie Smith, Lisa Barthol, Bob Word

## Residential Construction Lending Department Works As A Team

Paragon is pleased to have the “Four Amigos” as part of our team of experienced lenders. The entire Residential Construction Lending Department joined Paragon in February from another community bank in Memphis. Bob Word, Paragon’s new Senior Vice President of Construction Lending, brought with him long-time colleagues Lisa Barthol, Steve Maury, and Margie Smith. The four bankers have worked together in the Memphis market, specializing in writing loans for new residential construction for nine years. In fact, this group made a commitment to each other – before recent mergers created a scarcity of locally owned banks – that “if one of us ever goes, we all go,” according to Word.

Paragon’s Residential Construction Lending Department provides financing for residential homebuilders and real estate developers. Loan products include residential construction loans for both speculative and pre-sold residential properties, raw land funding, and land acquisition and development loans for developing residential building lots.

With their knowledge of the local market and substantial experience, Paragon’s Construction Lending Team can respond to a loan request quickly. In addition, they are able to provide a quick closing of the transaction. Their reputation for exceptional service and industry knowledge has resulted in a loyal customer following.



### Paragon Offers Easy Rescue Kit

To assist potential customers who are ready to move their checking account from their old error-prone and unresponsive bank, Paragon National Bank has created a Rescue Kit. Many people dread the hassle of migrating all of their automatic deposits and payments over to a new account. The easy five-step Rescue Kit makes opening a Paragon account quick and manageable. A Paragon Banker will be glad to assist you with this process. To obtain a Rescue Kit, contact a Paragon Banker or access a kit online at [www.BankParagon.com](http://www.BankParagon.com).

## Mortgage Lending Has a Full Range of Products

Paragon’s mortgage lending staff works to make financing your new home or refinancing your existing home an easy process. With over 30 years of know-how, the mortgage team, comprised of Carol McConkey, Patrick O’Hearn, and Chondrea Black, has the experience to take great care of our customers.

Paragon has a full range of mortgage products including conventional loans, FHA loans, and VA loans. Loans can be fixed or variable. We also offer zero down products, piggyback loans, and combo loans.

Carol, who also manages Paragon’s consumer banking area, takes great care to ensure Paragon customers know what to expect during the mortgage process.

Carol and Chondrea are both active in the Memphis Mortgage Bankers Association. Carol served as the organization’s president during 2001 and later served on the board of directors of the Tennessee Mortgage Bankers Association.



Chondrea Black, Carol McConkey

## Cary Allen Offers a Wide Array of Products

Paragon is excited to have Cary Allen as part of our team of experienced bankers. Cary, a Certified Financial Planner, is not a stranger to community banks having worked in four other banks prior to joining Paragon. Through UVEST, his broker dealer, Cary offers a wide array of investment products including stocks, bonds, mutual funds, annuities, and college savings plans. In addition, Cary assists businesses with their employee retirement and benefit plans. The addition of Cary rounds out Paragon’s product offering so that we can provide a convenient location to meet the financial needs of our customers.



Cary Allen



Row 1: Hank Word, Joyce Davis.  
 Row 2: Nancy Magness, Tracey Wilson, Stacy Stone,  
 Sharon Gullede,  
 Row 3: Pam Caviness, Debbie Warren, and Chris Platania

## The People Who Make Us Look Good

The superior level of service Paragon provides its customers would not be possible without the able assistance of our staff behind the scenes. To mention a few of their many responsibilities, this group of experienced bankers prepares your loan documents, processes your checks, balances our books, manages our properties, takes care of employees, and keeps our systems running. We are truly grateful for their expertise and commitment. This staff works tirelessly to ensure that Paragon is raising expectations in the Memphis banking market.

