

GULF COAST BANK & TRUST COMPANY

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ANNUAL REPORT

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GULF COAST BANK
& Trust Company

President's Letter

Once Upon a Time



Thirty years ago, my business partner and I signed the charter documents to create Gulf Coast Bank & Trust Company. We took over American Savings — a local institution that had been in operation since 1883. We had a plan to build a modern community bank. One that revered the traditions of personal customer service but also relied on the benefits of powerful technology. Today, we have assets of just under \$2.3 billion, almost 700 employees across 22 states, and we impact the lives of thousands of personal and business clients. We have a great story to tell!

Many stories feature a dark cloud moment, and for the entire world in 2020, that was the COVID-19 pandemic. Illness, shutdowns and restrictions dealt a body blow to local businesses and families. Gulf Coast Bank is an essential business and we remained open even during this challenging time. I am deeply grateful to our employees who juggled childcare, elder care and client care to meet community needs. In addition to adopting CDC safety recommendations, we extended drive-up hours, hours for live call-in services and in-bank appointments to better serve our clients. We helped our borrowers with PPP loans, payment deferrals, and new loans as needed. Our bankers even made house calls.

The 30-year story of Gulf Coast Bank has elements you might expect in any great story: unexpected heroes, plot twists requiring extraordinary action, the good guys winning in the end and a universal lesson — do what is right, and everything else will work out. This has been our core principle since day one. We seek to serve our clients in achieving their goals and impacting the communities where we live. There is more to the story and many chapters yet to be written. We can't wait to share it with you.

Keep On Reading,

GUY T. WILLIAMS, PRESIDENT & CEO



"There is more story to tell and many chapters to be written."

Cheers to 30 Years Let's Celebrate



long time ago in 1883, when Gulf Coast Bank & Trust Company was originally founded as American Savings, banking and life were simpler. Banking was a matter of people talking to people and building trust.

In 1990, a group of local investors led by Bank President and CEO Guy T. Williams took over American Savings. Their vision was a bank that adhered to the traditional principles of customer service yet backed them with today's powerful banking technologies.

The result is a true community bank, providing individuals and businesses with the strength and

resources they need to succeed. And better yet is the ability to recognize each of them individually when they walk through the front door.

Gulf Coast Bank's philosophy remains people-oriented. We help our clients get what they want, one-on-one. We work with our clients individually to match our services to their needs. We make banking easy and secure.

Gulf Coast Bank truly is the bank that cares about you. And 30 years later, we continue as we began.





Facing Challenges The Plot Thickens



In March of 2020, with the onset of the COVID-19 pandemic and economic unrest, financial institutions like Gulf Coast Bank & Trust Company were called upon by policymakers to support small businesses with a once-in-a-lifetime event. Gulf Coast Bank was actively engaged with the legislative process to ensure the nation's banking system could be the bridge connecting small businesses with a federal relief program.

The Gulf Coast Bank team immediately activated their support for the program and developed a system to handle the unprecedented number of loan applications. By leveraging its resources and technology, Gulf Coast Bank was one of the first to begin accepting the Paycheck Protection Program (PPP) applications electronically.

"The small business owners are the real heroes in this. They face challenges daily and our role is to be a resource to help overcome these challenges. Through the PPP, we were able to help them keep their doors open and maintain their staff on the payroll," said Bruce Falkenstein, Chief Lender.

Together, the Gulf Coast Bank team worked nights, weekends and holidays — "getting financial assistance to thousands of businesses, preserving tens of thousands of jobs," said Nimi Natan, President of Gulf Coast SBA Lending in Dallas, Texas. Gulf Coast Bank is proud of its employees who have worked tirelessly to ensure others are cared for, even if it included taking on temporary new roles like Tish Sauerhoff, who stepped into a new role as Special Projects Manager in Human Resources, to meet the tremendous needs of the community.

"We were called to action, as bank employees and as members of our community, during an unprecedented economic time."

"We made it happen with the support and encouragement of leadership, and we were rewarded with the appreciation of the community we serve," said Kristen House, Retail Branch Manager.



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Businesses were counting on the lifeline that PPP loans offered. So we deployed every available resource we could identify and worked around the clock until we had handled every PPP loan request received.

Jack Finn,
Senior Credit Officer

Total Round 1 Loan
Volume in 2020:

More Than

**\$260
Million**

Top Client Industries Served:
(Based on NAICS Codes)

- #1 – Construction **\$34.17 M**
- #2 – Accommodations & Food Service **\$31.28 M**
- #3 – Professional, Scientific & Technical Services **\$29.85 M**
- #4 – Educational Services **\$25.61 M**
- #5 – Healthcare & Social Assistance **\$24.38 M**



”

We needed to quickly build out a system able to handle an unprecedented number of applications. Leveraging our resources and technology allowed us to be one of the first to begin accepting PPP applications electronically.

Jason Shields,
Loan Operations Manager

Financial Highlights

A Story of Success



The 2020 year ended with record growth for Gulf Coast Bank & Trust Company. At year end, the bank had \$2,296,578 in assets, net loans of \$1,770,749, and a net income before taxes of \$28,727,000. In comparison to 2019, earnings slightly decreased due to the costs of dealing with the pandemic.

These remarkable results could not have been accomplished without the Gulf Coast Bank team's resilience and innovation. Gulf Coast Bank is committed to serving its clients and community even through challenging times.

