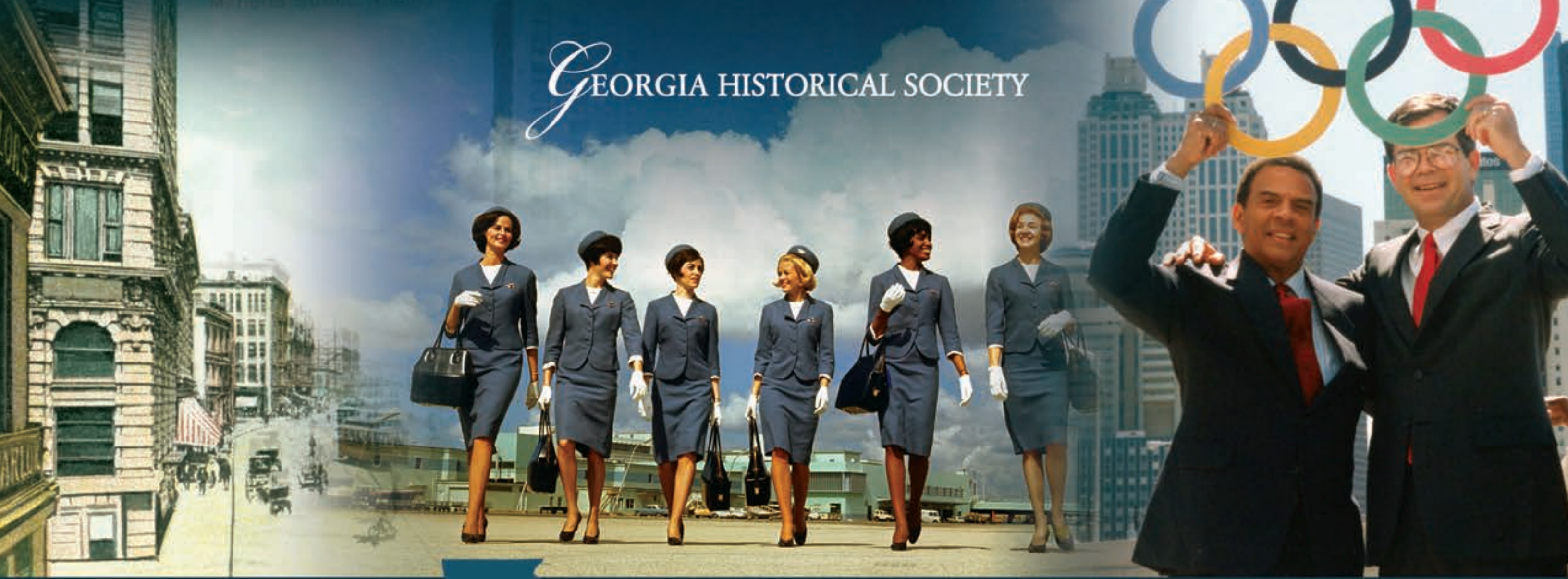