### Directors

- Thomas E. Boggs**  
*Huey's*
- Napoleon L. Cassibry III, Chairman**  
*Vining Sparks IBG*
- Glenn W. Cofield**  
*Barnes-Petty & Associates*
- James F. Freeman, MD**  
*MECA*
- Robert J. Hussey III**  
*New Horizon Computer Learning Centers*
- Edith Kelly-Green**  
*Private Investor*
- John T. Novarese, Jr.**  
*NOVA Business Group*
- Deborah N. Pittman, Ph.D.**  
*Rhodes College*
- Edwin S. Roberson**  
*Conwood Company, LLC*
- Christian J. Saenger**  
*MSAG, LLC*
- Robert S. Shaw, Jr.**  
*Paragon National Bank*
- Dee Anna Smith**  
*Summit Research Group*
- Craig L. Weiss**  
*American Project Services*

## Paragon Signs Lease for Second Location



Fountain Place 5400 Poplar Avenue

Paragon's second location is scheduled to open for business during the third quarter of this year. Paragon signed a lease on February 2 for 11,371 square feet at Fountain Place in East Memphis.

Paragon's second location will be convenient for our customers who live and work inside the Interstate-240 loop. "We are excited about adding this location in a busy part of the Poplar Corridor," commented Paragon President and CEO Robert Shaw.

The traffic light at Valleybrook will allow customers and employees easy access to The Fountain Building location at 5400 Poplar. The Paragon space, which will be located on parts of three floors, will include a branch, offices for commercial lending, cash management, bank operations, executive management, and a meeting/training facility. In addition, an ATM and night depository will be available for customer convenience.



## Paragon Telephone Directory

Commercial Lending .....	322-0733
Construction Lending .....	322-0634
Customer Service .....	273-2900
Investments .....	322-0625
Mortgage Banking .....	322-0750
Paragon Place Banking Center .....	322-0611
Private Banking .....	322-0624
Sterling (50+) Banking .....	322-0613
Telephone Banking .....	333-0260
Treasury Management .....	322-0740

### Locations:

Paragon Place	Fountain Place ( <i>Opening August 2005</i> )
Poplar at Massey	Poplar at Valleybrook
6300 Poplar, Suite 1.17	5400 Poplar Ave.
Memphis, TN 38119	Memphis, TN 38119
	Germantown, TN
	( <i>Opening Mid 2006</i> )

**Branch Hours:** 8:30 am – 5:00 pm, Mon-Thu  
8:30 am – 6:00 pm, Fri

**ATM:** 24 Hours/7 days a week

**Paragon Direct:** (901) 333-0260  
24 Hour Voice Response Unit

**Online Banking:** [www.bankparagon.com](http://www.bankparagon.com)

**Mailing Address:** P.O. Box 2022  
Memphis, TN 38101-2022



**Paragon**  
NATIONAL BANK

*Local banking from locals.*

Paragon Place | 6300 Poplar Avenue  
Suite 117 | Memphis TN 38119  
PH 901.273.2900 | FX 901.273.2908  
[www.bankparagon.com](http://www.bankparagon.com)



## Paragon Joins Surcharge-Free ATM Network

Paragon's ATM/Debit Cards allow you to obtain cash surcharge-free at over 8,000 MoneyPass locations throughout the United States. There are 185 convenient locations in the Memphis Metropolitan Area.



Just look for the distinctive MoneyPass logo on the ATM. It is the same logo located on the back of your ATM/Debit card. For a list of convenient locations, visit their website [www.moneypass.com](http://www.moneypass.com). The MoneyPass ATM locator allows you to search by city, state, or ZIP code.

Paragon also belongs to the Pulse and Cirrus ATM networks. Although financial institutions on these networks may charge a fee, they provide access to your funds worldwide. Pulse has nearly 250,000 ATMs and more than 3.3 million POS terminals at retail locations nationwide ([www.pulse-eft.com/atm\\_locator.asp](http://www.pulse-eft.com/atm_locator.asp)). The Cirrus network has over 900,000 ATMs in over 120 countries ([www.mastercard.com/atmlocator](http://www.mastercard.com/atmlocator)). You are never too far away to access your Paragon account.

**Memorial Day Celebration  
All Employee Cook-Out**

