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WOW! The Official Publication for The Paducah Bank and Trust Company
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If you have questions about a product or service or would like to obtain a copy of Paducah Bank's WOW!, contact Susan Guess at 270.575.5723 or susan@paducahbank.com. MEMBER FBIC (a) Photography by Glenn Hall
On the cover Dr. LaNita
Flanary and Bitsy



Dear friends:

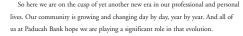
CAN IT BE THAT YET ANOTHER DECADE HAS

come and gone? Time flies when you're working hard each day to give your friends and clients 21st century banking services with centuries-old care and compassion.

And what a decade it has been. The first decade of the 21st century has been momentous, both in amazing and sobering ways.

For us, here at Paducah Bank, it's been much of the same. Bold new strides forward have taken us to technological places we really never dreamed possible. Great people have joined our ranks. Old friends have left us. New customers

> have become new friends. Those who have been with us for *many* decades are cherished for their loyalty and long-standing relationships.



By building strong personal connections to each of you, our valued clients, we hope we're enriching your individual lives financially and with our sincere interest in your success. By building strong connections with our community's leaders and organizations, we hope we're making a difference in the ultimate success of our part of the world.

And, indeed, we ARE a part of the world. A while back, Arianna Huffington, a well-known internet journalist, suggested that people all over the country make their feelings known about big-bank bailouts by moving their money to trusted community banks. Just imagine—here in the midst of the "global revolution," a national journalist is suggesting that we get back to hometown values and "buying

local." Maybe what goes around does, in fact, come around.

What we've come to is the end of one fascinating decade at Paducah Bank and the beginning of yet another. We hope you'll join us. It's going to be a great ride!





Go for the Gold!

Paducah Bank's GENERATIONS GOLD® Checking Account!

Save on travel, entertainment, insurance, purchases and much more!

Identity theft protection and security center

Personalized full service travel network just a phone call away

Guaranteed lowest published air fare available at the time of booking

Discounted life, health and pet insurance Vacations, cruises, car rentals and hotels with discounts and rebates

Discounted theme park tickets, movie tickets and Blockbuster rentals 90-day purchase protection and extended repair warranty program

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Rebate on Sam's Club® membership Discounted long distance service and pre-paid phone cards

Get **GENERATIONS GOLD*** discounts from more than **100 Local Merchants** including restaurants, florists, day care centers, landscapers, gift shops, barbers,

contractors, salons, body shops, and many more!

Bringing the Bank To The Business

Paducah Bank's Merchant Capture Service allows business clients to bank from their own base of operations.

ST. MARY SCHOOL SYSTEM Finance Manager Ellen Anderson seldom goes to the bank anymore. The bank comes to her.

With a machine on her desk that copies and endorses checks and "Desktop Teller Client" software on her computer (furnished and installed by Paducah Bank), Ellen manages daily deposits from the comfort and convenience of her office.

"When Paducah Bank contacted me to see if I was interested in the Remote Capture service, I was very enthusiastic," says Anderson.



"This feature saves time, money, and personnel. I do not have to hand write a deposit slip, or drive to the bank, or wait in line. This feature is very effective."

Paducah Bank employee Robin Moyers, who handled Merchant Capture Service installation and training for St. Mary, says the way payments are processed has changed drastically over the last few years, and making options available to customers is important. "Working with customers face to face and helping them make their banking needs more efficient and convenient is a privilege," Robin says.

One convenience of the Merchant Capture Service enjoyed by Anderson is the ability to make deposits late in the day. "Before I started using this feature, I had to wait until the next day to deposit my daily receipts. Now I can close my day as late

as 4 p.m. and still get my deposit 'to the bank' the same day," she explains.

The attraction of the new service by nearby clients has surprised Paducah Bank Operations Manager and Vice President Melissa Lindsey. Melissa initially expected that the customers with a longer drive to the bank would be the first to jump on board. "While the cost savings is

GO with Paducah Bank!

And keep your money management as mobile as you are.



Mobile Banking • New mobile banking features will allow you to utilize your cell phone to perform balance inquiries, view transactions, transfer funds, and even pay bills. Paducah Bank will also have an iPhone application that will be available to enhance your visual experience and to provide more functionality. Mobile Banking available March 2010. iPhone app available 2nd Ovarter 2010.

Life is no longer static. No one stands still for very long. Being on the GO has taken on a whole new meaning in the 21st century. We know. And we're constantly mention changes to the way we offer banking services to match up with the way you live your life.

So...introducing...MORE mobile

Paducah Bank money management options.

Estatements • Paducah Bank is integrating the current E-statement product into
Internet Banking. In the past, the two
products were separate which required
customers to have two login credentials.
With this new integration, you will need
only one login; everything you need will be
available on the Paducah Bank Internet
Banking site. Availability set for July 2010.

Quicken • Quicken users will see a dramatic improvement in the downloading of transactions with a "DirectConnect" link with Intuit's Quicken and QuickBooks products. This means that you will no longer need to login to Paducah Bank Internet Banking and download transactions. The information is downloaded within Quicken using the "One Step Download." This option will seamlessly download transactions, as well as other new functionalities, all from within the Intuit Quicken or QuickBook products. Anailable now.

Real Time ATM/Debit Cards •

Paducah Bank will soon offer a real-time interface with our debit card product. You'll have up-to-date balance information via our ATM network as well as our telephone and Internet Banking products. This migration will keep all of these informational resources in sync, giving you the same current and timely

a reality for any client regardless of their location, this solution has attracted the attention of customers just blocks away from the bank," says Lindsey. She adds that the service offers multiple benefits, including allowing businesses with more than one location to consolidate accounts and reduce account maintenance and transaction fees.

And although the Merchant Capture Service is complex in its capabilities, it is simple in use. "The software is very user friendly," says Anderson. "I highly recommend it."

For more information about banking from your office with Paducah Bank's Merchant Capture Service, contact Robin Moyers at 575.5716.

information to handle your daily banking activities. Availability set for June 2010.

Online Account Opening • As much as we love to see our loyal customers, we fully realize that you're busy and that sometimes getting into the bank during operating hours isn't within your daily schedule. Now Paducah Bank will offer Online Account Opening that can be accomplished anytime, anywhere. This product will allow you to open a Paducah Bank checking or savings account and fund it, all electronically, and with just a few simple steps. Availability set for June 2010.

