

BANKERS DIGEST

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Ardmore's Davidson Inducted as 2016-17 Oklahoma Bankers Association Chairman

Ardmore banker **Curtis Davidson**, CEO of First National Bank & Trust Company, was inducted as 2016-2017 chairman of the Oklahoma Bankers Association at the OBA's 119th Annual Convention and Trade Show, held May 24-25 at the Renaissance Tulsa.

Davidson has been heading First National Bank since 2000. He is a graduate of East Central University in Ada and owned certified public accounting practices in Sulphur and Ardmore for 25 years before joining First National.

Sandy Werner, CEO of First National Bank and Trust, Elk City, was elected first vice chairman. She will move into the vice chairman's seat (currently occupied by **Guy Sims**, president and chairman of the board of Shamrock Bank, N. A., Coalgate) in 2017 and into the chairman's spot in 2018.



Curtis Davidson

2015-2016 OBA Chairman **Paul Cornell**, president of Citizens Bancshares, Okemah, moves to the past chairman position on the OBA executive committee.

In other convention business, the OBA membership elected bankers to six seats on the association's board of directors. The new directors, who will serve three-year board terms, are: **Stuart Sander**, president/CEO, Security State Bank, Cheyenne; **L. Bruce Boehs**, president/CEO, Farmers & Merchants National Bank, Fairview; **Robert Jennings**, chairman/CEO, Peoples National Bank, Checotah; **Bryan Cain**, president, Security State Bank, Wewoka; **Joey Root**, president/CEO, First Liberty Bank, Oklahoma City; and **Mark Poole**, president/COO, The First National Bank and Trust Company of Broken Arrow 🏠

Investar Bank Celebrates 10th Anniversary

Investar Bank, Baton Rouge, LA, commemorated its 10th anniversary on June 14 across Southeast LA.

"We would like to thank our customers who have been loyal to us over the years and welcomed us into their amazing communities," said **John**



D'Angelo

D'Angelo, president/CEO, Investar Bank. "I founded this bank 10 years

ago to help make life better for people and businesses in Southeast Louisiana. We started out of a trailer on Perkins Road, and with the support from my wife and colleagues, Investar Bank has grown to 10 locations with over \$1 billion in assets in a short period of time."

Investar Bank has many milestones to celebrate, such as organic growth, M&As, and going public on the NASDAQ in 2014. The bank reported total assets in excess of \$1 billion as of December 31, 2015, serving four markets in SE LA with 10 banking offices 🏠

Shelby Savings Bank Reports Promotions

Shelby Savings Bank, SSB, Center, TX, has announced recent promotions.



Lucas

Will Lucas has been elected president and CEO. He joined Shelby Savings in 1998 as a loan officer and later became SVP and a member of the board of directors.

He most recently served as president/COO. He holds a bachelor's degree in business management from Stephen F. Austin and is a graduate of



Allen

the Southwestern Graduate School of Banking at SMU. Lucas is actively involved in the community.

Promotions to senior vice president include: **Charlotte Allen**, **Lori Davis**, **Jeremy Fenley**, **Ed Johnson**, and **Anna Lee**.

Allen joined Shelby Savings Bank in 2013. She has over 16 years of banking experience, most recently as vice president and assistant compliance officer. She is actively involved in her

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PlainsCapital Bank, Dallas, Names Davidson and Miller Senior Vice President and Youngblood Vice President

PlainsCapital Bank, Dallas, welcomed **Kellie Ikard Davidson** as senior vice president and commercial loan officer at its Victory Park location in Dallas. She will be responsible for developing commercial relationships, particularly in healthcare, and general business development.



Davidson

A 25-year Dallas-area banker, she most recently served as senior vice president and senior commercial lending officer with Bank SNB in Frisco and earlier with Prosperity Bank/Coppermark Bank in Plano.

Davidson earned a BBA degree in finance from Baylor University and is a graduate of the Southwestern Graduate School of Banking at SMU.

She is a member of the Women's Finance Exchange Association for Corporate Growth and the Dallas chapter of Commercial Real Estate Women (CREW). She is also active member of the community in Plano community affairs.

Denise Miller recently joined as senior vice president and commercial loan officer at the 2500 Legacy Dr. office in Frisco. She will be responsible for developing business relationships and generating commercial loans for Frisco and the North TX area.



