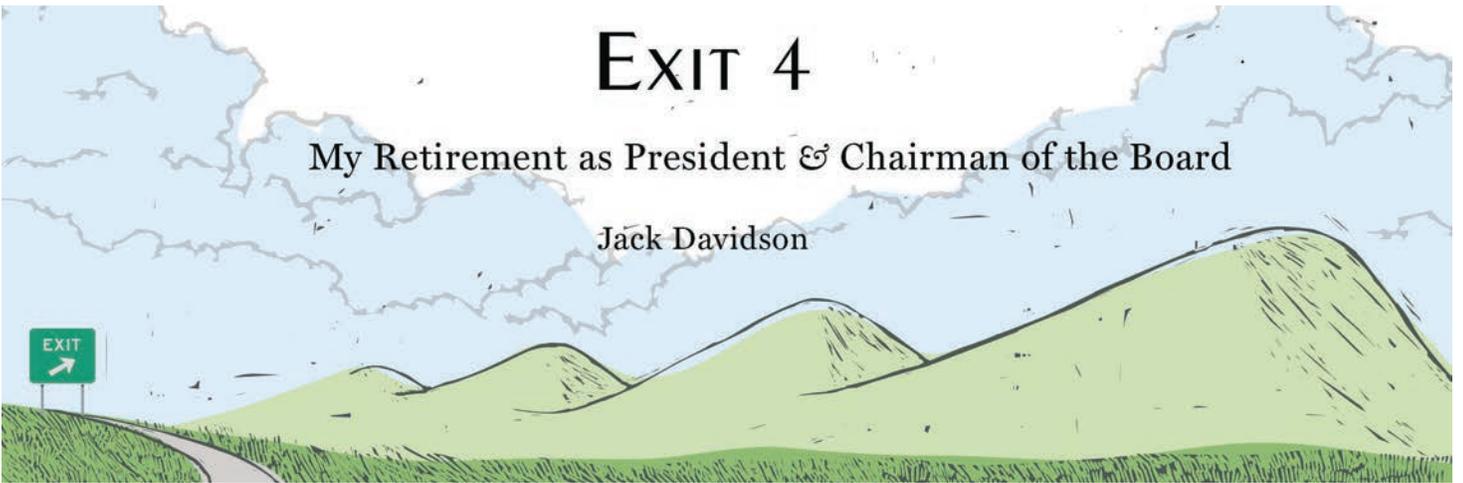


# EXIT 4

## My Retirement as President & Chairman of the Board

Jack Davidson



In late August of 1970, I put our newborn son in the bassinet in the back seat of my newly purchased Fiat 850 and left my apartment on the upper west side of New York City. My wife's family lived in Newbury, New Hampshire and we made frequent trips to enjoy

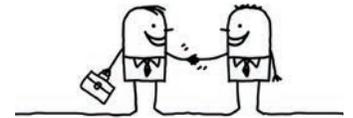
the benefits of Lake Sunapee and family gatherings. As I entered Vermont on Interstate 91, I would encounter 3 exits for Brattleboro, and then, 8 miles north,



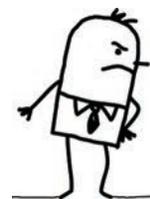
I would pass the Putney, Vermont Exit 4.

Often I would come up for just a weekend. Fortunately, one time when I had decided to take my one week vacation in Newbury, I was approaching Exit 4 when I blew the head gasket of my Fiat. As a result, we stayed overnight at the Putney Inn and I discovered, oddly enough, that there was a Fiat dealership in Brattleboro by Exit 3. So the next morning I drove a smoking car down Route 5, and dropped it off at the dealership. I then hitchhiked back to the Putney Inn, family members picked us up and we settled in for three days in Newbury, until I could pick up my car in Brattleboro. While enjoying Lake Sunapee, a friend sent a Wall Street Journal ad for a Trust Officer at the Vermont National Bank, in Brattleboro of all places.

I was stunned. I wanted to work in Vermont and my plan was Burlington. But I did not think that I had enough training to leave New York so early. Had this ad been sent to me when I was in the city, I would not have called. But being so close, family members pushed me to make the call and I decided that my wife, Judy, needed to be part of the interview process. So I called the head of the Trust Department. We met at the Holiday Inn at Exit 7. At the second interview, which again included Judy, I rarely talked and Judy asked all the questions, and I was hired. My new boss was supportive but after a few years I would hear him say "I didn't hire Jack. I hired Judy".

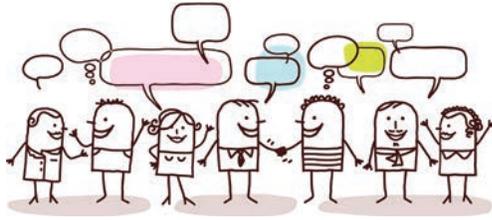


A few years later, my boss was promoted and I had a new boss brought in from out of town. I was a workaholic and he was not. Two years later, after working during the tax season 10 hours a day and all day on Saturday, my new boss, who would leave at 4:30 every day, called me into his office and asked me why I had not done the monthly five new business contacts for 3 months.



My response was very strongly worded. I don't recall what I said but a colleague nearby said that it was violent and I was now about to lose my job. He quit instead, and I became the boss.

