

2018 Account Planning
RM contribution

Relationship Name: Deering/Crosby
Banker Team: Stewart Oldfield
GCIS Number: [REDACTED]
Relationship Team:

ISG: Frank DeBenedittis
DPM:
KCP:
Lending: George Hack
Trust/Custody: National Trust team
WPS: Sam Petrucci
Deposits: Stewart Oldfield
Other:

Client Profile

The Deering/Crosby relationship has been with DB WM since April 2016, and primarily holds a brokerage relationship with the bank. This relationship was previously managed by former banker, Michael Mullin, and has recently been managed by Stewart Oldfield since November 2017. The account was managed by PCS for a long time before being moved to WM at the time of the Alex.Brown sale to Raymond James.

The primary contact for this relationship is Heather Deering Crosby, daughter of recently deceased Anthony Deering.

Mr. Anthony W. Deering, also known as Tony, served as the President of Mercantile-Safe Deposit and Trust Company. Mr. Deering was an outstanding Business Leader and led The Rouse Company to become one of the country's largest commercial real estate developers. He has a wealth of financial services and investment management experience. From 1997 to 2004, he served as the Chairman and Chief Executive Officer of The Rouse Company. Deering spent most of his career at the Rouse Company, which he first joined in 1972 and, as chairman and CEO from 1997 to 2004, helped grow into one of the nation's largest commercial real estate developers. Under his leadership, the Rouse Company operated with a philosophy that improving the quality of life in the communities it developed was an essential part of doing business. In that spirit, when the company was sold in 2004, Deering designated \$25 million to the Rouse Company Foundation, quadrupling the charity in size and enabling its ongoing support of local housing and job training initiatives.

Mr. Deering was also a Member of Advisory Board of Deutsche Bank North America from 2004 until November 2017. He was Member of Client Advisory Board at Deutsche Bank Trust Company Americas from January 25, 2007 until November 17, 2017. He served as a Member of Americas Advisory Board at Deutsche Bank AG and Deutsche Bank Americas Regional Client Advisory Board. He served as an Independent Director of Under Armour, Inc. since August 2008 until November 17, 2017. He served as an Independent Director of T. Rowe

Price Summit Funds, Inc. - T. Rowe Price Summit GNMA Fund and T. Rowe Price International Funds, Inc. - T. Rowe Price Global Infrastructure Fund. He served on the Boards of a number of private companies and non-profit entities, including the Baltimore Museum of Art, Parks & People Foundation and The Charlesmead Foundation among others.

Mr. Deering served as a Director at Mercantile-Safe Deposit and Trust Company from April 30, 2003 until November 17, 2017. He served as an Independent Trustee of Vornado Realty Trust from 2004 to December 31, 2012. He served as an Independent Director of Mercantile Bankshares Corp. from April 30, 2003 to November 17, 2017. He received BS degree from Drexel University and MBA degree from Wharton School, University of Pennsylvania. Mr. Deering passed away on November 17, 2017 with an estimated net worth of \$85 million that was left to his wife Kathryn Deering.

His daughter, Heather Deering Crosby is founder and employee of Matheys Lane Capital Management L.P., a private equity company. Heather is Managing Director, Limited Partner and has served as Managing Director, Limited Partner since 10/01/2008. Heather Crosby has an ownership stake in Matheys Lane Capital Management L.P. of more than 75%. Crosby previously worked as a partner at Rex Capital Advisors, as a vice president at J.P. Morgan Securities Inc. and as a trader and a banker at Goldman Sachs & Co. Crosby earned her MBA from Harvard Business School and her bachelor's degree from Dartmouth College.

Opportunities and Challenges

We have several opportunities to pursue with the Deering/Crosby family as outlined below. There are a few challenges. First, Heather Crosby runs an RIA that helps manage the Deering family assets. The RIA has pushed for an overly simple, low fee asset allocation. Despite serving as an RIA, they seem relatively unsophisticated. The Crosby assets are not managed by the RIA, and Heather handles this account more directly despite having limited time to focus on it. Her husband is a private equity partner, and earns a lot of money, so perhaps portfolio management isn't the first priority. Finally, the family and the RIA seem to have relationships with every bank on the street, so there is lots of competition.

Deering - given the recent passing of Tony Deering, there will be a continued opportunity to reevaluate the asset allocation as his assets are passed to his wife and eventually to the rest of his family. We recently repriced a margin loan for the account

Crosby - we would like to have more influence over how this account is traded. Heather has engaged directly in some options transactions, but has been resistant to doing anything more systematic like Harvest or structured notes. There is much more we could be doing if she were willing to hand over some control or focus more. She is contemplating a residency change to Florida and needs to do some estate planning, so this will be an opportunity for us to help and deepen the relationship.

Matheys Lane (RIA) - There is real potential upside for us to get some business done with the RIA directly or with their other clients. They have not been willing to engage in that discussion to date. We may be viewed as a competitor more than a provider here. We need to learn more to understand this better.

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