

INSIDE



What about bank mergers?

Richard Gray says there are more than 5,000 fewer banks today than in 1990. How does that affect our businesses and our communities? **page F8**

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Issue Sponsor:



BOOMING!

As the economy recovers and grows, banks are happy to be supplying the ammunition

Brice Wallace
The Enterprise

If Utah's economy is going great guns, banks are not just watching the explosions but also supplying a lot of the ammunition.

Chris Christiansen, senior banker with Bank of America Merrill Lynch in Salt Lake City, says his bank and others are both capitalizing on the opportunities presented by a strong Utah economy and meeting the banking and financing needs of its growing companies.

"From a personal perspective, I think the banking industry as a whole in Utah is vibrant. We've got a number of banks headquartered here and some regional banks headquartered here. The nice thing is we've got large players like Bank of America Merrill Lynch here, and we're excited about the opportunities here in Utah, not necessarily from the banking perspective or the health of the banking industry but the health of the businesses here. That's why we're here, why Wells Fargo is here, why Chase is here and some others," Christiansen said.

In contrast, in a pair of markets where Christiansen worked before returning to his home state in 2010, the economies were stagnant if not still in a recession.

"I don't know what the most recent economic figures are pointing to in terms of Utah's growth rate, but we're seeing companies in growth mode," he said. "That's why we're very excited about

it. We've got companies out purchasing equipment, buying commercial real estate to occupy and adding employees. What we see here is a diverse economy in growth mode."

In 2012, Bank of America provided more than \$61.7 million in new credit to small businesses in Utah, up 35 percent from 2011. And since then, the growth has remained "tremendous," he said.

"I attribute it to the overall health of the Utah economy. You've got companies that are growing and wanting loans for lines of credit for equipment, for owner-occupied real estate, you name it. You've got clients who want to grow and we're lending them money.

"Bank of America Merrill Lynch has been in this market over 15 years and literally the last three years, we've seen just a boom in the amount of loans that we've made here in this market."

A client manager since 2008, Christiansen said Utah stands out as a state with a diversified economy. That has made the state attractive to Bank of America Merrill Lynch, where his division calls upon clients with annual revenues between

\$5 million on the low end and \$50 million to \$100 million on the high end.

"Within that sector, there's a number of transportation companies. If you look at transportation, for example, we love to do things like equipment financing and the equipment opportunities with transportation companies are enormous. There's a number of oil field services companies. Tech is another one. We have clients spread over a number of industries that need both domestic and international banking services," he said.

"Banks in general will find this appealing. If you look at the state of [energy-heavy] North Dakota, if you're

see BANKS pg. 13



Have your accounts receivable become the enemy of cash flow?

How do my accounts receivable look? Did they take a payment holiday? Is my DSO (Days Sales Outstanding) within my cash requirements and industry norms? Am I going to have to borrow against my line of credit?

Your accounts receivable is considered one of the largest current assets and sources of funds for your company. These funds represent investment in customers and their projects. When collected, these funds allow for reinvestment in materials, plant and equipment. They also pay wages and provide profits. If an account does not pay, there is a loss to your company, which prevents reinvestment.

How do you and other companies continue to look at the most recent accounts

receivable (AR) snapshot — especially when it comes to seeing how a customer or prospective customer pays his bill? There are many options you or your credit manager have when considering setting credit limits or evaluating that next order. You can use the two or three creditors listed on your customer's credit application. However, do you think you are getting the full picture or have they given you a select few to contact?

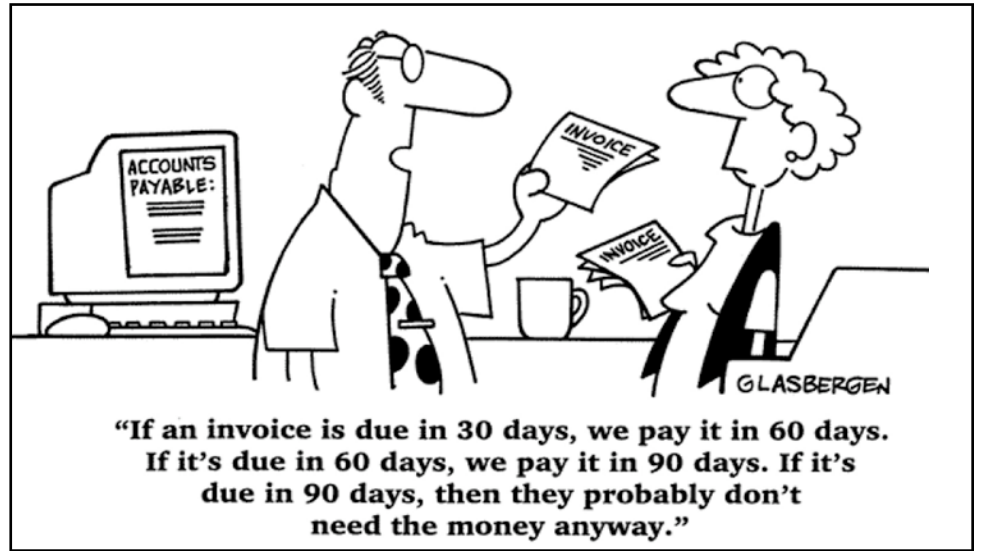


A commercial/business credit report is a great way of updating this information. It gives you a broad look at the customer by allowing you to evaluate multiple accounts receivable. This can include legal filings as well as a credit score that evaluates risk. Time is

always important, and pulling a credit report can take just minutes when compared to a couple of days for credit information to be returned by email or fax — if it gets

returned at all.