In the trust world, in my opinion, you have two distinct clans: those that manage money and those that do trust administration. I would often say that money management is an art and administration is a science... and members of both clans would let me know that I was in error. My first boss was an investment manager. My second boss was an investment manager. I was an administrator. Now that I became the boss I felt that I needed to embrace both clans to survive.

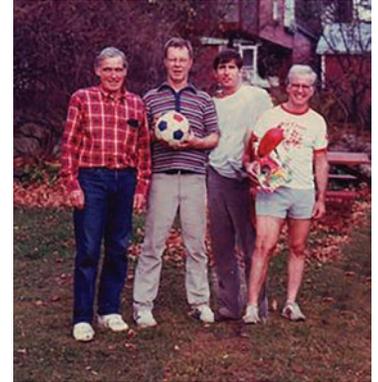


Shortly after my promotion, I was driving by Exit 4 and decided to buy 6 Budweisers. I was carded. At the time, the legal age was 18. Who would ever want a trust officer who looked 18? I also discovered that those who worked for me did not like to be bossed. I was simply too young to tell them what to do. So I decided to be an “agreeable colleague” instead. Then one day, a 58 year old man came in and asked for a job. A very talented person: Russell W. Ellis, who had been previously employed for 29 years as the Business Manager for the Experiment in International Living at Exit 4 in Putney. I hired him. Then I encountered colleagues who questioned my judgment. Why would I hire someone that old? That was back then. Fortunately, it is no longer the rule.

Now, I had two talented investment managers. John Abel, our first manager, was two years younger than me. And our second manager was 22 years older than me. We were blessed with their joint contributions. Russ retired early at age 72 in 1990 to spend more time with his first love, his family. John Abel has just retired for the same reasons.

As we expanded, I was told that a very skilled investment manager was looking for a job. I asked to meet with him. He was six years older. I asked him to join us. He said no. I asked once again and he said yes. Steve Singiser became a valuable addition to our group of young and older managers.

As an “18-year-old-looking” head of the trust department, I did not intentionally age myself for business purposes. It was my Irish ancestors. I turned white in less than four years. Just four years after I was carded in Exit 4, Putney, I walked into a hotel with my wife and my young boys and the person at the counter thought that I was the grandfather. Who looks older in this picture?



*Russ Ellis, Steve Singiser,  
John Abel, Jack Davidson*

I discovered over the years that to keep the trust department moving forward, I would hire good people and get out of the way. The Vermont National Bank Trust Department, under my efforts to avoid being the boss, went from 22 million in client assets to approximately 2.5 billion. I am a strong proponent of groups populated by the vitality of the young and the wisdom of those older, in both clans.

As the “boss”, I am responsible for the performance of the two clans and the bottom line. Managing clans and the bottom line takes focus and time. While still employed at Vermont National Bank, based in Brattleboro, I opened a trust branch in Burlington and started hiring staff. I often simply got into one of the company vans and drove to Burlington. Back and forth the same day was the norm at the time. Then Exit 4 showed up once again.

On the way back, I ignored the red light in the van. Heading south on Interstate 91, I ran out of gas just north of Exit 4. What do I do? A car pulls up and the occupant offered to help. He drove me to Exit 4,



and the local gas station lent me a 5 gallon can, and my new friend then drove me 10 miles north to Exit 5 on the interstate and then south for 9 miles to my car. I was

stunned by his generosity.

When Vermont National Bank was purchased by Chittenden in 1999, eight of us working together at Vermont National Bank started the Trust Company of Vermont. When I did the legal work, I informed the founders that I had voted myself in as President and Chairman. They did not object because I was their boss before and my title meant nothing to them.

After we started the Trust Company of Vermont, I set up a basement apartment in our building on College Street in Burlington so I did not have to drive up and down the same day.

Judy wants me to partially retire. She knows that my plan is that I will only consider the option to fully retire after age 90. So she negotiated a compromise. Were it not for my wife, I would not have been blessed with the position I am in now. So the plan is to focus on what I most like to do: estate planning and trust administration. There will be fewer distractions, and that is a good thing because distractions in estate planning can be a problem. I have seen too many people avoid their estate plans and sometimes procrastination, theirs or the lawyer's or perhaps mine, will hurt their legacy.



Our Executive Committee has taken on many of my presidential duties and they are doing a great job. I can now do what I most like to do: problem solving in administration and planning estates.

As I think back on my many years trying to balance what I like to do and what I should do, I think of the person who so generously donated his time driving me back and forth between Exit 4 and Exit 5. This occurred many



years ago but it is periodically ever-present. As he was leaving, I asked for his name. I felt a sense of urgency to send him a thank you note. I wrote it down so I would not forget. But I did not need to write it down. Younger minds may handle short term memories better and older minds may have memories of what they have learned.

When I came into work the next day, one of the administrators handed me a file and said "Don't delay on this estate plan. You need to get back to this person soon, not later. He definitely needs an estate plan now!" I looked at the name. It was the individual who helped me the night before.

My semi-retirement is not an exit. It may be Exit 4, but Exit 4 simply means the other exits are still open and I will periodically loop back.