Miller

Miller has more than 25 years of banking experience. Prior to joining PlainsCapital Bank, she served as vice president and senior client manager with Bank of America Merrill Lynch in Dallas, where she served eight years.

She is a graduate of California State University Fullerton and the Graduate School of Banking at the University of Colorado. She is a member of the Women's Business Council Southwest and the Association for Corporate Growth Dallas, and is an active community volunteer.

George Youngblood, a Dallas native, recently joined as vice president and commercial loan officer at the Republic Center location in downtown

Dallas.

Before joining PlainsCapital, **Youngblood** served as vice president of commercial lending with UMB Bank in Dallas (formerly Meridian Bank Texas). Prior to that, he served with Legacy Texas Bank.

He is a 2008 graduate of Texas Christian University with a BA degree in history and a minor in business. He is currently a member of the SMU Real Estate Society 🏠

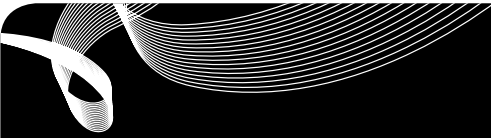
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BONNIE JAMISON BLACKMAN, *Publisher/Editor*
 R. GILBERT BLACKMAN JR., *Managing Editor*
 P. O. Box 743006
 Dallas, Texas 75374-3006
 Phone 214/221-4544
 Fax 214/221-4546

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HOME EQUITY LENDING

Supreme Court of Texas Strengthens Borrower's Ability to Challenge the Validity of Home-Equity Liens, Part 1

By
Eric C. Mettenbrink
Hirsch and Westheimer PC
Houston, Texas



Mettenbrink

In Texas, lenders and loan servicers have relied on the Fifth Circuit ruling in *Priester v. JP Morgan Chase Bank, N.A.*, 708 F.3d 667, 674-677 (5th Cir. 2013) that a four-year limitations period applies to suits seeking to invalidate constitutionally defective homestead liens, which such claims accrued at the time of closing. Lenders and servicers have since argued that the Texas Constitutional violation claims under 50(a)(6) were cured once the period of limitations had passed as the lien would no longer be voidable and would be considered valid. In other words, Texas Constitutional violations would be cured merely through passage of time rather than by the lender or servicer taking any action.

On May 20 2016, the Supreme Court of Texas delivered an opinion regarding the statute of limitations in the context of potential forfeiture of principal and interest on a home-equity loan that was argued to be invalid at the time of closing. See, *Wood v. HSBC Bank USA, N.A.*, –S.W.3d–, 2016 WL 2993923 (Tex. May 20, 2016).

The primary issue in front of the *Wood* Court was whether a statute of limitations applies to an action to quiet title where a lien securing a home-equity loan does not comply with constitutional parameters, specifically *Article XVI Section 50(a)(6)(E)* of the Texas Constitution.

After analyzing the law and the facts, the Supreme Court of Texas held in *Wood* that (1) a lien that was invalid from origination remains invalid until cured and (2) no statute of limitations applies to cut off a homeowner's right

to quiet title to real property encumbered by an invalid lien.

Background

On July 2, 2004, a husband and wife, (the "Borrowers") obtained a home-equity loan secured by their homestead. Nearly eight years later, the Borrowers notified the current note holder and loan servicer that the home-equity loan allegedly did not comply with the Texas Constitution in several respects, including that the closing fees exceeded 3% of the loan amount. Neither the note holder nor the loan servicer (the "Lenders") attempted to cure the alleged defects. On July 9, 2012, the Borrowers sued the Lenders, seeking to quiet title and asserting claims for constitutional violations, breach of contract, fraud, and a declaratory judgment that the lien securing the home-equity loan is void, that all principal and interest paid must be forfeited, and that the Borrowers have no further obligation to pay.

The Borrowers moved for summary judgment, arguing that the lien was void because the evidence showed as

a matter of law that the closing fees exceeded 3% and the Lenders did not cure after proper notice. The Lenders also moved for summary judgment on traditional and no-evidence grounds, asserting in pertinent part that the lien is voidable, not void, and that the statute of limitations barred all claims. The trial court granted summary judgment for the Lenders on all claims and denied the Borrowers' cross-motion. The only issue the Borrowers raised on appeal to the court of appeals was whether their claims based on constitutional noncompliance, including their claims to quiet title and for a declaration of forfeiture, are subject to a statute of limitations. The court of appeals affirmed, holding that liens securing constitutionally noncompliant home-equity loans are voidable, not void and that the residual four-year statute of limitations applied to the Borrowers' claims, accruing from the date of closing.