How do you think the payment information gets from the creditor to the credit report? It actually comes from the past



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history and experience your potential client has had with other companies that you may also be doing business with or may be in your same industry. If all companies shared their experience with a third party agency, a company could be evaluated on its total ability/willingness to pay. Positive and negative information should be shared because it rewards companies that pay by the terms that are offered and it shows management's commitment.

There are other additional ways of getting current factual credit information that support the credit report. Belonging to an industry credit group on a local, regional or national level is an excellent way of obtaining this information. Company credit representatives meet once a month or quarter and exchange past payment history. This information is current and up-to-the-minute. These meetings are managed by a certified third party group administrator.

Take a minute and reflect on how credit information has been collected and shared when you pull that report. Sharing your company's accounts receivable information will reward your customers for paying you on time. It helps them obtain loans at a favorable interest rate, get additional suppliers of other products and services easier and faster and reflects positively on their ability to manage their company.

When you analyze your accounts receivable, look at your need for factual, current information in a complete form, in a timely manner that rewards your good customers with larger lines of credit. Sharing information is also good for your customer, for you and for the industry.

Now is a good time to review your accounts receivable and get prepared to meet the challenges of 2014 and make it a profitable year for your company.

Ross Thomas handles membership sales for NACM Business Credit Services in Salt Lake City.

The benefits of trade credit insurance for borrowers and lenders

For business-to-business enterprises, the extension of trade credit is a competitive reality. The extension of credit and the accompanying delay of payment create dual problems for any business: the need for working capital and the risk associated with collecting accounts receivable. Business owners must balance the need for growth with that of credit risk management.

Accounts receivable generated through the ordinary course of business represent a company's most liquid of non-cash assets and the primary collateral for secured lenders. As lenders may look to these assets as primary or secondary sources of repayment, lenders are also further exposed by the credit decisions of their borrowers and the risk profile of the borrowers' customer base.

While large or well-established companies may have adequate sophistication to manage credit extension practices, many small and early-stage businesses lack the skills necessary to manage this process. Without the infrastructure necessary, business owners may be at risk for credit losses. Sales personnel and business owners motivated by the top line may conflict with credit management. Credit insurance and other similar prod-

ucts can merge the competing interests of these groups.

Trade credit insurance is a property and casualty (P&C) line offered through specialty insurance carriers and offers protection against loss of insured accounts receivable. Unlike other P&C lines, credit insurance can be uniquely situated as a sales growth tool or as a credit enhancement in order to strengthen a loan application. It offers protection against loss of insured accounts receivable due to insolvency or protracted default of the buyers.

Insolvency applies to cases of bankruptcy filing, assignment for the benefit of creditors, or a business closure. A protracted default implies a past-due or slow payment scenario although the buyer is not subject to judicial insolvency proceedings.

Credit insurance policies contain many of the same features as typical P&C policies such as deductibles or co-insurance. This ensures that the insured shares in some level of risk, which protects the underwriter against moral hazard. Premiums are highly affordable and are typically based on a fractional percentage of covered sales. Actual pricing is determined based on sales volume, credit quality of the customer base, and histori-

cal loss rates. Credit insurance policies can protect against loss for both domestic and foreign credit sales.

For larger companies, a credit insurance carrier may underwrite a policy application based upon a review of that company's own credit policy and historical loss rates. But for small businesses, a credit insurance carrier will likely insist on a feature known as "Named Coverage," whereby the underwriting of each covered buyer is outsourced to the carrier. The carriers that exist in the marketplace are large, multinational organizations, usually with existing credit files on most companies with which the insured may wish to conduct business. Near-instant credit decisions can be made available through the carriers' web portals. Such a feature can serve as a sales growth tool as the salesperson can provide quick credit approval to the prospective buyer while in the field. But perhaps the most important service a carrier can provide is advising a business which sales to avoid altogether.

For companies that have reached domestic saturation or that simply wish to continue sales growth, foreign markets may be of interest. However, credit extension to foreign buyers represents even higher risk and requires even better underwriting processes to manage the credit and political risks associated with

overseas commerce.

The best value in a credit insurance policy comes in the coverage of foreign, small, and privately held buyers. While it's fairly easy for anybody with foundational credit training to assess the financial risk of a publicly traded company, it is another to expect the same quality of decision-making for private companies. It is important to note, however, that a carrier will likely provide more favorable terms to an applicant who includes the strongest of its customer base in the covered portfolio in the name of diversification.