With mobile banking, updated E-statements, new Quicken integration, real-time ATM and debit cards, and the ability to open accounts online, there's never a time when you can't connect with your favorite bankers! WOW!



ATM/banking locations

banking hours

_	
www.paducahbank.com	24 Hours
WowLine! (24 Hours)	575.6677
LOBBY	
Monday-Thursday	8:45 a.m 4 p.m.
Friday	8:45 a.m 6 p.m.
DRIVE-THRU	
Monday-Thursday	7:45 a.m 5:30 p.m.

banking center locations

MAIN OFFICE • 555 Jefferson Street	575.5700
MID-CITY • 2401 Broadway	575.5763
REIDLAND • 5542 Reidland Road	575.5761
LONE OAK • 2635 Lone Oak Road	575.5711
STRAWBERRY HILL . 4575 Paran Drive	575 5725

atm locations

Main Office	555 Jefferson Street
MID-CITY	2401 Broadway
REIDLAND	5542 Reidland Road
LONE OAK	2635 Lone Oak Road
LONE OAK (Super Valu parking lot)	2855 Lone Oak Road
STRAWBERRY HILL	4575 Pecan Drive
WEST PARK	2781 West Park Drive
JACKSON STREET (Super Valu parking lot)	2965 Jackson Street
McCracken County Courthouse	300 South 7th Street
LOURDES MEDICAL PAVILION	Lourdes Medical Pavilion



HONORS HONORS

Dr. Wally Montgomery for Medical Contributions

DR. WALLY O. MONTGOMERY, RETIRED PADUCAH SURGEON AND A MEMBER OF

The Paducah Bank and Trust Company Board of Directors, was recently awarded the Samuel D. Gross Career of Surgery award by the University of Louisville School of Medicine.

Dr. Samuel D. Gross was one of the first Chairs of the University's Department of Surgery and was innovative in the early practice of surgery. He formulated and taught the first hands-on, systematic approach to surgery in the United States and was a

founder of the American Medical Association, as well as the American Surgical Association, which later became the American College of Surgeons.

The Samuel D. Gross award is bestowed upon doctors who contribute significantly to the field of surgery and further the advancement of surgery in their communities. Dr. Montgomery was presented the award at a summer banquet, which also recognized University of Louisville senior residents upon completion of their residencies.

Dr. Montgomery retired from his Paducah practice in 2001 after a medical and surgical career that spanned 40 years. While in practice, he regularly trained surgical residents from the Louisville School of Medicine. He was involved in setting criteria for the American College of Surgeons and served the organization as Governor for Kentucky for six years and as local chapter president.

"Dr. Gross was an innovative teacher and someone I had done a lot of research on," says Dr. Montgomery. "Dr. Kelly McMasters, the



University's current Department of Surgery Chair, called to tell me I had been selected for the award, and I was quite honored."

Dr. Montgomery is a longtime contributor to numerous civic, educational, and charitable causes. He is married to former Paducah Mayor Gerry Montgomery, and they are the parents of Dr. Evelyn Montgomery Jones, Dr. David Montgomery, and Katharine Montgomery Krause.



N HER FIRST DAY OF FIRST GRADE AT FARLEY ELEMENTARY SCHOOL, LITTLE
LaNita Flanary announced to teacher Linda Thompson that she was going to be a veterinarian, "and I know
how to spell that" she added for good measure. "Mrs. Thompson just loves to tell that story," laughs LaNita, who
became a Doctor of Veterinary Medicine some 20 years later, a job which she says is "all of what I expected and so much more."

A lifelong animal lover, LaNita grew up on a small farm on Husbands Road with a menagerie of pets. Now a large farm on the line of Marshall and Graves Counties is home to LaNita and a larger menagerie of pets, each of which she considers part of her family. The animals that were her companions as a child and the animals that are her companions now—cattle, Nigerian dwarf goats, Netherland dwarf rabbits, tiny pot-bellied pigs, cats, three very special dogs she counts as her children, and an assortment of chickens, ducks, and geese—prompted LaNita to include the treatment of exotic animals in her practice.

"When I was 12, I saved my money and bought a three-day old calf I named Precious. Precious was my best friend; she heard about my boy troubles and listened to my 4-H and FFA speeches, she was there for everything. That experience taught me that pets don't have to be "typical" animals. Someone may bring in an iguana they love just as much as someone else who loves their dog, and I want to be able to treat this beloved animal that is someone's best friend." Although exotic animals account for only 5% of Dr. Flanary's practice, with 80% of the clinic's patients being dogs and 15% cats, LaNita believes she now cares for more exotic animals than any other vet in the area.

LaNita opened Flanary Veterinary Clinic as a young doctor in 1997. She had graduated as valedictorian from Reidland High School in 1988, attended Murray State University, and was granted prestigious early acceptance to Auburn University Veterinary

It's more than her JOB, it's her LIFE.



School. After graduating summa cum laude and completing her veterinary preceptorship (similar to an internship), LaNita worked for other doctors in the area for about two years before deciding to build a clinic of her own.

Today, she has a staff of eight, including Dr. Robert "Marty" Wynn, who is a native of the Heath area, four technicians and three assistants. And she considers Paducah Bank a partner in her success.

"I was 26 years old when I decided to build my clinic and was very concerned about finances. My CPA and I wrote a business plan and took it to Paducah Bank. They said, 'How can we help you?' They believed in me. They've been with me every step of the way.

"Tom Clayton has been wonderful to me, and that motivation Paducah Bank gave me by believing in me made me believe in myself. They have helped make my business a success."

In 15 years of practice, LaNita has seen significant changes in the field of veterinary medicine. She says that in addition to a much greater ability to perform diagnostic tests on-site and important advances in medications and treatments, one of the biggest changes is with pet owners. "People have moved their pets from the backyard to the bedroom. Pets have become a more significant part of people's lives and families," she says, and adds that she takes her job of caring for these family members very seriously.

"I look at my own animals as my children. Animals bring unconditional love and happiness, and I get to keep animals healthy so that they can bring joy to people's lives for years to come. One of the best compliments I ever received is when a man who has known me my whole life said about me, 'This isn't her job; this is her life."

Flanary Veterinary Clinic is located at 200 Eagle Nest Drive in Reidland. More information is available at www.flanaryvet.com.



here is NO TYPICAL DAY," says Dr. Flanary. "You never know what the day will bring." Some of her more unusual days have included treating a water dragon, a water tortoise, and a chinchilla which required a C-section, resulting in three healthy baby chinchillas.