The Supreme Court of Texas then granted the Borrowers' petition for review.

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SHELBY SAVINGS (continued from Page 1)

community, including as an Ambassador for the Shelby County Chamber of Commerce.



Davis

Davis serves in human resources. She joined the bank in 2006 as a compliance assistant. She has served as Shelby Savings Bank human resources officer for three years and leads many teams within the bank currently serving as the culture team leader. Over 18 years ago, Davis started her banking career as a teller and has since worked in nearly every area of banking.



Fenley

Fenley serves as chief information officer. He joined Shelby Savings Bank in 2004 as the IT manager. Fenley received a BS degree in computer science from Stephen F. Austin in 2001. He is actively involved in many school and community organizations, including Center Rotary, Center Country Club, and Relay for Life.

Johnson serves as chief loan officer. He joined Shelby Savings in 2006 as a loan officer. Johnson is a native of Shelby County and grew up working on his family's farm. He received a BS degree in agriculture in 2001 and

a master's of science in agriculture in 2006 from Stephen F. Austin University. He is actively involved in many community organizations, including the Shelby County Cookers and an



Johnson

Ambassador of the Shelby County Go-Texans.

Lee joined Shelby Savings in 2009 as a loan officer. She earned a bachelor's degree from Stephen F. Austin University in 2006 and an MS degree from Texas Woman's University in 2008. She is a native of Shelby County and remains very active in community organizations. She is currently the Center Rotary Club president and president of the Eta Rho Ladies Sorority.



Lee

Promotions to vice president include: **Clay**

Blacksher, Janet Broadway, Ruby Everitt, Ana Solis, and Schyler Magdziak.

Blacksher joined Shelby Savings in 2015. He received a BS degree in animal science from Texas A&M University. He has been a lifelong cattleman and remains actively involved and supportive of the youth through FFA, 4H, and head coach of Little Dribblers.

Broadway has been a part of the

Shelby Savings team for 21 years. She served as a teller, new accounts representative, and was then transferred to the Center North Branch as branch manager.

Everitt has been a part of the Shelby Savings team for over seven years. She received a BBA degree in accounting from Stephen F. Austin University.

Solis serves as a mortgage loan officer. She joined the bank in 2010 as a loan assistant. Solis has over five years of real estate experience and six years of banking experience.

Magdziak serves as manager of the new Palestine LPO. She joined Shelby Savings in 2014 and has many years of experience in banking, commercial lending, and the poultry industry. She holds a BS degree in animal science from Stephen F. Austin University.

Promotions to assistant vice president include: **Lisa Alvis, Lorei Choate, Amy Hinote, Reid Nichols, Zach Noble, Sandra Russell, and Camille Stanfield.**

Alvis has been a part of the Shelby Savings team for six years and has eight years of banking experience.

Choate holds a bachelor's of social work degree from Stephen F. Austin. She is currently the 1st vice president of the San Augustine County Chamber of Commerce.

Hinote has over 12 years of experience in banking as a teller and loan assistant.

Nichols joined Shelby Savings in 2015 as a loan officer and has many years of banking and management experience. He holds a BS degree in agriculture leadership & development in 2009 from Texas A&M University.

Noble joined Shelby Savings in 2015 as a loan officer. He received a BS degree in agricultural business from Sam Houston State University in 2010.

Russell joined Shelby Savings with over 31 years of business management experience. She has an AA Science degree from Panola College and owns a business.

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Kemp Upped to Vice Pres, TFNB Your Bank for Life

The First National Bank of McGregor (TFNB Your Bank for Life) announced **Travis Kemp** was recently promoted to vice president. He manages the bank's credit department and joined TFNB in 2010.



Kemp

In addition, Kemp recently earned an MBA degree in finance from SMU's Cox School of Business. He was accepted into The Practicum in Portfolio Management course. This course provides real-time money-management experience by allowing students to run the Nancy Chambers Underwood Fund, one of the oldest student-managed portfolios in the country.

As a student in this course, Kemp was selected to compete in the CFA Institute Research Challenge. This challenge requires students to research an assigned company and write a research report presenting and defending their investment thesis. The SMU team won their competition at the local level and were flown to Chicago to compete against the best teams in the world.

Kemp earned a bachelor's in finance and management from Baylor University in 2009.