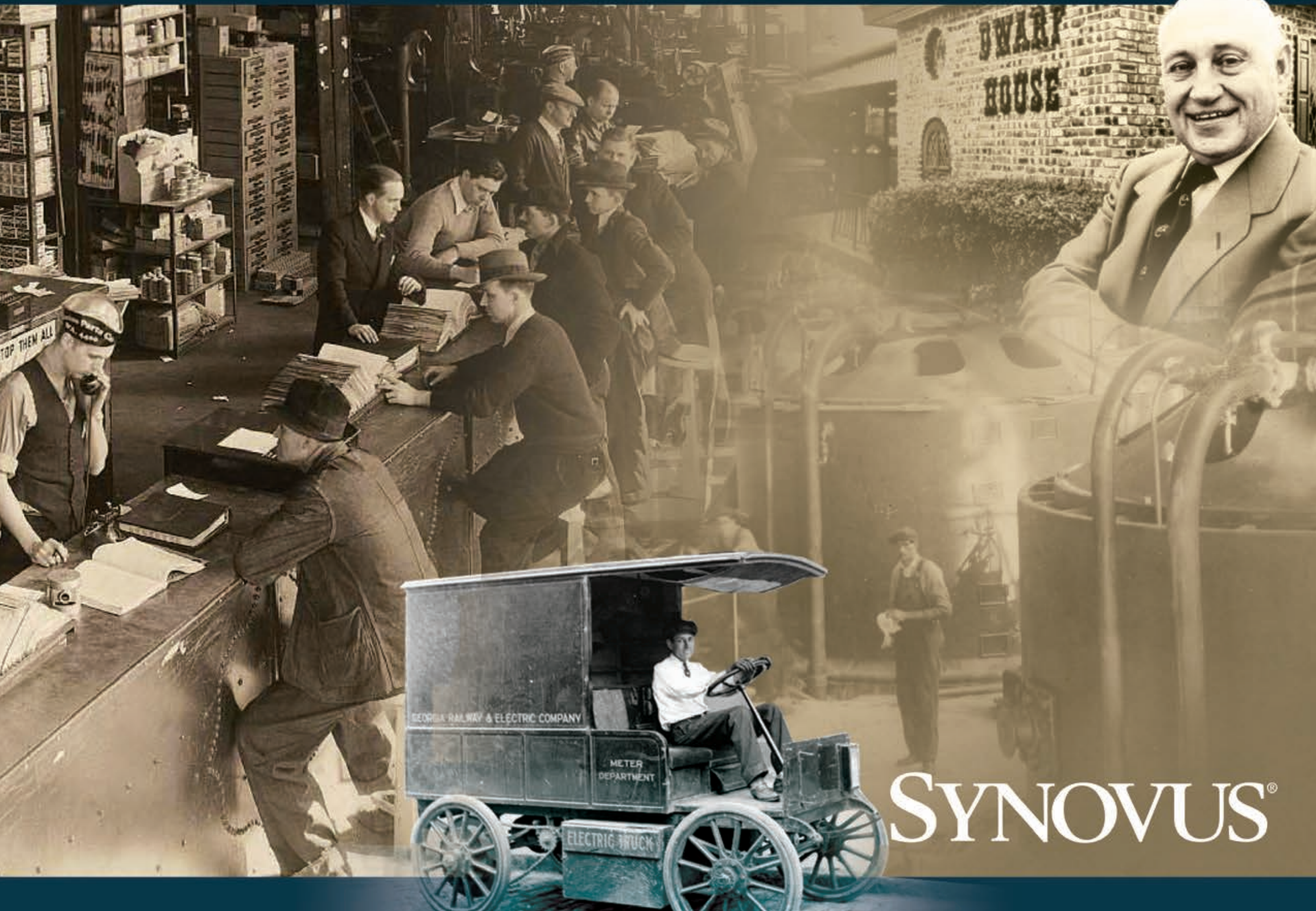
GEORGIA HISTORICAL SOCIETY