WE HAVE SPIRIT! How about you?

Show your team spirit with a set of sports fan checks from Paducah Bank! Say hurray for the team of your choice every time you write a check.

Order your Spirit Checks today from Paducah Bank. School receives \$1 for every box of checks ordered.











PROUD to be Paducah's Bank!

In the first decade of the 21st century, Paducah Bank has achieved milestones that we never dreamed possible. We'd like to thank you for helping to make it all possible!

Number ONE mortgage lender in Paducah/McCracken County.

Number ONE small business lender in Paducah/McCracken County.

TOPS in rating for safety and soundness with a 5-star rating by Bankrate and Bauer Financial; the highest ranking of all banks in McCracken County.

Named 2008 BUSINESS of the YEAR by the Paducah Area Chamber of Commerce.

Voted BEST place to work in Kentucky among medium-sized companies in 2006.

Named one of the TOP 15 Small Workplaces in North America by The Wall Street Journal.

SUPERIOR score of 296 points out of possible 300 as calculated by IDC; the highest score in Kentucky for banks over \$200 million.

Paducah Bank is PROUD of our customers, employee-owners, and board of directors. You're number ONE!



Gary Wood is once again in the **MUSICZONE**

IN OCTOBER 2005, GARY WOOD TURNED OUT THE LIGHTS TO HIS EXECUTIVE

office at Lourdes Hospital for the last time. Throughout the 1990s and early part of the 21st century, Gary developed an advanced system for filing electronic medical records—technology that was years ahead of its time. He became CIO of the hospital, and achieved a level of success that enabled him to retire in his early fifties.

Growing up, Gary developed a love for music performance and began playing guitar and piano around the house with his father. Always involved with various rock bands throughout high school, he helped form the Blue River Band, a local rock outfit known for tight vocal harmonies that developed a loyal local fan base in the 1980s. Gary left the band in 1989 to pursue his medical career, putting music on the sidelines for a while.

Retiring in 2005, Gary dove right back into his musical interests. He was able to increase time spent behind the piano and guitar, and in November 2006, decided to purchase Music Zone. A shop formerly dedicated to servicing area grade school and high school band programs, Gary envisioned a full service music center that could offer a variety of services.

> Hiring some of the area's best musicians to teach hundreds of lessons, Music Zone also brought on some excellent luthiers who specialize in repairing and customizing all kinds of musical instruments. Music Zone also started carrying high-end gear and opened a small recording studio, all in house.

"Paducah Bank was instrumental in supporting my business {no pun intended}," Gary says.

"Their dedication and interest in my ideas made it possible to make the change from working in the medical industry to owning my own business. I wouldn't have been able to do it without their incredible level of assistance and personal service."

Today, Gary currently runs three Music Zone stores: the original storefront in Lone Oak, another in downtown Murray, and the third located in Union City, Tennessee. Wood is also back to playing with the Blue River Band. Mike Scott, Thomas Dick, Michael Webb, and Gary took the stage at the Bridge Street Eagles Club in January 2009, a reunion 20 years in the making. They can now be found playing every weekend at The Captain's Place in downtown Paducah, where they are the house band.

"All I have ever wanted to do is play music, and my

partnership with Paducah Bank has enabled me to get back to my passion."







of volunteers on this beautiful spring day, the Paducah

Bank paint crew was able to accomplish a project that would have taken days for a single individual to finish. That's what happens when we're all united!







Erin Gwinn Coale has taken tea time to prime time in one of Paducah's grand dame establishments.

ERIN GWINN COALE FELL IN LOVE WITH AFTERNOON TEA AS A STUDENT AT OXFORD University in England. As a young adult in Paducah, she yearned to recreate that experience. • The yearning led Erin to adapt the age-old English tradition of tea and crumpets into more of a new-age tea at the former Elks Club in downtown Paducah. The elegance of the vintage building provided just the proper backdrop for Erin's brainchild, Serenitea. • To further the idea that was brewing in her mind. Erin has earned the title of "tea specialist" bestowed by the Specialty Tea Institute.



Screnitea offers seventy-five different teas, including two which are Erin's personal blends. In addition to a variety of teas, there's also a variety of gifts for the hostess or bride, beautifully displayed on antiques, which decorate the space. "To me, tea and hospitality go hand in hand," says Erin. "Our gifts center around that concept."

Opening Serenitea was "a big endeavor and very frightening," Erin recalls. However, with her mom by her side and her idea solidly entrenched in her heart, Erin didn't hesitate to go to Paducah Bank where her family has done business for years.

"Joe Framptom and Carla Berry took care of me from the very beginning. I am amazed at the environment that exists at Paducah Bank. Everyone is so friendly and excited to be at work every day. I hope to take the values I've learned from Paducah Bank and create that same culture at Serenitea."

Owning your own business and being a mother of two isn't always easy, Erin admits. "One thing that appeals to me about living in Paducah is being near family. My children are blessed with grandparents galore," she says.

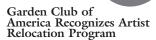
Erin proudly admits that Serenitea is a family affair. She includes Paducah Bank in the close knit group that completes her formula for success. She plans to work closely with her personal bankers as she implements phase two, which includes opening the upstairs ballroom.

"The sky's the limit for that space" she excitedly exclaims.



"It is so beautiful."

Those same words could be used to describe this special young woman and the potential for her impact on the future of downtown Paducah. "Without Paducah Bank and the constant support from my family, I wouldn't have been able to accomplish my dreams. In return, I hope to foster the dreams of my associates," Erin says.
"I'm very fortunate to have had this opportunity."



hen Paducah played host to a meeting of Garden Club of America representatives in October, Paducah Bank CEO Joe Framptom was pleasantly surprised to accept an award for Historic Preservation, presented jointly to Paducah Bank and the City of Paducah, for Paducah's Artist Relocation Program.

Lois Hammet, Awards Chairman for the Garden Club of Paducah, proposed the award to Garden Club of America officials. Convention and Visitors Bureau Executive Director Mary Hammond formally seconded the proposal.

Mrs. Hammet explains that one award can be given in each of several categories in each Garden Club of America zone. Kentucky is part of Zone VII, along with Virginia, West Virginia, and North Carolina. The commendation is awarded annually to a person or group who is not a garden club member but who has made a significant contribution to historic preservation within the four-state zone.