Banks and other secured lenders may benefit from credit insurance by obtaining a beneficiary endorsement. This endorsement provides the lender all of the rights held by the insured. So while the insured may not wish to submit a claim to the carrier in the hopes of maintaining a relationship, the lender may elect to do so if a potential loss incurred by the business would adversely impact the lender's security. This gives the lender better control over the collateral securing its loan.

These policies can also benefit borrowers by providing additional security to lenders for granting more favorable advance rates or pricing. While most



DANIEL
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see GODFREY pg. F15

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Top Banks in Utah

Ranked by Amount of Utah Assets as of 12/31/2013

1	Firm Name Address	Phone Web	Utah Assets as of 12/31/2013 Utah Deposits as of 12/31/2013	Out of State Assets as of 12/31/2013 Out of State Deposits as of 12/31/2013	# of Utah Branches # of Utah Employees	Year Established Type of Charter	Local Executive
2	Zions First National Bank 1 S. Main St. Salt Lake City, UT 84133	800-974-8800 zionsbank.com	\$16.7 billion \$14 billion	\$1.9 billion \$2.2 billion	101 2,112	1873 National	Scott Anderson
3	People's Utah Bancorp (Bank of American Fork and Lewiston State Bank) 33 E. Main St. American Fork, UT 84003	800-815-2265 bankaf.com	\$1.3 billion \$1.1 billion	\$42.8 million \$73.5 million	16 400	1905 Commercial	Richard Beard
4	Bank of Utah 2605 Washington Blvd. Ogden, UT 84401	801-409-5148 bankofutah.com	\$835 million \$681.1 million	N/A N/A	13 320	1953 State	Douglas L. DeFries, Pres.
5	Central Bank 75 N. University Ave. Provo, UT 84601	801-375-1000 cbutah.com	\$750 million \$650 million	0 0	10 190	1891 State	Matt Packard
6	TAB Bank 4185 S. Harrison Blvd. Ogden, UT 84403	801-624-5000 tabbank.com	\$627.2 million \$550 million	DND DND	1 200	1998 Industrial Bank	Steve Sala, Pres. & CEO
7	Washington Federal 505 E. 200 S. Salt Lake City, UT 84102	800-324-9375 washingtonfederal.com	\$550.9 million \$309.6 million	\$12.5 billion \$8.8 billion	10 DND	1917 National	Marlise Fisher, Regional Pres.
8	Ally Bank 6985 Union Park Center Midvale, UT 84047	877-247-2559 ally.com	\$253 million \$228 million	\$98.5 billion \$53.5 billion	None 50	2009 Consumer Bank	DND
9	First Utah Bank 3826 S. 2300 E. Salt Lake City, UT 84109	801-272-9454 firstutahbank.com	\$251.2 million \$207.4 million	\$28 million \$24.6 million	7 112	1978 State	Brad R. Baldwin, Pres. & CEO
10	Brighton Bank 7101 S. Highland Dr. Salt Lake City, UT 84121	801-943-6500 brightonbank.com	\$183.2 million \$154 million	N/A N/A	4 58	1978 State	Robert Bowen, Pres. & COO
11	AmericanWest Bank 10757 S. River Front Pkwy., Ste. 150 South Jordan, UT 84095	801-208.4090 awbank.net	\$160.4 million \$153.6 million	\$3.8 million \$3.1 million	7 50	1974 State	Mark Howell, Pres.
12	Celtic Bank Corp. 268 S. State St., Ste. 300 Salt Lake City, UT 84111	801-363-6500 celticbank.com	\$100.8 million \$42.2 million	\$181.5 million \$180.6 million	1 105	2001 Industrial Bank	Reese Howell
13	JPMorgan Chase 201 S. Main St. Salt Lake City, UT 84111	801-715-9204 chase.com	N/A \$10.4 billion	\$2.4 trillion \$1.3 trillion	65 725	1799 National	Craig Zollinger
14	Key Bank 36 S. State St. Salt Lake City, UT 84111	801-297-5900 key.com	N/A \$3 billion	\$92.9 billion \$69.3 billion	37 295	1825 National	Jill Taylor, Market Pres.
15	Wells Fargo 299 S. Main St. Salt Lake City, UT 84111	801-246-5328 wellsfargo.com	N/A \$23.8 billion	\$1.5 trillion \$980 billion	123 4,000+	1852 National	Greg Winegardner, Regional Pres.