SHELBY SAVINGS (continued from Page 4)

Stanfield serves as a loan officer. She joined the bank in 2015 as a loan officer. She holds a bachelor's degree in accounting and business administration and master's degree in professional accountancy from Stephen F. Austin State University, and is a CPA.

Rita Wilkinson has been promoted to branch manager of San Augustine Branch. She has been a part of the Shelby Savings team for five years and has over 24 years of experience.

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Dallas Fed Promotes Garrett To VP, Sedgwick to Officer

The Federal Reserve Bank of Dallas has announced two recent executive promotions.

Jeff Garrett has been promoted to vice president in the facilities management and planning department.



Garrett

Previously, he served as assistant vice president in the financial management group. He joined the bank in 1999. He holds a bachelor's degree from Hardin-Simmons University and a master's degree from The University of Texas at

Arlington.

Katherine Sedgwick has been promoted to financial management officer in the financial management group.



Sedgwick

Previously, she served as director of strategic risk management. She began her career at the bank in 2011. She holds both a bachelor's degree and a master's degree in accounting from the University of North Texas and is a certified public accountant.

Brooks Named Advisory Director, Legend Bank, Bowie

Legend Bank, N. A., Bowie, has announced the appointment of **Jeff Brooks**, regional president and executive vice president, as an advisory director to the board of directors. Brooks is responsible for the Fort Worth, Whitesboro, Sher-



Brooks

man, and Bonham market areas. Dr. Fred Renfro, chairman of the board of directors, made the announcement.

Brooks has over 23 years of banking experience and has served with Legend Bank for 10 years. He has been a member of the bank's executive management committee for five years. He recently graduated from the Texas Bankers Association Management Development Program.

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LOUISIANA

McInnis Promoted to Branch Executive in South Shreveport

Citizens National Bank, N. A., Bossier City, has promoted **Donna McInnis** to branch executive at the bank's newest location at 9229 Ellerbe Rd. in south Shreveport.

A veteran banker of 33 years, her industry experience includes time spent in retail, collections, new accounts, and as a branch manager since 1986.

She is active in the community

and has served 16 years as a board member and is a past president of Crimestoppers. She is a charter board member of the Shreveport Multicultural Center



McInnis

ARKANSAS

McKnight, Parsley, Sonnier, Patel Join Bank Department

The Arkansas State Bank Department has hired four examiners, including three for the safety-and-soundness area and one for information systems.

Samuel "Tanner" McKnight, Seth Parsley, and John David Sonnier will be commercial bank examiner trainees, while **Ashish V. Patel** will be a bank examiner trainee in the information systems group.

McKnight will be assigned to the Jonesboro field office. Sonnier will join one of two groups based out of Little Rock. Parsley will be assigned to the Jonesboro office until December 31, 2016, after which he will join a Little Rock group. Patel will serve in the Little Rock headquarters location.

McKnight was a management trainee in credit at The First National Bank of Wynne until he joined the department. He earned a BS degree in finance, with an emphasis in banking at Arkansas State University in May 2015.

Prior to being hired at the department, Parsley served as a teller and customer service representative at First National Bank, Paragould. He joined the bank in 2012 and assisted in the establishment of a new branch in NW AR. He received a BS degree in finance, with an emphasis in banking, at Arkansas State University in May 2014.

Sonnier was previously employed at Merchants & Planters Bank, Newport. At the bank, he served as an intern in credit compliance and reviewed commercial and consumer loans. In May 2015, he was promoted to credit analyst. He received a BA degree in economics and a BS degree in accounting at Lyon College in May 2015.

Patel received a BS degree in electronics and computer engineering technology at the University of Arkansas at Little Rock in December 2015. He joins the bank department from Electric Cooperatives of Arkansas

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NEW MEXICO

Four Corners Community Bank Opens Durango, CO, Branch

Four Corners Community Bank (FCCB), Farmington, announced the opening of its newly-built location in Durango, CO, at 2685 Main Ave. President/CEO and co-founder **Sheila Mathews** made the announcement.



Mathews

Greg Anesi, board vice chairman and bank co-founder, who was born and raised in Durango, says he understands the importance of a local bank. "Locally-owned banks help our communities grow and prosper. If locals don't help locals, who will? That's how I got my start," he said. Anesi's family immigrated to southwest Colorado in the 1890s. "We are stakeholders in this community and this region. We live here. We have and will continue to have local shareholders. That's the key

to our success."