The Artist Relocation Program received the Zone Historic Preservation Commendation for Zone VII for "vision, industrious spirit, and extraordinary dedication in Historic Preservation," according to the proposal letter.

"The Garden Club of Paducah felt the revitalization of Lower Town would not have been possible without the support of Mayor Bill Paxton and Paducah Bank officials," said Mrs. Hammet.

"What a **nice** surprise to be recognized by this respected organization, both in terms of our community and Paducah Bank."

—Joe Framptom

s A YOUNG BOY GROWING UP
in Paducah, Jimi Gwinn loved playing with
Legos, taking art lessons in Ms. E.J.'s studio
on Jefferson Street, and like so many young all-American boys,
dreamed of someday playing for the NFL.

Little did he know that a seed was planted in his heart during those formative years. From that seed would grow a passion for creating beauty which bubbles right to the surface the minute you begin talking with this twenty-something entrepreneur.

While seeking a degree in economics at the University of Kentucky, Jimi decided to take a sculpture class as an elective. It was this hands-on academic

encounter that inspired the talented young man to try his hand at woodworking.

Gwinn, who is confined to a wheel chair, has difficulties sitting at most traditionally designed desks. Fueled by his own needs and his newly discovered interest, he began, with very minimal tools, a challenging summer project of building himself a customized desk.

"Building furniture introduced me to the beauty and intricate patterns that are natural to exotic hardwoods," Jimi recalls. "My next venture was into the craft of box-making."

As fate would have it, Paducah's
Artist Relocation Program was then in full swing, and
Jimi was able to exhibit his work in downtown galleries. It
didn't take long for his ability to unite different woods in
aesthetically pleasing ways to be appreciated and noticed by
art lovers around the region.

In 2006, Gwinn's creative spirit led him to an apprenticeship with Leon McGary, a talented craftsman who had spent a career in custom jewcry design. With yet another skill under his belt, Jimi opened J.S. Gwinn Fine Jewelry, which is located at 212 Lone Oak Road in Paducah.

Jimi, who jokingly credits this unusual spelling of his name

to his childhood adoration for rock star Jimi Hendricks, specializes in custom jewelry for his customers. A large bulk of his work centers around harvesting stones from older pieces and reworking them into more contemporary designs suited for today's lifestyle.

Jimi excitedly talks about the varied computer programs available to assist him not only in the design process, but in the actual fabrication of jewelry. He has recently purchased a brand new software package, which greatly expands his capabilities. As a true artist, Jimi is always exploring different mediums and new techniques. He is currently "playing"

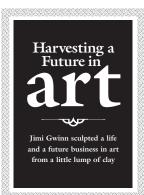
with this new software and discovering more intricate designs for hardwoods, which he hopes to craft in jewelry.

Jimi is quick to admit that he loves living and working where he grew up and being surrounded by family. In the next breath, he emphasizes that he isn't the only Gwinn contributing to Paducah's economic growth with a newly opened business. He proudly and enthusiastically plugs his sister Erin's new business, Serenitea.

"We're family. That's what we do. We take care of each other," Jimi says of the close sibling connection both from the family standpoint and from

the entrepreneurial endeavors he and Erin are simultaneously engineering.

Jimi Gwinn chose Paducah Bank to assist him with the creation of his local business because he sees that "taking-care-of-family philosophy" in every aspect of working with Paducah Bank. "I really can't emphasize too much how important it is to have a great bank on your side when you start down the business ownership path. The people at Paducah Bank were there with me every step of the way as I created my business plan and set up my operation at J.S. Gwinn. Having them on my side was critical to my success."









children's department for 12 years, in addition to running Tot 'n' Teen. Long-time employee Reva Lacewell also began at Driver's, and she remains with the business 28 years later. Diver's went out of business years ago, and malls, consignment shops, big box stores, and garage sales entered the fashion scene.

Pam believes Tot 'n' Teen has been able to remain successful due largely to the loyalty of customers. 'Our customer loyalty is wonderful," says Pam. "For girls who have moved out of town, it's part of 'coming home' to Paducah for them to come back and shop when they're in town.

"I have people come in from Florida, Texas, all over—people who have moved away and realize there isn't anything like this in other places, and we regularly draw from four states."

A lesson Pam learned under the tutelage of her mother
was that she must have a large amount of inventory to
keep customers coming back. "My mother always

believed in inventory," says Pam, who took the lesson to heart. She considers a good selection of merchandise essential, and the lesson pays off when she hears customers say, "I knew you would have it."

In order to meet her goal of offering an excellent merchandise selection, Pam travels to market in Atlanta and to a smaller market in Nashville three times each year. And she credits her customers with providing direction for what she should buy at market. "Even though we've been in business 50 years, I'm still learning all the time. You learn from your customers. You have to be aware of changes, and you have to listen to the kids," she says.

"That's what I like best—the kids," she adds. "I love going somewhere and seeing kids in outfits from here. The kids are what I like best about my job."

'n' teen

From plaids to plackets, bell bottoms to bibs, ruffles to ruching, Pam and friends at Tot 'n' Teen have been witness to 50 years of fashion.

CHEERS

for WOWopoly winner Patrick Kerr (and family)!

The Paducah Bank guest-pouring event at the Pasta House was the perfect place to toast the winner of our WOWopoly game. On the evening of note, a name was pulled from the many participants in our WOWopoly game, which required game-players to collect four cards during a multi-week promotion.



The winner received a new MacBook Pro. That lucky winner was Patrick Kerr. Not only was Patrick happy about this name-calling, his family was pretty thrilled as well. Read on!

OW! We have all been having such a great time with our new MacBook Pro. The whole family has been in on the fun. We have done a bit of technology shuffling, and my wife is using the new one so that each of my twin daughters can have their own computer. I'm not sure who was happier—me for winning, Christa for getting to use it, or Madeline and Emma for getting the hand-me-downs that have become 'their own'!

Paducah Bank has been so great to me and my family through the years. From the mortgage on our house, to our car loans, to our checking account, our savings account, our girls' Coin Club accounts, Paducah Bank has all the

products we need and the personal attention that is so hard to come by these days.

It is rare to find a business, any business, that shows concern for their customers. Paducah Bank does that and so much more.

Their commitment to meeting their customers' needs reaches far into the community. Their philosophy that making Paducah a better place to live will make their customers' lives better is a unique one, and one that has proven itself time and again.