Total Assets (In Thousands)

\$2,296,578

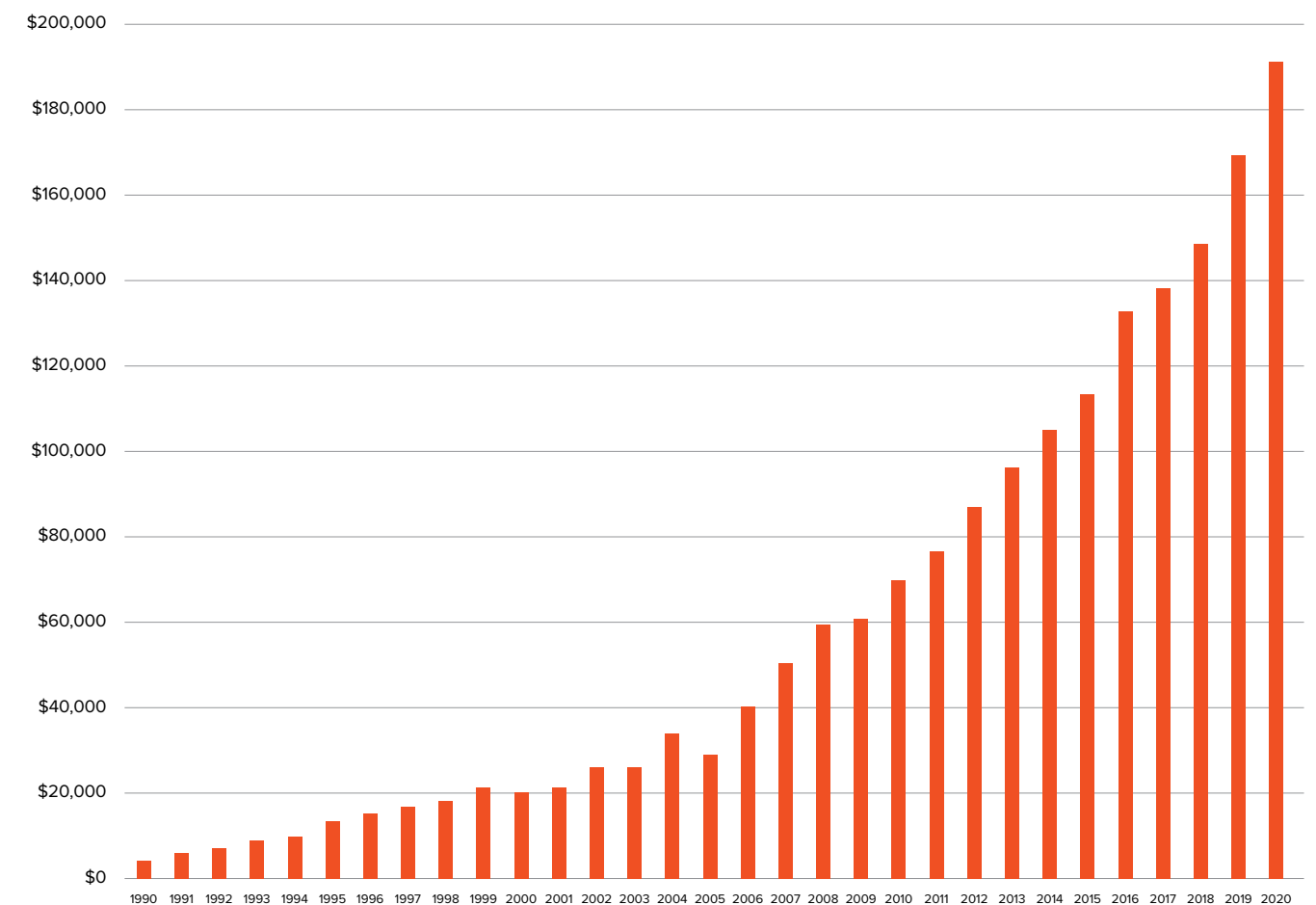
Unprecedented Loan Growth (In Thousands)

\$395,000

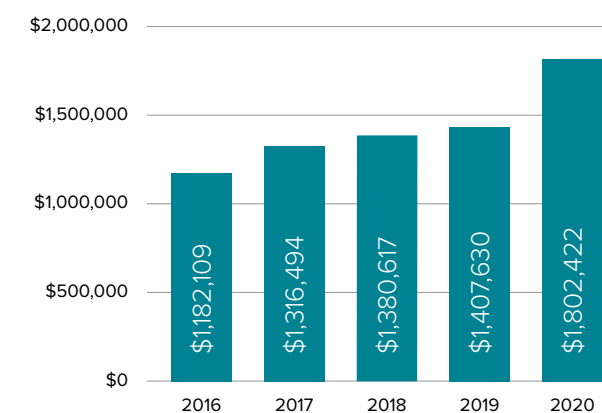
Net Income After Taxes (In Thousands)

\$22,710

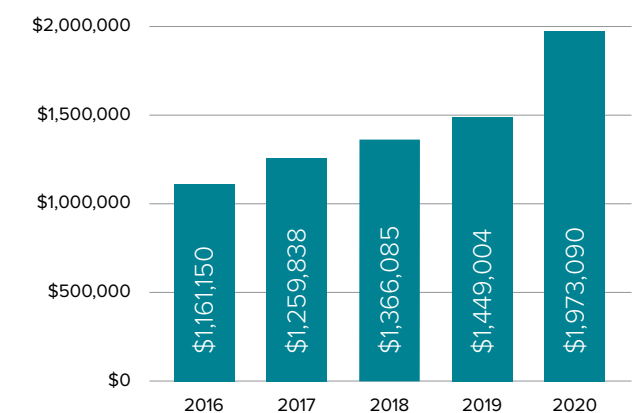
TOTAL EQUITY CAPITAL 1990–2020 (IN THOUSANDS)



NET LOANS & LEASES 2016–2020 (IN THOUSANDS)



CORE DEPOSITS 2016–2020 (IN THOUSANDS)



STATEMENTS OF FINANCIAL CONDITION & OPERATIONS (IN THOUSANDS)

GULF COAST BANK ASSETS	2020	2019	CHANGE
Cash & Due From Banks	\$154,231	\$133,154	15.8%
Investment Securities	\$250,033	\$196,154	27.5%
Loans	\$1,802,422	\$1,407,630	28.0%
Other Assets	\$89,892	\$83,664	7.4%
TOTAL ASSETS	\$2,296,578	\$1,820,602	26.1%