GEORGIA BUSINESS HISTORY INITIATIVE

Sharing the Stories of the Businesses that Built Georgia



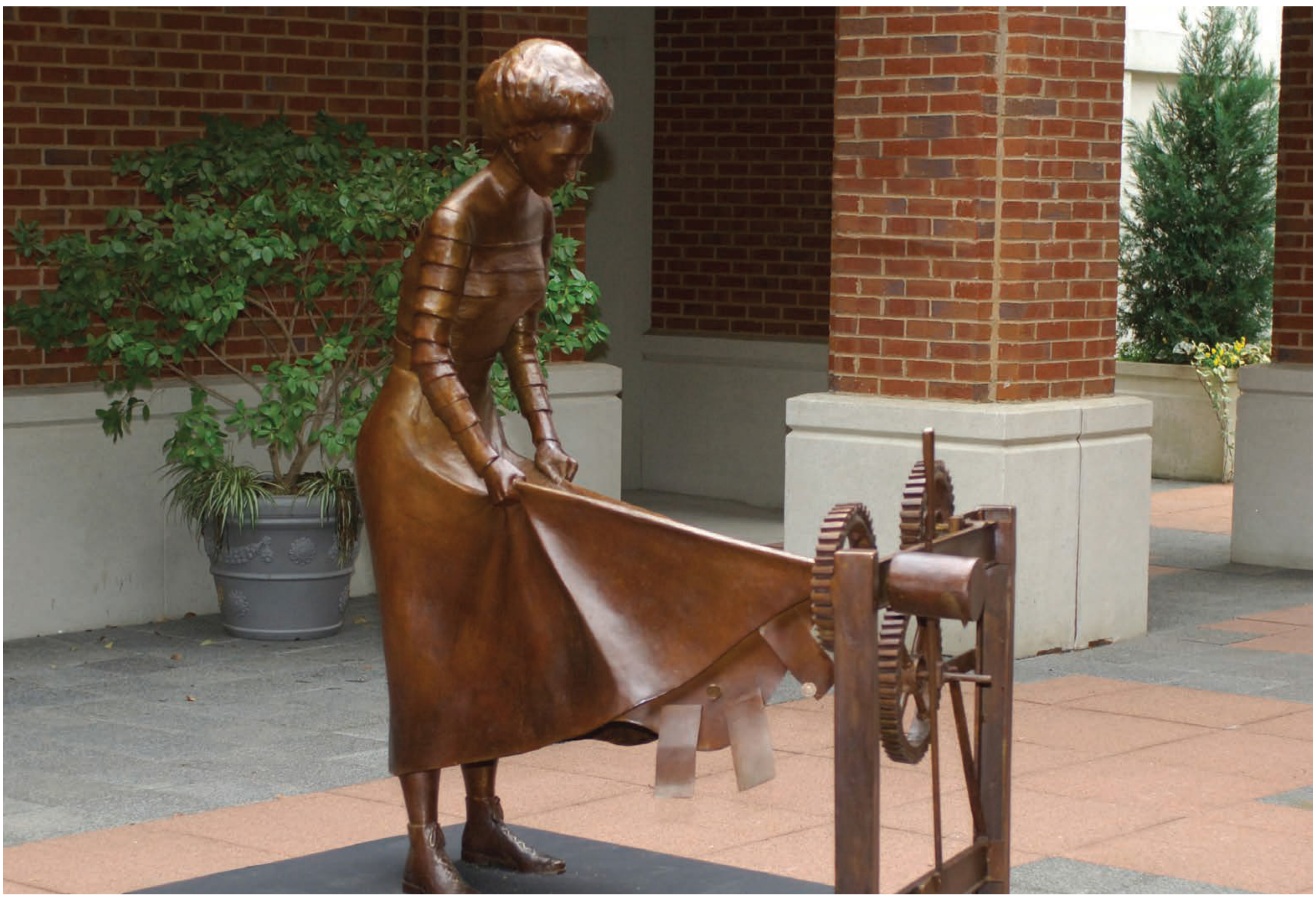
SYNOVUS®

SYNOVUS®

A PROFILE IN GEORGIA'S BUSINESS HISTORY

The roots of Synovus go back to 1888 with the establishment of the Third National Bank of Columbus and the Columbus Savings Bank, both incorporated by W. C. Bradley and G. Gunby Jordan.

The banks' origins are, by company tradition, traced to an incident at a Columbus textile mill. A mill worker had sewn money into the hem of her dress, and when the garment became entangled in machinery, her dress was torn, and money spilled across the floor. She explained to one of the mill bosses that she felt this was the safest place to keep her money. He offered instead to secure her money in the mill safe and pay her interest on her balance, an offer that was soon extended to all company employees. From these beginnings the Columbus banks grew.



G. Gunby Jordan served as president of the two banks for 33 years, from 1888 until 1921. W.C. Bradley succeeded Jordan as president of both banks, and under his leadership the two organizations merged in 1930 to form Columbus Bank & Trust Company (CB&T).

CB&T's logo in 1972.

W.C. Bradley served as president of CB&T until his death in 1947, when his son-in-law, D. Abbott Turner, became chairman of the board. Turner, along with his son, William B. Turner, ran CB&T and hired James W. Blanchard as president in 1957. In the 1950s, under Blanchard's leadership, CB&T got an early start in the credit card business,

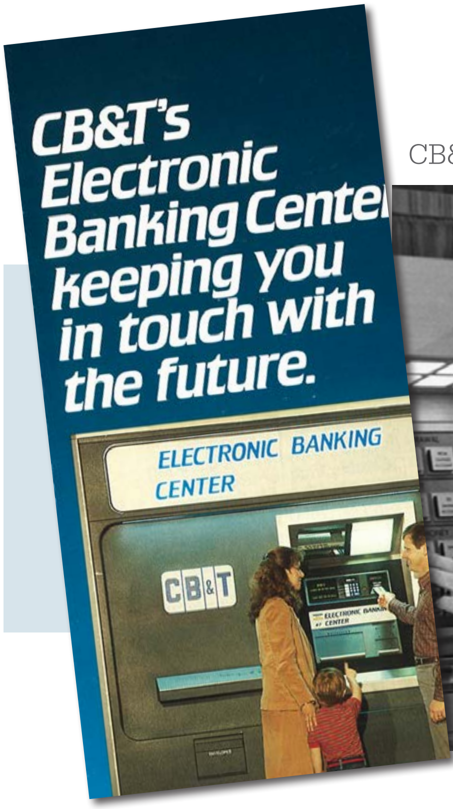
James Blanchard and D. A. Turner.

offering charge cards before BankAmericard (later Visa) and Master Charge (later MasterCard) became national players in the industry. In 1974 the company began processing credit cards for other banks. This division later became TSYS (Total System Services, Inc.).