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Top Accounting Firms in Utah

Ranked by Number of Certified Public Accountants

Rank	Firm Name Address	Phone Fax Web	# of: CPA's, Partners, Non-Certified Accountants, Employees	# of Locations Year Established	% of Revenue from: Auditing/ Accounting, Tax, Management Advisory, Other	Alliances: State, Regional, National, Intl.	Specialties Managing Partner
1	EY 178 S. Rio Grande St., Ste. 400 Salt Lake City, UT 84101	801-350-3449 DND ey.com	117 8 DND DND	DND DND	DND DND DND DND	Yes Yes Yes Yes	Assurance, tax, transactions, advisory Shawn Goff
2	Eide Bailly LLP 5 Triad Center, Ste. 750 Salt Lake City, UT 84180	801-532-2200 DND eidebailly.com	66 20 31 122	3 1917	52% 38% 11% DND	DND Yes DND DND	Tax, audit, accounting services, cost segregation, employee benefits, healthcare reform, international services, tech. consulting & software Kevin Andersen
3	Wisn, Smith, Racker & Prescott LLP 155 N. 400 W., Ste. 400 Salt Lake City, UT 84103	801-328-2011 801-328-2015 wsrp.com	42 7 12 69	3 1985	37% 42% 4% 17%	Yes Yes Yes Yes	Assurance financial statement preparation and accounting assistance, tax preparation, tax planning and tax agency representation, business valuation services and consulting Bruce R. Wisan
4	Mantyla McReynolds 178 S. Rio Grande St., Ste. 200 Salt Lake City, UT 84101	801-269-1818 801-266-3481 mmacpa.com	23 9 19 42	1 1989	35% 31% 0% 34%	Yes Yes Yes Yes	DND Kim McReynolds
5	CBIZ MHM LLC 175 S. West Temple, Ste. 650 Salt Lake City, UT 84101	801-364-9300 801-364-9301 cbiz.com	22 5 4 36	1 1986	46% 46% 2% 6%	No Yes Yes Yes	Automobile dealers, not-for-profit, technology, con- struction, real estate, manufacturing & distribution, professional services, employee benefit plans Clair Rood
6	Cook Martin Poulson PC 632 N. Main St. Logan, UT 84321	435-750-5566 435-787-4321 cookmartin.com	16 5 8 35	2 1977	35% 57% 5% 3%	Yes Yes No No	Tax planning & compliance, financial statements, accounting, payroll, CFO outsourced solutions, estate planning, cost segregation, business valuations, Affordable Care Act consulting, QuickBooks consulting & R&D consulting Richard K. Poulson
7	HJ & Associates LLC 50 W. Broadway, Ste. 600 Salt Lake City, UT 84101	801-532-7800 801-328-4461 hjcpafirm.com	15 4 5 23	1 2000	DND DND DND DND	No No Yes Yes	Audits, reviews, compilations, SEC reporting, start-ups, construction companies, benefit plan audits, green energy industry, tax planning & preparation, small-business accounting Robert M. Jensen
8	Huber, Erickson & Bowman LLC 375 S. 300 W. Salt Lake City, UT 84101	801-328-5000 801-328-5009 hebsolutions. com	11 4 13 36	2 1977	38% 49% 7% 6%	No No No No	DND Chesley Erickson
9	Pinnock, Robbins, Posey & Richins PC 215 S. State St., Ste. 850 Salt Lake City, UT 84111	801-533-0409 801-533-0414 cpaandmore. com	11 5 6 17	1 1944	30% 60% 10% DND	No No No No	Emerging/start-up businesses, closely held businesses, executives/professionals, high-net worth/high-income individuals, government and nonprofit organizations James R. Beaudoin
10	Teuscher, Ruf & Walpole LLC 11910 S. State St., Ste. 200 Draper, UT 84020	801-619-1400 866-589-8871 trwillc.com	9 6 9 23	2 1993	DND DND DND DND	Yes No Yes No	Oil & gas, retail, construction, small business Harold B. Ruf
11	Karren, Hendrix, Stagg Allen & Co. 111 E. Broadway, Ste. 250 Salt Lake City, UT 84111	801-521-7620 801-521-7641 khsa.biz	7 7 7 30	1 1970	26% 32% 5% 37%	No No No No	Government auditing, real estate taxation, closely held businesses, Medicare & Medicaid cost reporting, eldercare conservatorships and guardianships Scott J. Hanni

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What bank mergers and acquisitions mean for communities today

You may have noticed news recently about banks merging or being acquired, but don't make the mistake of thinking this trend is only important news for banks. Some experts are concerned about the shrinking number of banks because fewer banks mean fewer choices for individuals and business owners.

The number of banks in the United States is shrinking dramatically. In 1990 there were more than 12,000 banks in the country. Today there are less than 7,000 — 98 percent of which are community banks. Some experts predict that soon there may only be 3,000-4,000 banks left after the last economic downturn with continued consolidation subsequently occurring.



RICHARD GRAY

Why do these numbers matter?

According to the Independent Community Bankers of America, community banks fund nearly 60 percent of loans to small businesses, although they compose just 10 percent of the nation's banking assets. The high-touch, personal service they offer to individuals and communities can't be matched by banks that make loan decisions a thousand miles away from the borrower's community.

Community banks are focused on the unique needs of local businesses and families. Loans are generally invested in the local economy and decisions impacting customers are made locally, by people who live and work in the communities they serve.