LIABILITIES & EQUITY	2020	2019	CHANGE
Deposits	\$2,059,287	\$1,609,550	27.9%
Borrowings	\$21,102	\$24,095	-12.4%
Other Liabilities	\$23,136	\$18,436	25.5%
Equity Capital	\$193,053	\$168,521	14.6%
TOTAL LIABILITIES & EQUITY	\$2,296,578	\$1,820,602	26.1%

STATEMENT OF OPERATIONS	2020	2019	CHANGE
Interest Income	\$141,119	\$146,696	-3.8%
Interest Expense	(\$15,312)	(\$21,093)	-27.4%
Loan Loss Provision	(\$17,402)	(\$7,750)	124.5%
Non-Interest Income	\$53,123	\$37,888	40.2%
Non-Interest Expense	(\$133,101)	(\$124,970)	6.5%
Income Tax Expense	(\$5,717)	(\$3,670)	55.8%
NET INCOME	\$22,710	\$27,101	-16.2%

Client Profiles

Cast of Characters

All our clients are special to us. Here are a few partners we think you'll enjoy meeting and getting to know a little better.

Pat Gallagher

The Joy of Cooking



he story of Pat Gallagher is a tale of food and friendship. When you have five successful restaurants under your umbrella, you know your way around the kitchen. But equal to his passion for food is Pat's love for his guests. "Our guests are our friends," he said. "Through good times and bad, they've always been there for us. I arrange my schedule every day so I can spend time talking to the folks who share our tables."

All five of his restaurants are located on the Northshore of Lake Pontchartrain where Pat grew up. He has deep roots in St. Tammany Parish. His grandfather, Dr. Geautreux, was one of the founders of St. Tammany Parish Hospital, and was

also the parish coroner. His father, Coach Hubie Gallagher, was inducted into the Louisiana High School Football Coach Hall of Fame. There is a public park named in his honor, as well as the Covington High School gymnasium.

Pat's newest venture — Pat's Rest-A-While — is a casual, water front seafood restaurant and bar located in Mandeville in a newly restored historic hotel from the 1800s.

"You hear the term personal banker. At Gulf Coast Bank, that's how they live. When COVID hit we didn't know which way to turn. The phone rang and it was our banker asking how they could help. Love these guys."



"You hear the term personal banker. At Gulf Coast Bank, that's how they live."

Emergent Method It Takes Two



Everyone loves a story about meeting your perfect match. That's how it was when Emergent Method met Gulf Coast Bank. The bank hired Emergent Method to help them with training and leadership development. "That's when we discovered how much they cared about developing the next generation of leadership within the bank," said Nick Speyrer, President. "The more we learned about them, the more we wanted to become their client. They never tried to sell us — we had to ask, and we're glad we did."

Emergent Method is a Louisiana-based management consulting firm focused on helping companies and organizations innovate, grow, improve their performance and achieve their missions.

"Gulf Coast Bank truly lives out their stated values. They meet the same high standards we set for ourselves. They have become partners, friends and trusted colleagues. We want to work with people we like, and we really like them as a company," said John Snow, Partner.



JOHN SNOW
Partner



"They never tried to sell us — we had to ask."



NICK SPEYRER
President

Lola Cheramie

What Comes Next



In fairy tales of old, the princess had to wait for the hero to come along. But Lola Cheramie is a teenager in 2021. She's writing her own story and is far too busy to wait. A sophomore on her high school varsity Power Lifting team, she's ranked second in the state. Lola's hoping to qualify for the World Powerlifting Championships.

When she's not busy studying or lifting, Lola also acts — most recently in her school's Talented Theater production of Hamlet. Did we mention she also plays the ukulele and has a part-time job? Her paycheck as host at the Oxlot 9 restaurant is direct deposited into her Gulf Coast Bank account.

"This is my first bank account. I chose Gulf Coast Bank because they're local. I have a card and everything! They always treat me like an adult, even though I'm only 16. I like that."

"I use the Gulf Coast Bank app on my phone for most things. Checking on purchases, making deposits. I'm always on the go and it's just so easy to use."



"I chose Gulf Coast Bank because they're local."



One Construction No Place Like Home



here's no story sweeter than a homecoming. "I enjoy the process of how a home comes together. I love the steps that make it happen," said Brad Swanford, Owner and CEO.

Brad grew up helping his grandfather fix things and make repairs on rental properties. Today, he owns One Construction and builds custom residential and premiere commercial properties across the New Orleans metro area. "We are a unique city and Gulf Coast Bank understands the challenges of doing business here. They're my number one go-to bank."

"I tell every client that we're about to enter a relationship. It won't be a fairy tale, but I promise you'll live happily ever after. That's how it is with Gulf Coast Bank too. It's more than just business. It's a relationship. They're a partner — they're almost like family."



"Gulf Coast Bank is a partner — they're almost like family."



Employee Spotlights

A Winning Ensemble

It takes a great team to achieve 30 years of banking success. Introducing some of the key players of Gulf Coast Bank.



Effie Moore

Senior Vice President

IN THE BEGINNING

Effie's official title is Senior Vice President, but she's the unofficial historian of Gulf Coast Bank with over 30 years of service. "I came here in 1990 to help out my friend, Guy Williams. I didn't even accept a paycheck at first. I just came to help out. And I've been helping ever since!"

Through the years, Effie has faced what some might call challenges, but she considers them "adventures." From her earliest days as one of the first African American employees of the bank to setting up a post-hurricane Katrina location in Baton

Rouge (with a broom closet acting as a temporary bank vault), Effie has done it all.

"At Gulf Coast Bank, we walk in the spirit of excellence and integrity."

"We're genuine, we listen and we walk in our clients' shoes. We don't say no; we ask how. How can we help? How can we make it happen?"