FCCB's Durango location is the first in town to be equipped without traditional teller windows; in its place are walk-up dialog pods. Universal bankers have replaced customary tellers, a concept known as "dialog banking." Staff focus their attention toward the customer instead of the transaction itself, as the cash-recycling pod processes it. They are also cross-trained to assist with a variety of services in this modern, full-service approach. Lenders are also available at all times to help the community with borrowing needs, including Durango Market President **Shawn Candelaria**.

FCCB opened in 2000 and serves the Four Corners region. The Durango branch marks FCCB's seventh location with two in Cortez, CO; three in Farmington; and one in Aztec. Today, FCCB reports \$310 million in total assets and employs 80 people 🏡

OKLAHOMA

RCB Bank Claremore to Acquire CornerBank in KS

RCB Bank, Claremore, has announced an agreement to purchase Winfield, KS-based CornerBank. The sale, subject to necessary approvals, is expected to be finalized in the third quarter.

CornerBank reports \$280 million in assets, employs nearly 100 people, and operates in seven KS communities, including Arkansas City, Douglas, Lawrence, Oxford, Wellington, Wichita, and Winfield. All nine CornerBank locations are included in the transaction.

The bank was established in 1892 as The First National Bank of Winfield, Winfield, KS. In 1999, the bank rebranded to CornerBank, N. A. In 2014, the bank converted to a state bank charter and became CornerBank.

With the addition of the CornerBank locations, RCB Bank's branch network in KS (13) and OK (37) will expand to 50 locations and \$2.8 billion in assets 🏡

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OKLAHOMA

Valliance Bank Announces Private Bank Expansion

Brad Swickey, president/CEO of Valliance Bank, Oklahoma City, has announced the opening of a new location in Oklahoma Tower in Downtown Oklahoma City later this summer. The new office space located at 210 Park Ave. will provide capacity for increased private banking amenities, financial services, and leadership functions across the bank.

The 2,300 square-foot location will be an extension of the Oklahoma City, NW Expressway Valliance Bank private bank location and will serve small business owners and executives as well as individual clients.

Jason Osborn, president of the Private Bank at Valliance, said, "Our clients often have complex financial situations that arise when building, growing, and passing on their businesses. Our banking officers and lenders work alongside our treasury services department to help our clients meet their business and personal financial goals holistically."

Swickey has announced the initial location staff will include vice presidents **Whitney Merveldt** and **Kristen Marney**, as well as **Alex Hansen**, personal banker 🏡

ARKANSAS

Doyle Rogers Family Sells Ownership Interest in Citizens Bank, Batesville; Bank Plans for New Arkadelphia Branch

A founding family of Batesville's Citizens Bank has exited the ownership picture in a \$13.7 million transaction, according to an article by George Waldon posted on www.arkansasbusiness.com.

The **Doyle Rogers** family sold its 25.82% stake in the \$722 million-asset community bank to a descendant of another founding family: poultry pioneer J.K. Southerland.

The specific buyer is the Jeffery F. Teague & Sarah Shell Teague Joint Revocable Trust. **Jeff Teague** of El Dorado is the chairman of the board of directors for Citizens Bank.

The acquisition builds the Teague family holdings in Citizens Bancshares of Batesville Inc., the bank's holding company, to 44.39%, the largest block of stock.

Doyle "Rog" Rogers Jr. will remain on the board of directors. His late father, Doyle Rogers Sr., helped establish Citizens Bank in 1953.

The Teague-Rogers transaction reflects a minority-shareholder multiple of about 0.8x book value as of March 31, 2016.

In other Citizens Bank news, President/CEO **Phil Baldwin** announced plans to expand its south AR footprint with a new branch in Arkadelphia.

The current loan production office at 2710 Pine St. in Arkadelphia will serve as temporary quarters until replaced by a new full-service location.

"I'm excited because I lived there for 14 years and have a lot of friends there," said Baldwin. Most of his time in Arkadelphia was spent working at Southern Bancorp Inc. He joined the rural development bank as its CFO in 2000 and served as president/CEO from 2002-11.

Since joining Citizens Bank, Baldwin hired a team of Summit Bank/Bank of the Ozarks staffers to land disaffected former Summit Bank customers in search of a new banking home. The recently announced \$1 billion Shandong Sun pulp mill plant in the Clark County Industrial Park south of Arkadelphia adds juice to the move by Citizens.