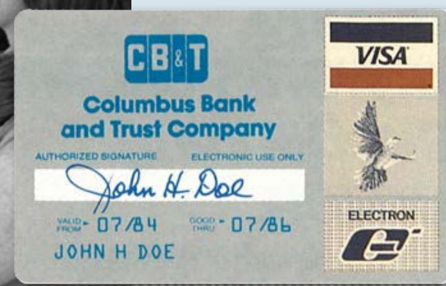
CR&T's data processing building later became the headquarers of Total System Services, Inc.

In 1971 James H. Blanchard succeeded his father as the top executive at CB&T. Together with William B. Turner, chairman of the executive committee, Blanchard led the company to its current status as one of the largest financial institutions in the Southeast.

As CEO, Blanchard focused on the principles of servant leadership, a concept espoused by Robert K. Greenleaf, an essayist who became popular in the 1970s for his writings on management, servanthood, organizations, power, and spirituality. The core elements of servant leadership are collaboration, trust, and the ethical use of

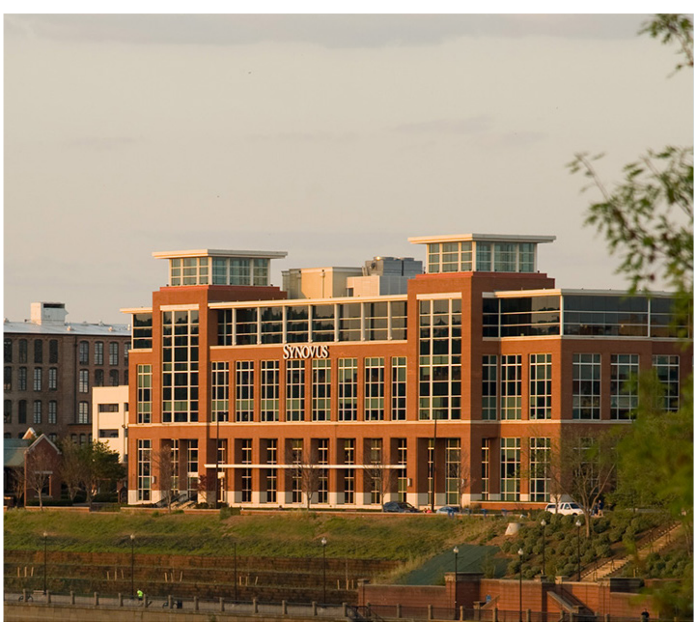


CB&T's Electronic Banking Center



power, which relies on creative rather than coercive or manipulative power.

Blanchard was influential in rallying support in the Georgia legislature for the passage of the multibank holding company bill in 1976. Under his guidance, CB&T Bancshares, Inc., became the first bank holding company in the state. CB&T Bancshares began to expand into other southeastern states, and in 1989 Blanchard changed its name to Synovus Financial Corporation.



Synovus headquarters in Columbus, Georgia.

Blanchard also played an instrumental role in establishing Total System Services Incorporated (TSYS) in 1983, which now provides electronic payment processing services for hundreds of millions of consumers worldwide. Synovus owns an 81 percent interest in TSYS.

In 1997 Blanchard was the first executive outside the greater Atlanta area to be chosen as *Georgia Trend* magazine's Most Respected CEO, and in 2003 he was selected as the publication's Georgian of the Year. Blanchard retired as CEO of Synovus in 2005 to become chairman of the Board.

Still based in Columbus, Synovus operates 39 banks in Alabama, Georgia, Florida, South Carolina, and Tennessee, as well as separate trust, brokerage, and mortgage subsidiaries. Financial services offered by the bank include a full line of banking and investment and asset-management products.

CASE STUDY:

Personal Financial Management

Personal financial management is a key to financial security. Whether it's a mill worker in 1888 sewing money into her clothes or a recent high school graduate experiencing their first full-time job, making a plan for one's income, including budgeting, saving, and managing debt, is the first step to financial security.

Income is the amount of money a person earns in a year. Income can be earned through employment that financially rewards an individual's labor or services, the sale of property or goods, and from financial investments. Income is the main source of expenditures or amount of money spent each month . In order to make sure that income covers all potential expenditures, money must be budgeted and saved over time.