Business owners benefit from working with local lenders who have unique knowledge about their communities — senior economist and economic advisor at the Federal Reserve Bank of Chicago Robert deYoung calls this “soft information,” and it comes from a relationship-based approach to lending.

Community banks are vital to the health of the national economy and many of these banks are uniting to preserve the community-banking model that is so critical to our community right here and now. So while the shrinking number of banks may be cause for concern, some of the mergers and acquisitions may be a solution to this problem.

Despite community bankers' commitment to their communities, they realize that there is a minimum asset size that they must reach in order to survive. Mergers of like-minded community banks to build market share or expand into nearby markets make sense in today's world. Because of this, there is an upward trend of mergers and acquisitions of community banks in the \$1-\$10 billion range. Richard Beard, president and CEO of People's Utah Bancorp, which merged with Lewiston Bancorp last year, says increasing cost and regulatory strangulation may cause some banks to sell as consolidation in the industry continues, but some banks want to preserve the community banking experience.

“The People's Utah Bancorp and Lewiston Bancorp merger is the first unassisted merger in Utah since Far West Bank was acquired by American West Bancorp in 2007,” said Tom Bay, supervisor of banks, Utah Department of Financial Institutions. “Smaller banks are seeing their burden increase. They feel like they survived the downturn just to be hit in the gut with what they feel is an increasing regulatory environment. Mergers can be a way of using economies of scale to help with the increased fixed costs of doing business. Utah is not like California or other states with many banks and a lot of merger activity going on, so it's harder to see a trend here, but I would not be surprised to see more mergers in Utah going forward.”

While many community bankers are fearful of the increasing regulatory burdens, some recognize that it's the people and relationships that are most critical to preserve. Mergers are allowing many of these banks to consolidate back-office costs while keeping those relationships and “soft information” working for the communities that the banks are serving.

Community bankers want to see people get into homes or get the loans they need to grow or start their businesses. Bankers who live and work in the same community have a vested interest in seeing the economy thrive. This model of banking is important to customers and the health of the national economy.

While the shrinking number of community banks may be a cause for concern, mergers and acquisitions between community banks may be a positive way to come together and preserve a system that is vital to the economy, small businesses and Utah communities. Though regulatory pressure is causing some community banks to sell, others are finding a way to keep helping the communities they care about.

Richard Gray is senior vice president of SBA lending at Bank of American Fork. He also manages the bank's Murray branch.

Is July 1 really the FATCA day of reckoning?

You've probably heard this already, but on July 1, when Barack Obama signs in H.R. 2847 into law, the dollar is going to collapse, financial markets will implode and our economy will plummet. Many, including investment research firm Stansberry and Associates, claim that food prices — including milk and wheat and commodities like gasoline — will skyrocket beyond control. I find it amusing that roughly every six months it seems a new major calamity emerges that will really be the collapse this time. Regardless, here are some hard facts on this upcoming bill:

H.R. 2847 is a very large piece of legislation with several different agendas; however a major part of it is designed to entice U.S. corporations to hire and retain more workers via payroll deductions and other incentives. In addition, it also finalizes the legal requirements of the Foreign Account Tax Compliance Act (FATCA) passed in March 2010. Here is a quick summary on that law: On July 1, the U.S. government expects to begin enforcing FATCA, which requires foreign financial institutions to report directly to the IRS certain information about financial accounts held by U.S. taxpayers, or by foreign entities in which the U.S. taxpayers hold a substantial ownership interest. If the foreign financial institution makes no agreement with the IRS, the institution is liable for a 30 percent automatic withholding on payments made to U.S. residents.

Now, one can argue at length on the political culprit behind this law, but in the post-2008 crisis world that we live in it shouldn't come as much surprise that international accountability standards have expanded. This law originated directly after the tax reporting scandal in 2009 by Swiss investment bank UBS, in which the bank was accused of withholding important tax information from the IRS on U.S. citizens. The fear is that this new legislation will drive assets out of the U.S. en masse and deter foreign banks from doing business with U.S. customers. Foreign entities will close bank branches, yank funds from the stock market and drive the value of the dollar down to levels never seen before. No foreign bank will want anything to do with the U.S. because the costs of doing business are so large. The dollar will ultimately remove itself as the global reserve currency as Chinese and European currencies surpass it in purchasing power.

However, the fact is this law has really been in effect for over 4 years now; March 2010 was the original passage date of FATCA. Since that time, foreign investment in the United States has grown by over 55 percent (\$7.3 trillion to \$11.3 trillion) from 2009 to 2013, as measured by foreign holdings of U.S. equities and U.S. government bonds. It's hard to

argue that four years is not enough time to adjust and adapt business practices to meet these new regulations. Yet foreign institutions increased their dollar denominated holdings over that time period along with their business with American companies and citizens. The value of the dollar simply has not experienced the dramatic decline as would have been expected and at this point, I don't see why July 1 makes a bit of difference.