In 2015, Citizens Bank opened two branches in Hot Springs and one in Fayetteville and gained five more in northwest and southeast AR as part of the Parkway Bank, Rogers, acquisition.

Citizens continues on its march toward a total assets goal of \$1 billion 🏡

First Security Bancorp Ups Investment in CrossFirst, KS

First Security Bancorp (FSB) of Searcy has added to its stake in an out-of-state banking concern: CrossFirst Holdings LLC of Leawood, KS, according to an article by George Waldon posted on www.arkansasbusiness.com. The \$2.65 million transaction boosts FSB's direct ownership from 9.78% to 10.8%.

CrossFirst Holdings, total assets of \$1.7 billion at March 31, 2016, generated net income of more than \$8.1 million in 2015 and \$5.5 million in 2014.

CrossFirst Bank also operates branches in Wichita, KS; Oklahoma City, opened in 2012; and Tulsa opened in 2013. In May, the bank announced plans to open a Dallas, TX, location.

Reynie Rutledge, chairman/CEO of the nearly \$5 billion-asset FSB, has served as a director at CrossFirst Holdings since its launch in 2007 🏡



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CHARTER

ACTIVITY

Arkansas**BRANCHES**

The **ARKANSAS STATE BANK DEPARTMENT** has approved an application by Stone Bank, Mountain View, for a branch at 900 S. Shackelford, Ste. 210, Little Rock.

The **ARSBD** has approved an application by Farmers Bank and Trust Company, Blytheville, for a branch at 55 Park St., Wilson.

HOME EQUITY (continued from Page 3)**Texas Supreme Court Ruling**

On appeal, the *Wood* Court first addressed the extent of the protections outlined in Section 50(a) of the Texas Constitution, including a borrower's access to the forfeiture remedy. In general, section 50(a) protects the homestead and strictly limits the types of loans that may be secured by a homestead lien. Homestead liens securing home-equity loans are limited by Section 50(a)(6)(A)-(Q) and are made on the condition that forfeiture of all principal and interest is available if the loan is constitutionally noncompliant and the lender fails to cure within sixty days of being given notice by the borrower. See, *Tex. Const. art. XVI, § 50(a)(6)(Q)(x)*.

The *Wood* Court first held that section 50(a) does not create substantive rights beyond a defense to foreclosure of a home-equity lien securing a constitutionally noncompliant loan. Borrowers may access the forfeiture remedy through a breach-of-contract action based on the inclusion of those terms in their loan documents, as the Constitution requires to make the home-equity lien foreclosure-eligible. Section 50(c), on the other hand, expressly addresses the validity of any homestead lien, declaring the lien invalid if the underlying loan does not comply with section 50. See, *TEX. CONST. art. XVI, § 50(c)*. Following from that logic, the Supreme Court stated that a homestead lien that may not have complied with constitution-

(continued on Page 12)

The **ARSBD** has filed an application by The Citizens Bank, Batesville, for a branch at 2710 Pine St., Arkadelphia.

The **ARSBD** has filed an application by Chambers Bank, Danville, to relocate a branch from 1100 SE Walton Blvd., Bentonville, to 1101 S. 52nd St., Rogers.

The **ARSBD** has filed an application by RiverBank, Pocahontas, to relocate a branch from 520 W. Second St. to 309 S. Missouri Ave., Corning.

MERGERS AND ACQUISITIONS

The **ARSBD** has preliminarily approved an application for change of control by Jeffrey F. Teague, Co-Trustee of the Jeffrey F. Teague and Sarah Shell Teague Joint Revocable Trust, El Dorado, involving Citizens Bancshares of Batesville Inc., Batesville.

Louisiana**MERGERS AND ACQUISITIONS**

The **FEDERAL RESERVE BANK OF ATLANTA** has received a prior change in control notice filed by Edgar Ray Smith III, William K. Hood, Savannah K. Conti, William K. Conti, Amite Mini Storage, LLC, Hood Investments, LLC, and WKH Management Inc., each of Amite; Sophia M. Pray and Hudson M. Pray, both of Hammond; and Big 4 Investments, LLC, Roseland, to acquire 10% or more of the shares and thereby control of First Guaranty Bancshares Inc., and its subsidiary bank, First Guaranty Bank, both of Hammond.