Christian Briceño

Branch Manager

OH, THE PLACES YOU'LL GO

Christian Briceño's story is one of hard work and good deeds. Christian started his banking career as a security guard. But he had a greater goal, and this year, he achieved it. Briceño is the youngest Branch Manager at Gulf Coast Bank. "My whole career I've worked to get to this level. Now I help my associates develop their skills and grow in their career paths. It makes me so proud when they're promoted."

Christian also has a caring heart for clients. A client quarantined in a nursing home needed a copy of his bank statement. Christian hand-delivered the document and worked with the client over the phone until his questions were answered.

"Other places, you don't talk to the manager until there's a problem. That's not how we do it at Gulf Coast Bank."

"My desk is front and center — I'm one of the first people you see. It's important for me to have a good relationship with our clients."



Mickey Spencer

Senior Vice President, Commercial Lending

A DREAM IS A WISH...

Mickey Spencer makes people's dreams come true. He's been doing it at Gulf Coast Bank for the last 23 years. As a commercial lender, he's helped thousands of people start their businesses and achieve long-term financial success. When Mickey started, the bank had just 70 employees. Today that number is almost 700. "But how we do business hasn't changed," said Mickey. "We truly are a community bank. We know our clients. We count on each other and we care for each other. It's a privilege to work here."

"Despite the restrictions of social distancing, we've actually gotten closer to our clients during COVID. We reached out to our businesses. We knew they needed our counsel and support."

"We showed them that we don't just 'talk the talk' — we live it with them and we walk the walk."



Hoang Nguyễn

Vice President of Secondary Marketing and Technology

THE FUTURE IS NOW

Hoang Nguyễn leads the group that handles all of the technology and data that supports the bank's mortgage division. "What we do happens behind the scenes. And that's the way it should be. We advance efficiency and leverage technology to better serve our clients."

Gulf Coast Bank clients rate their mortgage experience as a 4.9 out of 5 — and that means they're really happy. That's what Hoang likes to hear. "It's important for our team members to know that

what they do every day makes a real difference and has a positive impact in the community."

"Our mission is to predict, connect and adapt to the latest technologies in banking."

"We're transforming the future of 'the bank that cares about you'."



Cindy Liggett

Accounting Supervisor

WHERE THE HEART IS

Cindy Liggett came to Gulf Coast Bank 27 years ago as a temporary employee to answer the phone ... and she's lived happily ever after, ever since. When Cindy joined the bank, there were only three branches, and now there are 19.

"We've grown, but we're still a community bank," said Cindy. "I never left the city during Katrina. I was at the first branch office that reopened. We let other community banks come in and share the space with us. Not competing, cooperating — you can't get much more community than that!"

"The best thing about working for Gulf Coast Bank is the people. Like Guy Williams."

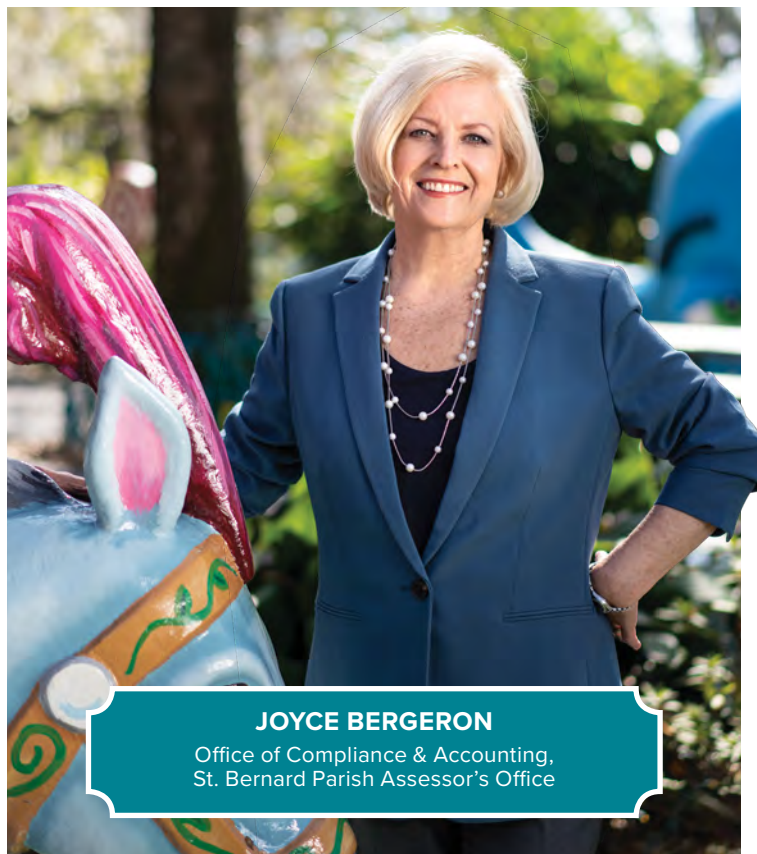
He's President and CEO ... that's the top. But Guy never makes anyone feel like he's above us. He's part of the team — he doesn't make you feel like 'I'm up here and you're down there.' No pretense, he really means it."