According to the Federal Reserve, in September 2013 there were 437 foreign bank branches operating in the U.S., down marginally from the 462 since FATCA was implemented in 2010. Over that same time, foreign bank assets held in the U.S. have risen from \$3 trillion

to \$3.6 trillion. Data shows that there are numerous benefits for these banks to retain operations in America, including direct access to lending to U.S. companies.

During the European crisis, for example, loan revenues on European banks' U.S. branches helped buoy their holding companies because American companies were in better financial shape than their European counterparts, broadly speaking. Increased regulation is not something that's terribly new either. Major anti-money laundering legislation was passed back in the 1980s which was not favorable among foreign banks because they had to track fund sources to comply with the new regulations. The U.S. was one of the first countries to implement such money laundering prevention laws. Yet

now, even emerging markets like China have adopted their own anti-money laundering rules in an effort to curb corruption. Although many countries initially opposed this legislation, many have since adopted similar practices.

I mentioned earlier that these dire predictions seem repetitive; every six months or so a new a world-ending claim reemerges. Pundits like Glenn Beck, Harry Dent and Peter Schiff are reaping profits off of selling fear, and the real problem, in my opinion, is people are buying it. Glenn Beck has been saying for years that Obama will drive our country into a new era of dependence and demise, yet he has been proven wrong



MATTHEW PAPPAS

see PAPPAS pg. F13

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1	Contango Capital Advisors Inc.	1 South Main St., 12th Floor Salt Lake City, UT 84133	801-844-7700 contangoadvisors.com	100	80	\$1.784 billion
2	Bridge Inv. Group Partners LLC	5295 Commerce Dr., Ste. 100 Murray, UT 84107	801-716-4553 bridge-igp.com	20	10	\$1.203 billion
3	Alta Capital Management LLC	6440 S. Wasatch Blvd, Ste. 260 Salt Lake City, UT 84121	801-274-6010 altacapital.com	12	6	\$895.3 million
4	Soltis Inv. Advisors LLC	20 N. Main, Ste. 400 St. George, UT 84770	435-674-1600 soltisadvisors.com	17	10	\$824.2 million
5	The Karras Co. Inc.	4695 S. 1900 W., Ste. 3 Roy, UT 84067	801-825-3000 raymondjames.com/ thekarrascompanyinc	5	2	\$809.0 million
6	Albion Financial Group	812 E. 2100 S. Salt Lake City, UT 84106	801-487-3700 801-487-3766	21	7	\$689.9 million
7	DW Management Service LLC	1413 Center Dr., Ste. 220 Park City, UT 84098	435-645-4050 dwhp.com	17	15	\$493.7 million
8	UMA Financial Service Inc.	310 E. 4500 S., Ste. 500 Salt Lake City, UT 84107	801-747-0800 umafs.org	13	8	\$487.6 million
9	Grandeur Peak Global Advisors	136 S. Main St., Ste. 720 Salt Lake City, UT 84101	801-384-0000 grandeurpeakglobal.com	16	12	\$459.0 million
10	Peterson Partners	2825 E. Cottonwood Pkwy, Ste. 400 Salt Lake City, UT 84121	801-365-0180 petersonpartnerslp.com	20	12	\$427.5 million
11	Lefavi Wealth Management	2323 Foothill Dr., Ste. 100 Salt Lake City, UT 84109	801-486-9000 lefavi.com	21	9	\$402.0 million
12	West Rim Capital Associates LP	3400 N. Ashton Blvd., Ste. 400 Lehi, UT 84043	801-407-8400 sorensoncapital.com	41	28	\$370.0 million
13	Cross Creek Advisors LLC	505 Wakara Way, Ste. 215 Salt Lake City, UT 84108	801-214-0010 crosscreekadvisors.com	4	3	\$352.6 million
14	The Insight Group Inc.	3115 E. Lion Lane, Ste. 100 Salt Lake City, UT 84121	801-944-7702 insightgroup.com	7	7	\$257.5 million
15	Tanner Capital Management LLC	3610 N. University Ave., Ste. 350 Provo, UT 84604	801-377-1144 N/A	5	2	\$241.7 million
16	First Western Advisors	3165 E. Millrock Dr., Ste. 340 Holladay, UT 84121	801-930-6500 fwainvest.com	8	8	\$214.3 million
17	Arlington Value Capital LLC	3165 E. Millrock Dr., Ste. 340 Holladay, UT 84121	801-505-6275 arlingtonvalue.com	2	2	\$208.1 million
18	M3F Inc.	10 Exchange Place, Ste. 510 Salt Lake City, UT 84111	202-246-9200 m3funds.com	3	3	\$181.1 million
19	Moreton Asset Management LLC	709 E. South Temple Salt Lake City, UT 84102	801-869-4200 moretonadvisors.com	6	4	\$172.0 million
20	Riggs Capital Management LLC	5132 N. 300 W. Ste. 260 Provo, UT 84604	801-221-7923 riggscapmgt.com	7	6	\$171.7 million
21	Wealth Navigation LLC	222 S. Main, Ste. 1770 Salt Lake City, UT 84101	801-335-8200 wealthnavigation.com	10	3	\$163.0 million
22	Smedley Financial Service Inc.	420 E. South Temple, Ste. 420 Salt Lake City, UT 84111	801-355-8888 N/A	9	6	\$161.0 million
23	Net Worth Advisory Group LLC	9980 S. 300 W., Ste. 110 Sandy, UT 84070	801-566-6639 networthadvice.com	13	10	\$160.2 million
24	Truenorth Wealth	1935 Vine St., Ste. 120 Salt Lake City, UT 84121	801-274-1820 truenorthwealth.com	3	2	\$160.0 million
25	Slayton Lewis Inc.	22 E. 100 S., Third Floor Salt Lake City, UT 84111	801-521-2191 slaytonlewis.com	5	3	\$142.8 million