Mississippi**MEMBERSHIP**

The **FRB OF ATLANTA** has received an application by Copiah Bank, N. A., Hazlehurst, to become a member of the Federal Reserve System.

Oklahoma**BRANCHES**

The **OFFICE OF THE COMPTROLLER OF THE CURRENCY** has approved an application by First Fidelity Bank, N. A., Oklahoma City, for a branch at 9000 Cameron Pkwy., Ste. 107, Oklahoma City.

The **OCC** has received an application by BOKF, N. A., Tulsa, for a branch relocation from 7101 NW 23rd St., Bethany, to 3800 N. MacArthur Blvd., Warr Acres.

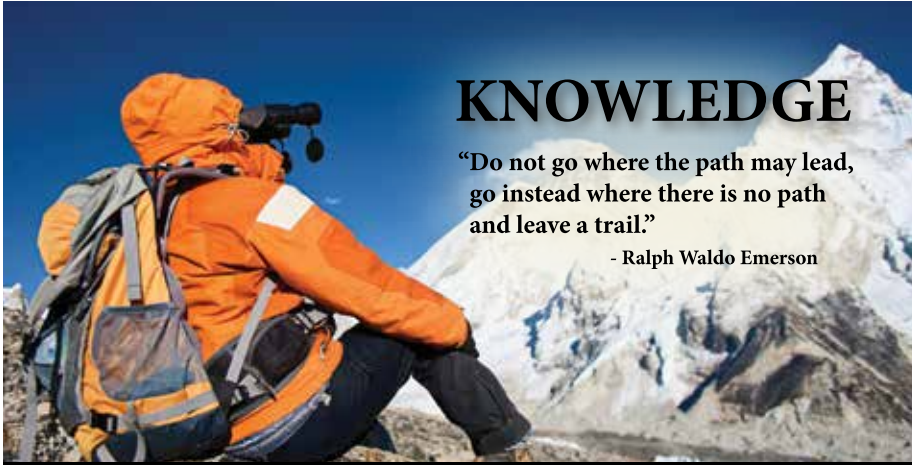
Texas**BRANCHES**

The **OCC** has approved an application by ZB, N. A., Salt Lake City, UT, for a branch relocation from 711 Louisiana, Ste. 104, to 808 Travis St., Ste. 125, Houston.

The **OCC** has approved an application by The First National Bank of Tom Bean, Tom Bean, for a branch at 303 N. Hervey St., Hope, AR.

MERGERS AND ACQUISITIONS

The **TEXAS DEPARTMENT OF BANKING** has reported an application by The Bank of San Antonio, San Antonio, for a merger with San Antonio Trust Company, LTA, San Antonio, was effective June 1 🏠



KNOWLEDGE

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go instead where there is no path
and leave a trail.”

- Ralph Waldo Emerson

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DFW REGIONAL PRESIDENT: \$2B Bank with Metroplex and East Tex-

as branches needs determined C&I Lender/Manager to manage lenders and drive market share. Mark Mitchell, Lone Star Search. 972-335-9009. lonestarsearch.net.

Greater Houston Community Bank requires SR. LEVEL COMMERCIAL LENDER with C/I COI's. Have branches all over the Houston area and will locate "Sr. Officer" closest to home. Formal credit training a plus, must be able to present to committee. Contact Gabe Haro, Texas Executive Search, gharo@texasexec.com.

COMMUNITY BANK CONTROLLER, ideal candidate: 10yrs experience, CPA, expertise with Financial Reporting, tax accounting to join our vibrant growing client in East TX. Kim.Kreps@jmfa.com

OPERATIONS/IT MANAGER - \$200 million North Texas community bank seeks an experienced operations manager versed in information technology oversight, ACH, wire transfer, vendor management, and remote deposit capture. The ideal candidate will have 4 or more years bank operations experience with a formal degree in finance or accounting Excellent salary and benefits package. Send resume in confidence to HR Officer, P.O. Box 338, Bridgeport, TX 76426 or email judi@fsbwise.com. EOE.

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American Bank of Commerce (ABC Bank) is looking for an experienced **AG LENDER/BUSINESS BANKER** for our Wolfforth/Lubbock TX market. Bachelor's degree in Business or Accounting/Finance preferred and must have at least 3 years bank lending experience. We offer company training, a competitive salary, an opportunity for growth, and excellent benefit packages. Send your resume to ldemma@theabcbank.com. EOE M/F/H/V.