Board of Directors Under the Enchanted Oaks



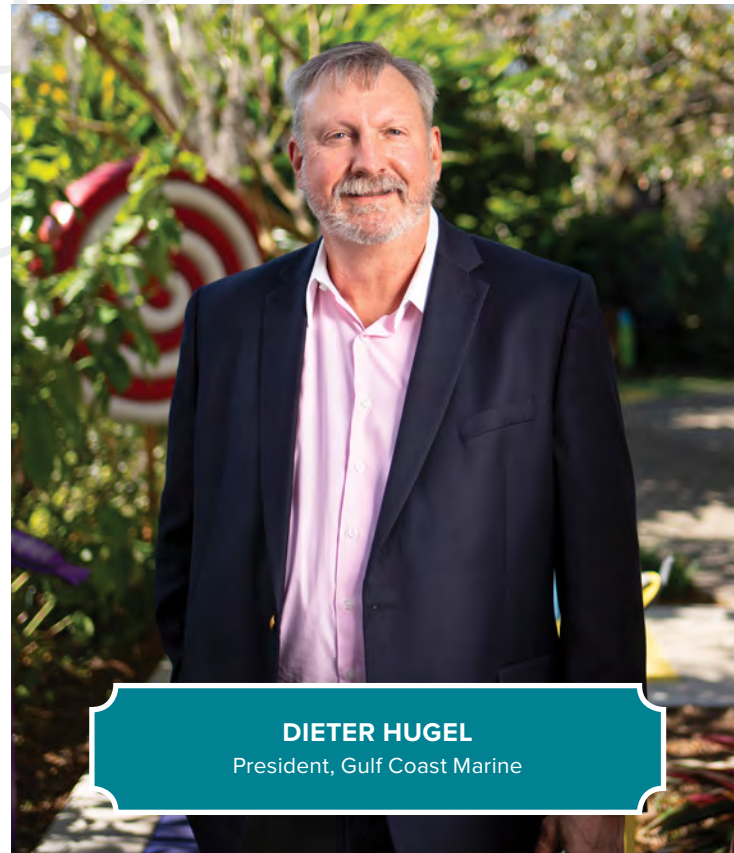
ur Board of Directors gathered in historic Storyland to celebrate three decades of community banking.

Storyland is a fairy tale playground in New Orleans City Park filled with larger-than-life sculptures of folktales, fantasy and child-sized adventures.