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BANKS*from page F1*

relying on one industry to make revenue or be healthy in order for the rest of the economy to be healthy, we as a banking industry don't want to put all of our eggs in one basket. So the fact that we've got a number of healthy industries in this state makes it very appealing for Bank of America Merrill Lynch and others."

For folks like Christiansen, the bustling economy in Utah represents a challenge: finding enough time during the day to reach out to all of the businesses his bank wants to help. He acknowledged that the economic conditions mean that growing companies can be choosy when considering banking institutions and banks likewise can be a bit more selective in seeking clients.

"There are a lot of companies in growth mode and there are a lot of banks eager to work with those companies. That puts the companies in the driver's seat and they can be picky about which bank they work with. Here at Bank of America Merrill Lynch, we think we've got one of the best treasury platforms in the market, and when we have the opportunity to showcase that, we hope that our services, products and rates are strong enough to win those clients," he said.

Utah's economy is so strong, it's venturing overseas. Christiansen said he has several clients conducting business outside the U.S. For example, one biotech company generates 80 percent of its revenues internationally. A service company has expanded to London and is working to add Johannesburg, South Africa.

To help such companies, his bank has expanded its treasury platform to accommodate different currencies in each country. The platform allows clients to view their activities in Utah, London and Johannesburg. They can open accounts in Johannesburg that accept the U.S. dollar or the South African rand. In London, multicurrency accounts accept the euro, the pound or the U.S. dollar.

"And to be able to see all of that on one platform is somewhat unique," Christiansen said. "The advancements in technology have really made it easier for clients of ours to do business internationally. Even 10 years ago, it's mind-boggling to think what it would take to run a global operation for a small company based in Utah, but today, it's a lot less daunting because technology has made it so much easier."

Despite Utah's recent economic growth and resulting opportunities for banks in the state, Christiansen nonetheless believes both will only get better.

"I wish I had a crystal ball, but Utah has a pretty impressive past in terms of how business-friendly our environment is and the number of businesses we've attracted to the state. I think, and Bank of America Merrill Lynch thinks, that the future is brighter than the past.

"There is a tremendous amount of growth opportunity in terms of natural resources here, the talent and workforce that is here and the overall talent of the employees, we've got an educated workforce, a young population, and a generally inexpensive cost of living compared to other states. Those and other factors combined provide a continued opportunity for growth, not to mention the fact that we've got two world-class universities producing entrepreneurs. We've got young minds coming out of colleges with great ideas that will turn into fantastic companies," he said.

"I don't say all of this because I'm from Utah, but I'm a big, big believer in our economy. We've got a diverse economy that is driving a number of different industries in the right direction."

PAPPAS*from page F9*

year after year. Our economy continues to improve, the budget deficit is still declining and I would argue that we are more independent today than ever before. Manufacturing is moving back to the U.S. and energy independence is alive and well through private-sector progress.

Harry Dent has been calling for a "Dow 3,000," selling books and seminars nationwide about how to prepare for this plummet. In actuality, the Dow Jones Industrial Average hit a low of 6,649 in March of 2009 and now sits at over 16,000. Peter Schiff has talked up gold for years as the investment to hold when hyperinflation destroys the economy. Yet the metal was down nearly 30 percent last year and inflation has been dormant

even with the Fed's three rounds of quantitative easing. Today, some analysts are calling for a plus-30 percent decline for gold over the next three to five years. I'm not claiming that my views are 100 percent accurate, but these doomsayers are clearly wrong and no one is calling them on it. H.R. 2847 will come and go and its memory will fade just as the fiscal cliff, Obamacare and sequester fears have faded, in my view. If people start holding these pundits accountable to their claims, then I doubt they would have much of a podium to shout from.

Matt Pappas is a financial advisor with the Cottonwood Group of Wells Fargo Advisors LLC, a wealth management team with offices in Salt Lake City, Park City and St. George. Its website is cottonwoodgrp.com.