Whether it's supporting the Market House Theatre, the Paducah Symphony, or providing assistance with loans for the revitalization of Lower Town, Paducah Bank's efforts have truly made Paducah a better place and, in turn, have helped their customers prosper. By reinvesting in the community, everybody wins. Especially me, I guess! Thanks, Paducah Bank!"

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William Sledd and Susan Guess with MacBook Pro winner Patrick Kerr
Alice Robertum and Spencer Young sign in for a
chance to win
Tyra Frick Cornwell and Annie Suiter enjoying the evening
Meghan Heine Hefner and William
Patrick Cornwell
Shuffle winner David Young

6 180d Touch winner Michelle McKirchy with William
Patrod Shuffle winner Jeff Parrith
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GRAND CANYON "We appreciate the service we've received from Keith Jennings and Paducah Bank. Their advice has always been good, even in this difficult economic time." —DaleWatson

Watson Dale

Crafting a second career from hickory, cherry and oak

WHEN DALE WATSON UTTERS THE WORDS, "THE CUSTOMER IS ALWAYS RIGHT,"

he says it with a conviction that lets you know he takes the statement to heart. More than a cliché, it's simply the way the Watsons do business.

Dale, and wife LaVaughn, established Watson Woodworking six years ago, specializing in custom kitchen cabinetry and custom-made wood furniture. They recently built and moved into a new cabinet shop on US Highway 641 in Gilbertsville. The family-owned and operated business is a second career for both, putting Dale's years of experience in the housing industry and LaVaughn's business management experience to good use.

After paying his way through college by working in construction, Dale settled into a career with the Kentucky Department of Corrections while he continued working in carpentry, drywall, building, and painting as time allowed. When Dale retired several years ago from his position as warden of the Western Kentucky Correctional Complex with more than two decades of work in corrections, he saw his opportunity to work in building and carpentry full-time. LaVaughn, with a Doctorate of Science in Nursing, has taught at Murray State University and operated Wasson Medical Management, but she eagerly joined Dale in establishing the woodworking business in 2003.

The business utilizes hardwoods in building custom kitchen cabinetry, including cherry, walnut, maple, hickory, poplar, and red and white oak. Wooden counter tops, entertainment centers, book cases, quilt cheets, and conference tables can be crafted as well. Additionally, the Watsons offer services in design and layout of new or remodeled kitchens and baths. "Almost any project you need," says Dale.

He and LaVaughn are assisted by their adult children. Daughters Tracy and Leigh Ann pitch in as needed, as do their husbands, Michael Youngblood and Andy Duncan. The family connection flows to previous generations as well. A painting that hung on the office wall of LaVaughn's father, Arthur Wright, now hangs on the wall of the new Watson Woodworking shop, serving as a treasured reminder of Arthur and his business savvy. Mr. Wright established Wright Businesses which had many divisions, including Business Communications, Long Distance Management (LDM), and Kentucky Data Link (KDL).

Watson Woodworking makes a point to carry a variety of cabinets to accommodate different budgets. "In addition to higher-end selections and custom-made cabinets, we carry less expensive choices for a young couple just starting out," he says. "We try to educate the customer about their options so they're in a better position to judge what they want. The most important thing in business is the customer."



"FAMILY ORIENTED" AND "LOCALLY OWNED" are buzzwords that aptly describe Amber's Cleaning, but "tremendous growth" and "amazing success in a recession" could describe the company just as well.

Started by Bobby and LaTonya Rich in 2003, the company has grown from the two employee/owners to 36 employees today. Amber's Cleaning currently offers complete janitorial services (commercial and industrial); carpet, upholstery, and rug cleaning (commercial and residential); air duct cleaning; complete floor service, including wood floor maintenance; and commercial window cleaning. They clean supermarkets, factories, hospitals, and businesses. With the addition of a new arm of the business in January, West Kentucky Fire and Water Restoration, more employees will be added to the payroll soon.

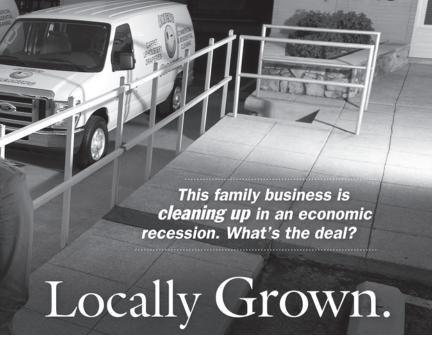
So, how does a company grow so fast?

Lots of hard work, customer service, face-to-face contact with customers, and a great business community that mentors and supports them.

Bobby started with a nightly janitorial service at Milner and Orr, and he gives much credit to the Orrs for mentoring him.
"I can't say enough good things about Randy and Andrea. They showed us how to treat customers well, keep a family focus, and have high standards."

The Orrs linked Bobby and LaTonya to Paducah Bank, and a wonderful symbiotic relationship developed. Amber's Cleaning services Paducah Bank, and Paducah Bank watched them grow. So when a building with truck bays became available, Janise Lambert at Paducah Bank sent word.

Kerri Brotherson arranged for a Small Business Administration Patriot Program loan based on Bobby's military service, and



Pam Gipson maintained an open-door policy for any advice they needed. Besides Paducah Bank and the Orr family, the Riches give much credit to two other local businesses: Blythe, White, & Associates Accountants and Denton & Keuler law firm. Bobby claims that, "When you're surrounded by great people, you have great opportunity."

But even with a great business community to work with, Amber's Cleaning could not have succeeded without Bobby's exceptional discipline and belief in hard work. He did not, however, have these characteristics as a teenager, and he explains that people from his past are surprised at his success. After high school, he decided to turn his life around and join the Marines. He graduated at the top of his class at the Law Enforcement Academy and became a Military Police Officer.

He returned home to marry LaTonya, but the military lifestyle and discipline stayed with him, and he became a foreman for Triangle Insulation. He thrives on the hard work and structured life that running a business requires. "When we started the business, we worked night and day and weekends, too, for 18 months." They invested everything they earned back into the business and were positioned for fast but steady growth.

Despite all the hard work and long hours, Bobby and LaTonya stress how important family and a family business are for them and for their employees. "Amber's Cleaning" is named for their daughter, and Bobby and LaTonya work in the office together every day.

"We want to keep the business personal," Bobby says. "Knowing your clients and their needs is our top priority. It's the same at Paducah Bank. We're a perfect fit!"