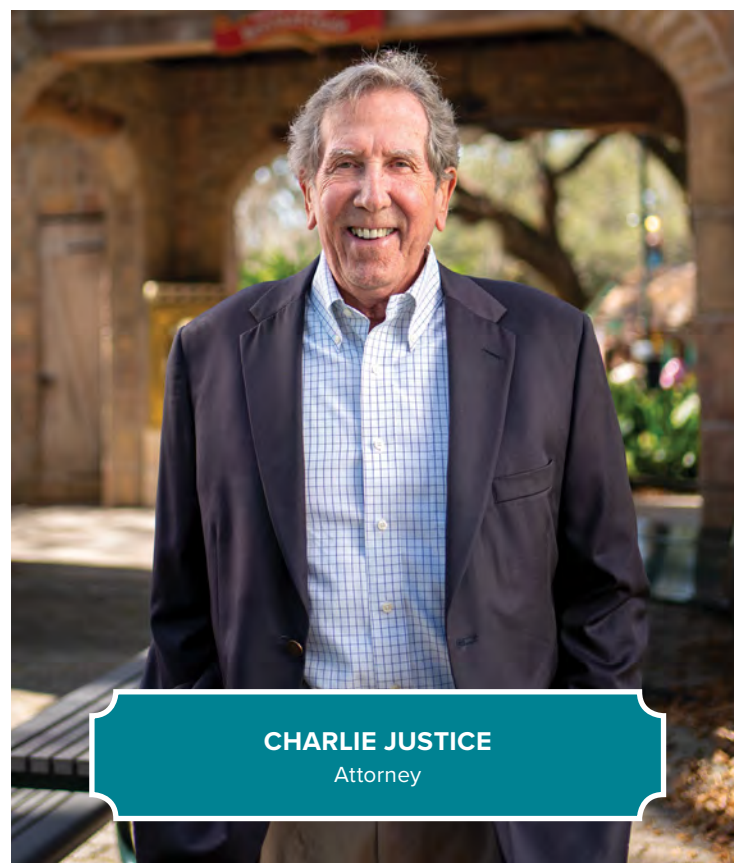
JOYCE BERGERON

Office of Compliance & Accounting,
St. Bernard Parish Assessor's Office



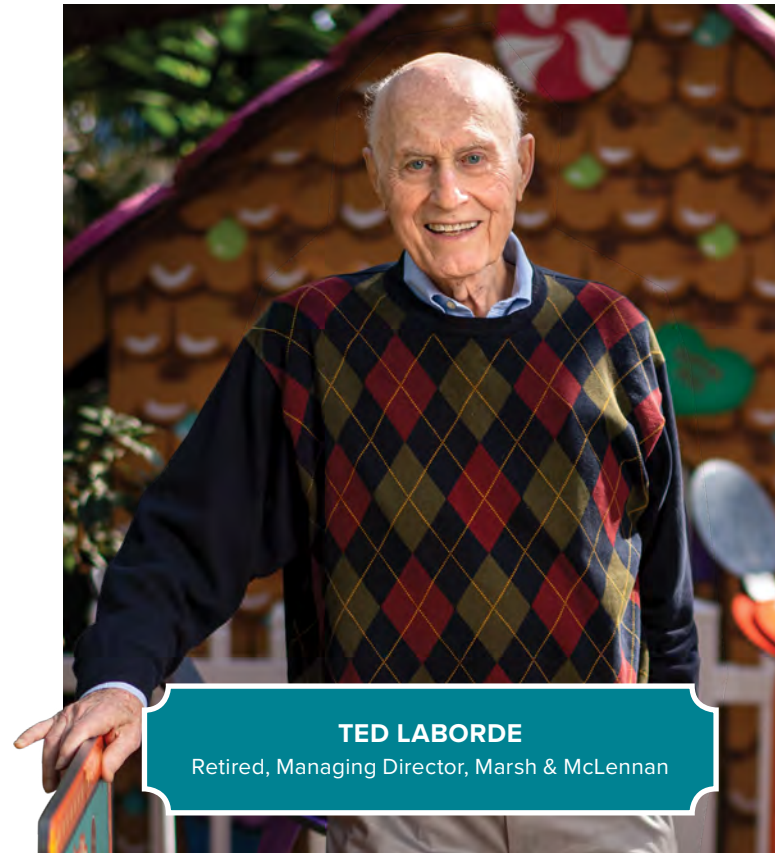
DIETER HUGEL

President, Gulf Coast Marine



CHARLIE JUSTICE

Attorney



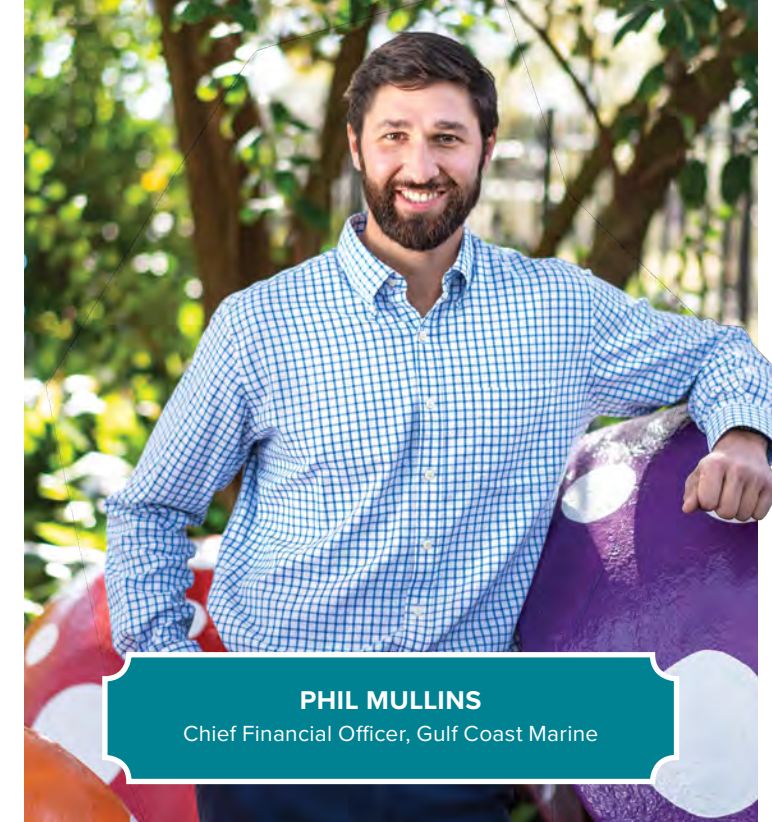
TED LABORDE

Retired, Managing Director, Marsh & McLennan



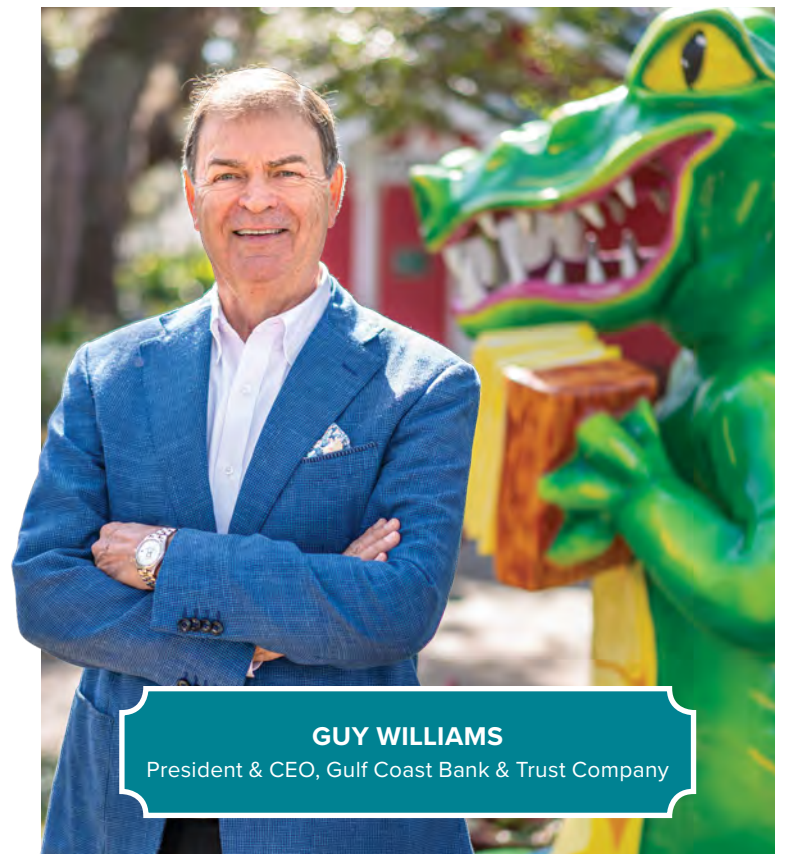
DAVID STRASSNER

Geo-Scientist, Independent Operator & Producer
of Oil & Gas, Strassner Management, LLC



PHIL MULLINS

Chief Financial Officer, Gulf Coast Marine



GUY WILLIAMS

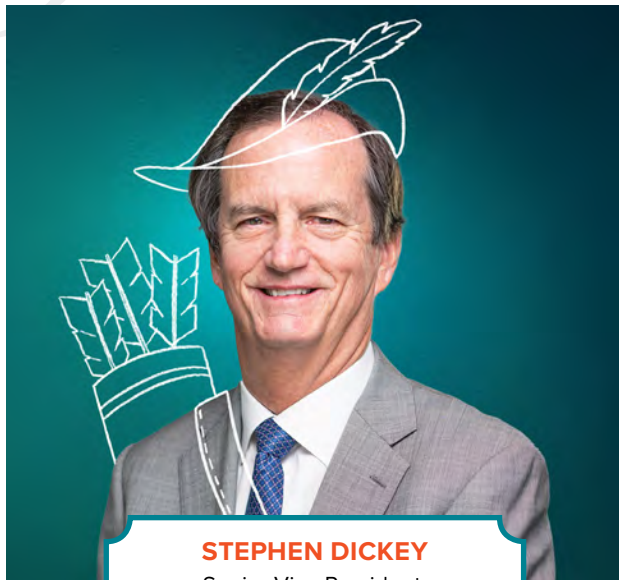
President & CEO, Gulf Coast Bank & Trust Company