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Rank	Credit Union Name Address	Phone Web	Utah Assets as of 12/31/2013 Utah Deposits as of 12/31/2013	Out of State Assets as of 12/31/2013 Out of State Deposits as of 12/31/2013	# of Utah Branches # of Members	# of Utah Employees Type of Charter	Local Executive
1	America First CU P.O. Box 9199 Ogden, UT 84409	801-627-0900 americafirst.com	\$5.4 billion \$4.5 billion	\$502.3 million \$756.9 million	96 647,612	2,090 Federal	John B. Lund, Pres. & CEO
2	Mountain America Federal CU 7181 S. Campus View Drive West Jordan, UT 84084	800-748-4302 macu.com	\$3 billion \$2.9 billion	\$389 million \$169.4 million	63 448,000	1,100 Federal	Sterling Nielsen, Pres. & CEO
3	University First Federal CU 3450 Highland Drive Salt Lake City, UT 84106	801-481-8800 ucreditu.com	\$654.1 million \$582.9 million	DND DND	15 80,279	216 Federal	Jack Buttars
4	Cyprus CU 3876 W. Centerview Way West Jordan, UT 84084	801-260-7600 cypruscu.com	\$630 million \$630 million	0 0	17 81,679	280 Community	Todd Adamson
5	Utah First Federal CU 200 E. South Temple Salt Lake City, UT 84111	801-320-2600 utahfirst.com	\$248.5 million \$220.9 million	DND DND	8 21,276	75 Federal	Darin B. Moody
6	Jordan CU 9260 S. 300 E. Sandy, UT 84070	801-567-3355 jordan-cu.org	\$227.2 million \$206.4 million	0 0	6 25,361	71 Federal	Jim Hofeling
7	Granite CU 3675 S. 900 E. Salt Lake City, UT 84106	801-288-3000 granite.org	\$212.4 million \$297.3 million	N/A N/A	8 30,000	100 Federal	Lynn Kuehne, Pres. & CEO
8	TransWest CU P.O. Box 65218 Salt Lake City, UT 84165	801-487-1692 transwestcu.com	\$112 million \$104 million	DND DND	4 12,817	39 State	Marc Mikkelson
9	Weber State CU 4140 Harrison Blvd. Ogden, UT 84403	801-399-9728 weberstatecu.com	\$95.4 million \$86.4 million	N/A N/A	4 9,477	40 Federal	Vickie van der Have, Pres. & CEO
10	HeritageWest CU 562 N. Main St. Tooele, UT 84074	800-662-9522 heritagewestcu.com	DND DND	DND DND	12 52,000	68 Federal	C. Skip Wilson



DND= Did Not Disclose N/A= Not Applicable
Please note that some firms chose not to respond, or failed to respond in time to our inquiries.
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GODFREY

from page F3

lenders will not allow foreign accounts in the borrowing base due to the higher level of inherent risk, the addition of credit insurance provides the lender with assurances of payment. A policy can also mitigate the credit risk for a lender who is lending on a highly concentrated accounts receivable portfolio. In such cases, a credit loss pertaining to just one buyer can drastically impair the lender's collateral, not to mention the viability of the borrowing business. A properly structured credit insurance policy can protect both the borrower and the lender from these losses.

A similar, yet distinct, financial product known as factoring can provide many of the same benefits of credit insurance.

Factoring involves the sale of accounts receivable to a factor at a discount. When the factoring instrument is structured *without recourse* to the seller, the factor assumes the credit risk of non-payment by the account debtor. Factoring may also offer a working capital financing component in addition to credit risk management. Like with a Named Coverage credit insurance policy, a factor must approve the sale and credit of the account debtor in order to satisfactorily transfer the credit risk. A factor also provides additional services such as the posting of invoices and payments, collection services, and working capital advances. Because of the additional services provided by a factor, the cost is higher than that of a credit insurance policy.

Banks and other secured lenders may

also work in conjunction with a factor under a collection factoring or deferred purchase agreement. Under such an agreement, a factor will assume the credit and collection risk of approved accounts but will not make advances to the bank's borrower. Under this arrangement, the bank provides loan advances and takes an assignment of proceeds of the factoring contract. Accounts receivable collections made in the ordinary course of business are remitted to the bank, less the factor's fee. In cases of insolvency or protracted default, the factor purchases the account under its factor's guarantee and the proceeds of the purchase price are remitted to the bank. Such an arrangement may provide even more security to a secured lender with the enhancement of the collection services offered.

In summary, trade credit insurance and factoring arrangements can facilitate the convergence of credit risk management with that of business growth for any company involved in business-to-business sales. In addition, these financial instruments can offer additional security for secured lenders involved in providing financing secured by accounts receivable. For companies seeking to obtain more beneficial financing terms, these instruments can assist by enhancing the collateral available to prospective lenders.

Daniel Godfrey is senior vice president of asset-based lending for Celtic Bank Corp. He has 12 years of experience in the asset-based lending and factoring industries, including eight years in managing ABL transactions under state and federal government guarantee programs.

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