REBECCA CANESTRINI'S TALENT FOR CREATING CUSTOM

clothing and accessories has led to a customized career for the artist turned manager. Rebecca was an early vendor at Jordan's Market, a collection of specialty shops under one roof at Jordan Crossing shopping center near the Cinemark Theatre. When Falconite Development Group's Nicki Roof began overseeing the market, she tapped Rebecca to manage the site of approximately 20 merchants.

Rebecca believes the eclectic mix under one roof is ideal. "It offers the opportunity for customers to have access to multiple types of merchandise in one place." And much of the merchandise available at Jordan's Market is not easily available elsewhere. Many items for

sale at the market are hand-crafted, custom-made, or otherwise unique; and Rebecca's custom designs are no exception.

Following the birth of her third child and first daughter, Bella Grace, nearly six years ago, Rebecca began designing and making pretty "girlie" items, such as hair bows and little girls' artsy clothing. With items quickly snatched up by friends and family, the next step was a website, which, says Rebecca, "was my test to see if people other than family and friends would buy my stuff." They did, and Rebecca saw the need to provide a walk-in location for shoppers. Jordan's Market offered the ideal situation, where Rebecca could sell her own items alongside those of other merchants.

Rebecca named her line of custom designs after her daughter and has since expanded to "That's So Glam by Sweet Bella Grace."
Rebecca's designs now include jewelry, handbags, baby items, and tu-tus, in addition to girls' clothing and hair accessories. She is also introducing a line of Jeanius Jeans for girls and women.

A Custom-

Using designer fabrics and pop-art inspiration, Rebecca gives old jeans new life by decorating each leg. She says this approach is perfect for little girls whose jeans become too short but fit otherwise, since she can lengthen the legs with the artsy add-ons, and for women who have a favorite pair of old jeans that just need a little "sprucing up."

Nicki says the multi-talented designer is turning out to be the perfect market manager. "Rebecca is great. As Falconite's 'point person' for the location, I'm thrilled to have Rebecca on board."

With day-to-day management responsibilities of handling customer service, recruiting merchants, and managing inventory, Rebecca still finds time to create her unique, art-influenced designs. "I love beautiful things; I love art; and I love creating," she says.

the list. "We love Pattucan Bank. They make banking Made Career easy. Suzi Narayanan and Miranda Wood are amazing. They handle everything: they're like superheroes." And that,

Nicki adds one more love to

the list. "We love Paducah



agrees Rebecca, is custom-made service. TESTRINI CANESTRANIA



enae Crane was a teenager and high school senior when she began working for Paducah Bank. Much has happened in the thirty-two years since: Renae married Tobin Crane, raised a family, continued her education through several banking schools, became a grandmother, and grew into an active community volunteer.

A Paducah Bank Vice President and Sales Manager for the past ten years, Renae could consider her life full with family, work, and personal interests. But she also finds time to give back to the community she loves.

Renae volunteers for the United Way, Habitat for Humanity, the Paducah Area Chamber of Commerce, and Kare for Kids, a non-profit organization that provides "extras" for

children in foster care. Kare for Kids hosts an annual Christmas event, culminating in a party for the young participants, all of whom are selected by social workers from the Cabinet for Families and Children

Q: What is the focus of the Kare for Kids program? RENAE: The purpose is to provide entertainment, recreation, social opportunities, mentoring, and gifts for children in foster care. The money we raise mostly supports the Christmas party, but we have funded camps (band, school sports, Camp Currie, etc.) for some of the children.

Q: What do you do in your role as a Kare for Kids volunteer?
RENAE: I get to spend the day with a foster child. We have

pizza together, play games and make crafts, then do a little shopping at Wal-Mart. It's all about them for a day. We do whatever they want.

Q: How did you become involved with this program, and how long have you been a program volunteer? RENAE: I became a volunteer because of my sister-in-law, Shaun Crane. She started the program, and the more it grew, the more

volunteers she needed. The program started in 1997, and I have been a volunteer for about the last seven years.

Q: What personal benefit do you receive by volunteering? RENAE: The benefit is satisfaction. When the child first arrives it is very hard for them to open up. Some have been through so much, but once they realize there is no harm, they open up their hearts and let you in. We do not talk about their situation—just focus on them for the day. The children love the program, and it



Teach

Your kids learn their money habits from you. Make sure they're good ones.

Every Christmas, one of our customers says she gives her teenagers coupons for family outings: a St. Louis Cardinals game, a night at the ice rink, Maiden Alley tickets, and a purse with an invitation to volunteer at a local charity during the year. This mom believes that it's important that kids see

that charity isn't just writing a check. It's about helping real people.

Neale Godfrey, author of Money Doesn't Grow on Trees, has some other suggestions about how we teach our children well about the world of finances:

Teach the value of saving

Create a spreadshect to explain the concept of compound interest to your children. It's a great visual way of helping your kids to understand the concept of letting the money "sit there" and earn. There's software designed just for that purpose called KidsSave. It creates a virtual account to track the real money in piggy banks.

Use technology

Tech-sawy kids have plenty of options for online money-education sites, such as kids.gov. But before they play with virtual money, they must be comfortable with the real thing. They need to touch dollars and coins, count them, stack them, and learn that they're concrete things.

Walk the walk

Kids watch more than they listen to lectures; we all know that as parents. You may be the greatest money manager in the world, but if you don't show and tell your children what you're dong, they can't learn from you.

shows in their attitudes and smiles that day. The satisfaction that you have made this child's day is why I do it.

Q: Do you think this program and the involvement of volunteers affects the overall community?

RENAE: Yes, not only do I develop a relationship with a child, but also with all the other volunteers. Volunteering is such a selfless act and everyone involved benefits; you are sharing your time and energy with a child who needs it. People who volunteer for this program return each year. It's addicting. You want to help, you want to give your time, and you want to see these kids smile. I believe if everyone in the community volunteered, they would reap these same rewards, ultimately enhancing their lives.



Q: Is there one specific experience or incident from your volunteer work that you have found especially meaningful?

RENAE: There are many, but I will share a few. When we go shopping, the kids always buy for others instead of just buying for themselves. They want to give as well, so they buy something for their foster parents. One year I had a teenager who wanted a prepaid cell phone. We exchanged cell numbers and sent text messages to each other several times over the year. She would remember me on holidays and send me texts wishing me well. These are just a few of the many wonderful experiences I have had.