Management Team

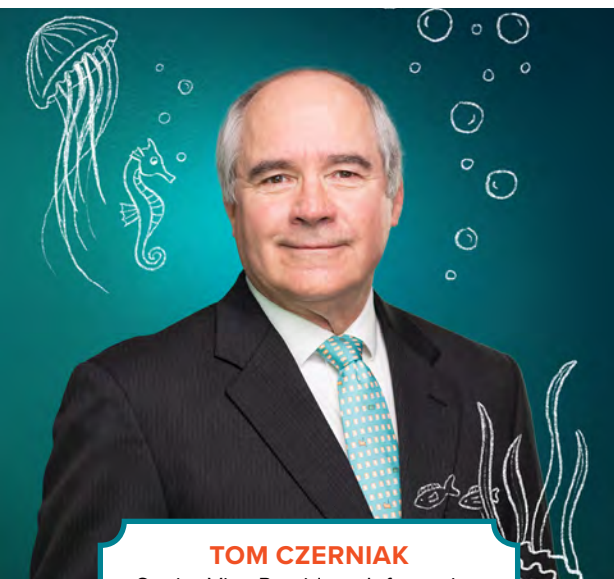
Playing the Part



KIM CARVER
Senior Vice President, Human Resources & Government Relations



STEPHEN DICKEY
Senior Vice President, Consumer Banking Executive



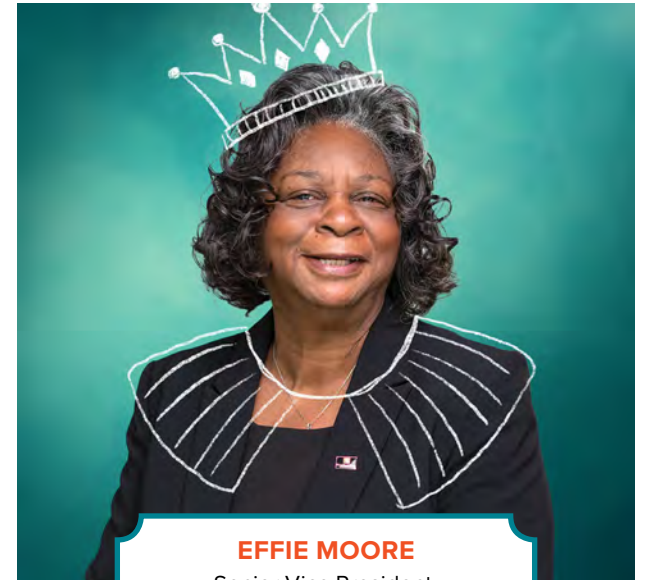
TOM CZERNIAK
Senior Vice President, Information Technology & Operations



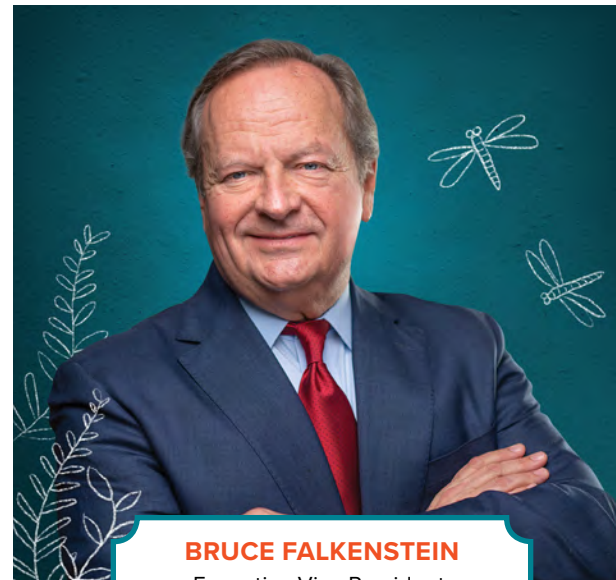
SHEILA ENGLERT
Director of Marketing



LIZ EVANS
Chief Audit Executive



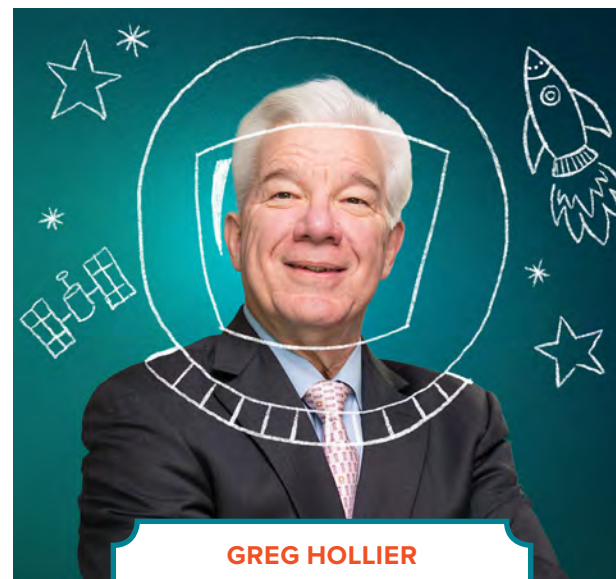
EFFIE MOORE
Senior Vice President, Security & Facilities