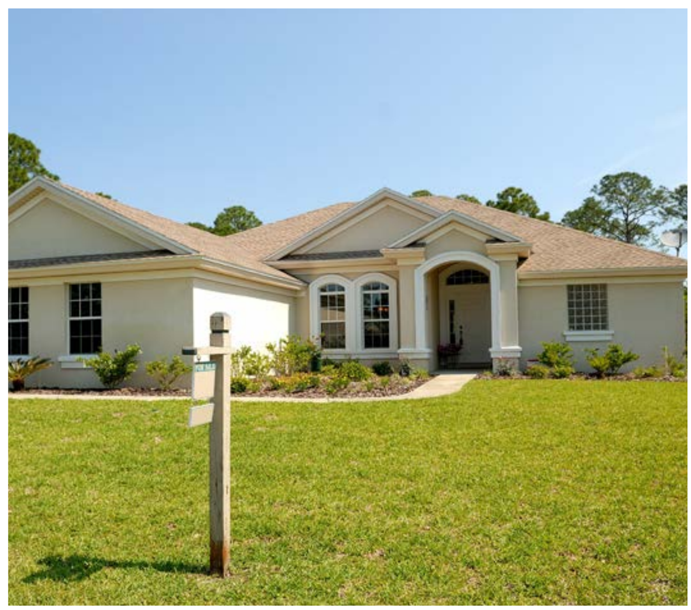
A budget is a plan for spending. Creating a budget ensures that expenditures don't exceed a person's or families' income. A budget is a way to organize short-term and long-term financial goals. Short-term goals may include things such as minor home improvements, holiday spending, or a family vacation. Long-term goals tend to be purchases or investments at least five years in advance such as college tuition, purchasing a home, or saving for retirement.

Creating a budget begins with tracking spending. In order to track spending, pay attention to daily expenditures by saving receipts or monitoring bank statements (a bank statement is a document that lists all transactions in a banking account for a month). Budget priorities should start with "must pay" items, such as monthly housing and utilities bills. Next prioritize paying off debt, such as a car payment. Consider "paying yourself" by budgeting money into savings accounts or for retirement. Finally calculate what is needed for items such as food, gas, clothing, and other necessities. Anything left over can be spent on discretionary items such as going out to eat or buying gifts or, even better, putting it in savings for future purchases!

The mill worker from Columbus attempted to save her money in the safest place she could imagine—on her person. As illustrated in her story, sewing her money into her dress was not an effective method of saving! An equivalent to sewing money into clothes for safe keeping today could include putting money into a piggy bank or socking it away somewhere around your home. Ultimately these are not efficient means for saving money as it could be lost, destroyed, or stolen. Saving money is also a way of making your money work for you!

Saving money means setting aside income for future purchases. Saving money is important because the future is unpredictable. There are many reasons to save money including:

- Having money available for emergencies such as unexpected medical expenses or a car breakdown.
- Setting aside money for retirement because retirement savings will take the place of regular income after retirement.
- People are expected to live longer due to advances in medicine and technology so individuals may need their money to last longer.
- Saving for educational goals such as college or technical training needed to advance your career.
- Assisting with large, expensive purchases such as saving for a down payment on a home.



Savings not only allow for more financial security but also provide peace of mind. Many people put some savings into investment accounts or an account that helps money grow. Putting money in a piggy bank won't allow it to grow. Savings and investments allow money to grow through earning interest. Interest is a percentage of the money deposited into an account. Over time money can earn interest, adding to the amount deposited without any work on behalf of the owner of the account—in other words, money can grow overnight!

Although interest can work for money, it can also work against it when it is associated with debt. Debt is an amount of money borrowed by one party from another party. The most common reasons for having debt include large purchases, such as buying a house or paying for college.

Debt allows for delayed payment of goods or opportunities but it is often subject to interest or an additional amount payed in order to borrow money. Credit cards are often subject to high interest rates and should be paid off each month to avoid higher interest payments. If debt becomes excessive and exceeds income a person may be subject to bankruptcy—a legal proceeding involving a person or business that is unable to repay outstanding debts. Excessive debt can be hurtful to financial security but is also associated with health risks as it can induce stress, increase blood pressure, affect sleeping patterns, and cause depression.

Developing a personal financial management plan is unique to each person or family. Spending and savings goals should be prioritized in order to avoid excessive debt and create a plan that will create financial security.

Georgia Standards for Excellence

SS8E3 Explain the principles of effective personal money management.

a. Explain that income is the starting point for personal financial management.

b. Describe the reasons for and the benefits of a household budget.

c. Describe the reasons for and the benefits of savings.

d. Describe the uses of debt and associated risks.

GEORGIA
BUSINESS HISTORY
INITIATIVE