Renae manages Paducah Bank's Strawberry Hill banking center. "One of the many benefits of working at Paducah Bank is that our bank truly values volunteerism and encourages employees to be active community members, offering support that makes volunteering possible," Renae comments.

"Paducah Bank allows me to become involved in any organization that I would like to support. They allow me to attend meetings, and they often support many of the organizations themselves. If Paducah Bank didn't support my involvement, I'm not sure I would be able to reach out to the many organizations that help our community."

For more information about the Kare for Kids non-profit organization, contact one of the following board members: Shaun Crane, President, 441.6432; Amanda Scott, 441.6143; Rick Amys, 441.6012.

Make allowances count

Kids should pay for actual expenses with part of their allowances, such as school book orders. It teaches kids how to make hard choices

Go beyond spending lessons

Require kids to save, invest, and donate. They need to learn that money isn't just for spending.

Create money-matching programs

Matching your kids' savings, the way employers match money in a 401(k) plan, can be a powerful motivator. Grandparents might also offer matching funds.

Don't be too generous

Even if you can afford to give your teens a comfortable allowance, don't. By about age 12, kids should do small, paying jobs for friends and family members. By 16, they're capable of getting summer jobs and saving for year-round expenses.

Godfrey adds, "Kids learn what they live. Teach them well."



BUILDIN

a prosperous and caring community



A&R Construction shares a common commitment with Paducan Bank to build a community of beautiful design, functional performance, and cultural compassion

ou can tell a lot about a culture by the buildings in which people live, work, and play. That very architectural diversity is borne out in designs rendered into reality by builders like A&K Construction. With buildings such as the Paducah Bank branch at Strawberry Hill, St. Thomas More Catholic Church, the Challenger Learning Center, and the new Armed Forces Readiness Center, A&K gives Paducah's architectural environment a vibrant life that is both unique and functional. • For Ken Hunt, founder of A&K Construction, the business of building seemed to be in his blood.



"I attribute our success to the people we have working for us."

—Ken Hunt

"I loved tinkering with stuff and building things as a kid. I used to go to construction sites in order to get scraps to build things. I really liked Lincoln Logs and erector sets."

After graduation from St. Mary High School, Ken attended Murray State and enrolled in the Construction Management program. "I couldn't have asked for a better education in this field. My degree was 60% engineering and 40% business. I not only learned construction, but it has helped me tremendously to have that business focus. Both bodies of knowledge are extremely important to a construction company."

After college, Ken went to work for Industrial Contractors in Evansville. It wasn't long, however, before the desire to move closer to home led him back to Paducah.

"I turned in my resignation; then one of the owners approached me about partnering with him in a new venture. He wanted to start in Nashville instead of Paducah. It was pretty tough going down there in the late 80s, but I took the opportunity, and we started A&K. Our jobs were spread out along the I-24 corridor, and I kept inching my way toward Paducah. Finally, I was up this



By 1995, A&K's business had tripled, and the company built a headquarters on Charter Oak Drive. After a 2,500% increase in business from their first year in 1991, A&K found themselves once again in need of more space. In 2007, A&K took over permanent occupation of a spec building they had built in the Information Age Park. Expansion took the company to jobs in Illinois, Tennessee, Lexington, and Murray. A&K's construction of the new Science Building at Murray State University features a beautiful clock tower which has become a campus icon.

way more than in Nashville, so in May of '91, we officially moved A&K here."

A&K also had to face the organizational challenges of rapid growth. Ken quickly enlisted the help of Mike Zimmerman to organize and create the necessary infrastructure for the future. "I started in '97 as a consultant," says Mike. "At that time, A&K had no IT or HR, so right off the bat we had to get those things plugged in." Mike, who has worked on organizational structures from Atlanta to New York, knew that the future growth of A&K was dependent upon the underpinnings of an organization that could bear the load of tremen-

dous expansion. "An organization that grows rapidly can quickly become disorganized and even fail because the support for growth is not there. It's been great to be at A&K during these times and see the growth and know that it is on solid ground."

Ken attributes much of A&K's success to their unique approach to construction. "We design and build. By doing both, we create a lot of value because we think about how a design will be executed and how it fits into our clients' budgets.

"It has been great for me to get back to Paducah and see A&K grow like it has. I attribute that success to the people we have here. We average 100+ employees, and they are the ones who deserve credit for A&K's accomplishments. And Paducah Bank is certainly a huge part of our success as well. All I have to do is pick up a phone and call. We've always enjoyed working with them, both as a customer and a client."

Paducah Bank and A&K have more in common than just checking accounts and deposits. "I know Ken doesn't like to toot his own horn when it comes to doing things like building projects for homeless families at River City Mission or working with the Paducah Cooperative Ministry," adds Mike Zimmerman. "When A&K took on the Sunrise Golf Fundraiser for Sunrise Children's Homes, Paducah Bank was right there alongside us as a sponsor. We raised \$40,000 the first time out, and now it has become an annual thing. That's when you know the genuineness of Paducah Bank. They aren't just a logo or faceless corporation. You see them out there helping build a community. You see Wally, Tom, Alan, Joe, and others with their sleeves rolled up. We are their customers, and they are our clients; but beyond that, they are our friends and partners in building a prosperous and caring community."



VS.



Think about all the things you want out of life. A cool car, a college education, a semester abroad, a great laptop! That all takes money and that's where we come in. We can help you turn those dreams into goals and make those goals a reality.

Paducah Bank vs. Your Piggy Bank

Deal with real people FDIC insured

Pays interest
A sign you're growing up

Painted glass farm animal Rubber stopper

Attracts lint

A sign you're still not there yet

Have a great life! Get it started with the great products and professionals at Paducah Bank.



ROTH conversion

you are in the 20% tax bracket now, as well as 20 years from now. In a Traditional IRA, you will receive a tax deduction of \$200 on your contribution amount of \$1,000, but will pay \$2,000 in taxes upon withdrawing the \$10,000. In a Roth IRA, you receive no tax deduction on your contribution, but you also pay no tax on the withdrawal. By using the Roth IRA, the entire growth portion of your investment is totally tax-free.

Everyone is talking about it... What should YOU do about it?

Here's what you need to know!

SINCE THEIR CREATION IN 1998, ROTH IRAS

have been a valuable tool for those who want to save for tax-free retirement income. The Roth has many advantages over the Traditional IRA, besides tax-free withdrawals." For example, there are no required minimum distributions (RMD) on Roth IRAs, and the contributions can be withdrawn from the account at anytime without tax or penalty."