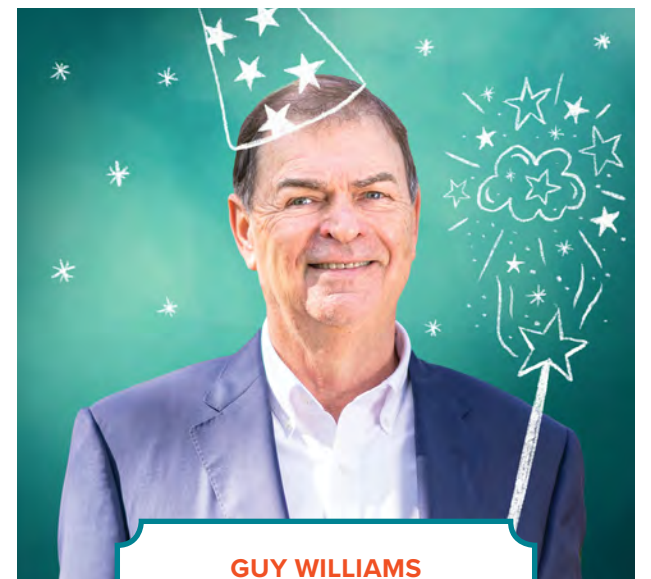
BRUCE FALKENSTEIN
Executive Vice President, Chief Lending Officer



SLADE SIMONS
Executive Vice President, Wealth Management & Trust



GREG HOLLIER
Senior Vice President, Chief Financial Officer



GUY WILLIAMS
President & CEO

Branch Locations

EASTBANK

1 Carrollton

201 N. Carrollton Ave., New Orleans, LA 70119
504-544-6310 or 1-800-223-2060

2 Lakeview

848 Harrison Ave., New Orleans, LA 70124
504-539-7300 or 1-800-223-2060

3 Magazine

3200 Magazine St., New Orleans, LA 70115
504-841-6000 or 1-800-223-2060

4 Main Office

200 St. Charles Ave., New Orleans, LA 70130
504-561-6100 or 1-800-223-2060

5 Transcontinental

5001 Veterans Blvd., Metairie, LA 70006
504-539-7310 or 1-800-223-2060

6 Veterans

1825 Veterans Blvd., Metairie, LA 70005
504-841-2830 or 1-800-223-2060

7 Williams

3410 Williams Blvd., Kenner, LA 70065
504-565-3656 or 1-800-223-2060

WESTBANK

8 Gretna

201 Huey P. Long Ave., Gretna, LA 70053
504-544-5599 or 1-800-223-2060

9 Manhattan

1901 Manhattan Blvd., Bldg. F, Ste. 100
Harvey, LA 70058
504-544-6350 or 1-800-223-2060

10 Terrytown

737 Terry Pkwy., Terrytown, LA 70056
504-561-6110 or 1-800-223-2060

ST. BERNARD

11 Business Center

1801 E. Judge Perez Dr., Chalmette, LA 70043
504-569-1900 or 1-800-223-2060

12 Civic Center

8216 W. Judge Perez Dr., Chalmette, LA 70043
504-561-1300 or 1-800-223-2060

NORTHSHORE

13 Boston Street

423 E. Boston St., Covington, LA 70433
985-646-6530 or 1-800-223-2060

14 Covington 190

1110 N. Hwy. 190, Covington, LA 70433
985-898-3900 or 1-800-223-2060

15 Mandeville

4565 LaSalle St., Mandeville, LA 70471
985-249-7240 or 1-800-223-2060

16 Slidell

1900 Oak Harbor Blvd., Slidell, LA 70461
985-646-6500 or 1-800-223-2060

17 Hammond

300 W. Morris Ave., Hammond, LA 70403
985-249-7272 or 1-800-223-2060

BATON ROUGE

18 Old Goodwood

7235 Jefferson Hwy., Baton Rouge, LA 70806
225-932-7272 or 1-800-223-2060

19 Perkins

13906 Perkins Rd., Baton Rouge, LA 70810
225-763-2000 or 1-800-223-2060



Offices

GULF COAST BANK ACCOUNTING

1 Metairie, Louisiana

GULF COAST BANK BUSINESS CREDIT

2 Austin, Texas

3 Corpus Christi, Texas

4 Houston, Texas

5 Baton Rouge, Louisiana

AMERIFACTORS (BUSINESS CREDIT)

6 Kissimmee, Florida

PHOENIX CAPITAL GROUP (BUSINESS CREDIT)

7 Scottsdale, Arizona

UNITED CAPITAL FUNDING (BUSINESS CREDIT)

8 St. Petersburg, Florida

GULF COAST BANK TUITION MANAGEMENT

9 Gretna, Louisiana

GULF COAST SBA LENDING

10 Dallas, Texas

GULF COAST BANK MORTGAGE LENDING

11 Denham Springs, Louisiana

12 Destin, Florida

1 Metairie, Louisiana

13 Orlando, Florida

14 Sarasota, Florida

15 Thibodaux, Louisiana

SPECTRUM COMMERCIAL SERVICES

16 Minneapolis, Minnesota

Services

PERSONAL BANKING

Digital & Mobile Banking

Checking & Savings Accounts

Credit Cards, Pre-Paid Cards & Safety Deposit Boxes

Money Markets & Certificates of Deposit

Individual Retirement Accounts
& Health Savings Accounts

Consumer Lending
(Personal Loans & Home Equity Lines of Credit)

Tuition Lending

BUSINESS BANKING

Digital & Mobile Banking

Checking & Savings Accounts

Money Markets & Certificates of Deposit

Business Solutions & Cash Management

Commercial Lending

Real Estate Loans, Working Capital & Lines of Credit

Small Business Administration Program Lending

MORTGAGE

Conventional Home Loans

FHA, VA, USDA/Rural Development Loans

Bond Programs

Construction Loans

WEALTH MANAGEMENT & TRUST

Investment Management Services

Financial & Retirement Planning

Insurance

Personal Trust Services

Retirement & 401(k) Plans for Businesses

BUSINESS CREDIT

Factoring & Accounts Receivable Financing

Asset Based Lending

*In Loving Memory of
Dieter Max Hugel*

Co-founder of Gulf Coast Bank & Trust
1939–2020



GULF COAST BANK
& Trust Company

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