American Bank of Commerce (ABC Bank) is seeking an experienced **COMMERCIAL LENDER/BUSINESS BANKER** for our Colorado Springs, CO Banking Center. Bachelor's degree in Business or Accounting/Finance preferred and must have at least 3 years bank lending experience. We offer company training, a competitive salary, an opportunity for growth, and excellent benefit packages. Send your resume to ldemma@theabcbank.com. EOE M/F/H/V.

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COMMERCIAL LENDER with First National Bank in Perryton, Texas. College degree and banking experience required. Responsibilities would include business development. Position requires strong underwriting and organizational skills. Send resume to gpittman@fnbspearman.com

BRANCH MANAGER POSITION for First National Bank, Perryton, Texas. College degree and banking experience required. Responsibilities would include business development, consumer and mortgage lending, and operations. Send resume to gpittman@fnbspearman.com

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Peoples State Bank, Shepherd, TX, is seeking an **EVP/CHIEF LENDING OFFICER**. Individual must have

strong underwriting skills, ability to manage all lending functions and generate new business relationships. Competitive salary and excellent benefits. Must relocate. Email resume to mhamilton@psb-texas.com

A small family-owned community bank in West Texas is seeking an individual with **STRONG COMMERCIAL REAL ESTATE, AGRICULTURAL EXPERIENCE AND GENERAL KNOWLEDGE IN ALL LENDING FIELDS**. Must have excellent communication skills and strong credit underwriting background. Three plus years lending experience preferred. We offer a competitive salary and great benefits package. Interested applicants may send a resume to bankersdigest@bankersdigest.com, subject line Box J-1.

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HOME EQUITY (continued from Page 9)

al requirements at the outset can be made valid at a later date if the power to do so exists under our constitution or statutes. The Court went on to state that complying with a cure provision validates a lien securing a section 50(a)(6) extension of credit. Therefore, upon the cure, the lender has established the terms and conditions the lender must satisfy to make a lien valid under section 50(c). In other words, a home-equity lien securing a constitutionally noncompliant loan is invalid until the defect is cured.

The Court then applied this holding to answer whether a statute of limitations applies to a quiet title action in the context of an invalid home equity lien.

In recent years, loan servicers and lenders argued that Texas Constitutional claims under 50(a)(6) can be automatically cured once the period of limitations has passed as the lien is no longer voidable and is valid. See *Priester v. JP Morgan Chase Bank, N.A.*, 708 F.3d 667, 674-677 (5th Cir. 2013); *Williams v. Wachovia Mrtg. Corp.*, 407 S.W.3d 391, 397 (Tex.App.—Dallas 2013, no pet.); *Thompson v. Deutsche Bank Nat. Trust Co.*, 775 F.3d 298, 307 (5th Cir. 2014); *Portillo v. DLJ Mortgage Capital, Inc.*, No. CIV.A. H-13-3679, 2015 WL 729918 (S.D. Tex. Feb. 19, 2015). A four-year limitations period was applied to these claims. See *Tex. Civ. Prac. & Rem. Code Ann.* § 16.051 (West). The accrual date of these claims was said to arise at the time of origination or closing of the loan. See, *Priester*, 708 F.3d at 675-676; see also *Thompson*, 775 F.3d at 307. Under Texas law, "a cause of action [generally] accrues when a wrongful act causes a legal injury, regardless of when the plaintiff learns of that injury

... ." *Priester*, 708 F.3d at 675 (quoting *Provident Life & Acc. Ins. Co. v. Knott*, 128 S.W.3d 211, 221 (Tex. 2003)). Therefore, lenders and servicers have argued that the limitations period on allegations of violations of Section 50(a)(6) begins to run at the time the home equity loan in question closed because the injury occurred when the lien was created. *Id.* at 675-676.

Aware of this precedent, the *Wood* Court instead held that a home equity lien that was invalid from origination remains invalid until it is cured. Based on that holding, the Court then held

that no statute of limitations can apply to cut off a homeowner's right to quiet title to real property encumbered by an invalid lien under section 50(c). Thus, following *Wood*, unless a home equity lien complies with section 50(c), a suit to remove that lien as a cloud on title cannot be time barred. (next week: Part 2 for analysis and conclusion)

About the author: **Eric C. Mettenbrink** is a commercial banking and real estate attorney. He may be contacted at 713.220.9141 or emettenbrink@hirschwest.com.

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