However, many investors have been unable to utilize this tool due to certain income limit restrictions which have been in place since the Roth was created. Effective January 1, 2010, the rules are changing, and now all investors will have access to the Roth IRA through a conversion of their Traditional IRA or Qualified Retirement Plan (401k, 403b, etc.).

*Restrictions, penalties, and taxes may apply. Unless certain criteria is met, Roth IRA owners must be 59 'ls or older and have held the IRA for 5 years before tax-free withdrawals are permitted.

The Roth Conversion Rules:

The amount converted to a Roth IRA will be included as ordinary income for the year in which the account was converted. However, for 2010 only, the taxpayers can elect to defer half of their tax liability to 2011 and the other half to 2012.

The Case for Converting

Tax Free Income: Let's assume you invest \$1,000 in an IRA, and after 20 years it has grown to \$10,000. We will also assume that

Hedge against increasing tax rates: For decades, the United States had top marginal tax rates as high as 50%, 70%, and 90%. As a matter of fact, for the past 50 years, there have been only five years (1988 to 1992) when the top marginal tax rate was less than the current 35% rate. Considering the current budget deficits and the costs of the bailouts and stimulus, many believe that income tax rate increases are inevitable. If you share that belief, then you



may wish to realize taxable income now and take advantage of today's historically low income tax rates. However, if you think you will be in a lower income tax bracket, the taxes you pay today could potentially be higher than the taxes you would pay when you are ready to make withdrawals.

Current market provides a low-cost conversion opportunity.

Considering many individuals have experienced a loss in their retirement accounts over the last 18 months, now may be a perfect time to recognize the income tax liability. An IRA worth \$100,000 in 2007 may now be worth \$60,000. By converting the \$60,000 to a Roth, the taxpayer is potentially locking in the tax liability at the lower amount. Should the \$60,000 eventually recover its losses and grow back to \$100,000, the taxpayer can avoid paying taxes on the \$40,000 difference. The amount you convert will be taxed as ordinary income, so it is important to consider whether you will be in a higher tax bracket as a result. If so, you can choose a partial conversion or conduct multiple conversions over multiple years.

Tax Diversification: Other than tax-exempt municipal bonds**, very few investments grow tax-exempt. By having tax-free investments in addition to your taxable investments, you are able to better control your taxable income, and potentially keep yourself in a lower tax bracket. For example, let's say a married couple needs \$100,000 of annual income in retirement. For 2009, a married couple filing jointly with the personal exemption and taking the standard deduction, can have up to \$86,600 of earnings and still be in the 15% tax bracket. If the couple had a Roth IRA, they could take the additional \$13,400 they need from the Roth, giving them the \$100,000 income they need and still be in the 15% bracket. By building a tax-free Roth account, retirees will have more flexibility and control in managing their taxes.

Avoid the RMD: In the above example, if one of the spouses is over age 70½ and has a traditional IRA, they are required to take a taxable distribution each year. The amount they are required to withdraw is set by a government table, based on age. To illustrate, an individual, age 71, with a traditional IRA balance of \$500,000 must withdraw approximately \$18,800. If their income need is only \$13,400, they are taking more money, and paying more taxes than they need. With a Roth IRA, there is no RMD. You take only what you want to, and pay no taxes on the distribution.

Estate Planning: Not only does the absence of the RMD rule help to preserve the account balance for those who wish to leave their IRA to heirs, using the Roth IRA provides a way for them to leave a legacy totally free of any income tax.

Roth Conversion Considerations:

These key factors should be considered when converting retirement assets to a Roth:

- Investment Timeline
- Whether you have assets outside the IRA to pay the resulting income tax
- · Current tax bracket
- · Anticipated tax bracket in retirement
- Whether you believe tax rates will be lower or higher in the future

The retirement planning professionals at Paducah Financial Consultants can take you through an individual assessment and help you determine if a Roth IRA Conversion is right for you. Call George, Wendy, or Keith for more information or to set up your personal consultation. IRA account owners should consider the tax ramifications, age and income restrictions in regards to executing a Conversion from a Traditional IRA to a Roth IRA, or a Re-Characterization of a Roth IRA to a Traditional IRA. Prior to using such a strategy, please see your Financial and/or Tax Advisor.

**Municipal bonds are federally tax-free, but may be subject to the AMT (alternative minimum tax)

Securities and insurance products offered through LPL Financial and its affiliates member FINRA/SIPC

	Not FDIC Insu	red	No Bank Guarantee	May Lose Value
ſ	Not a Deposit	Not Insured by any Federal G		l Government Agency

Paducah Bank is not a registered broker/dealer and is not affiliated with LPL Financial

Tyn Tymes *live*, Let's Party!

ON AUGUST 14 AT 7 P.M., the solid gold rock and roll of the party band, Tyn Tymes, will unite on the stage of the Carson Center to celebrate their soulful sounds of the 60s for the swingers and friends of Paducah Bank.

"After our Summer of 60 Concert two years ago," said
Paducah Bank President Wally Bateman, "we had so many
people ask us if we'd consider doing another dance and concert,

In 1969, the group recorded their only record at the legendary Fame Recording Studio in Muscle Shoals, Alabama. The A side was an upbeat soul tune called *Baby, I Low You* and the B side was an instrumental entitled *Bootleg*.

During the five years the band was together, they performed for thousands of people and shared the stage with the likes of



that we decided it was time to celebrate the sound of the 60s with an invitation to the Tyn Tymes. This group is another party band from the south who decided to reunite and bring back that magical music that people of a 'certain' age love and remember."

Ten college students attending Auburn University, the University of Alabama, and Jacksonville State University formed the Tyn Tymes in 1966. All of the original band members were from Gadsden, Alabama. Their first job was held in a rented hall known as Plaidland, but soon these talented musicians were playing campuses all around the south. Bo Diddley, Archie Bell and the Drells, The Swinging Medallions, and The Pieces of Eight. "We have many great memories of playing for all the big parties on the campus of Ole Miss," commented Rick Countrymen. "Archie Manning and most of the football team came to every parry that booked the Tyn Tymes!"

This summer the friends and fans of Paducah Bank can experience some great "tymes" as guests of the bank at this special concert in August. Ticket information will be available at a later date, but mark your calendars now for the Tyn Tymes Live. Let's party!

Meet the Lone Oak Team of WOW Paducah Bankers!







