



BANK NOTES

Created by Community Bankers for Community Bankers

2ND QUARTER 2009



CORPORATE OFFICES

First National Bankers Bank

7813 Office Park Blvd.
Baton Rouge, LA 70809
800.421.6182

333 Texas Street, Suite 1280
Shreveport, LA 71101
866.453.5150

Mississippi National Banker's Bank

300 Concourse Boulevard, Suite 100
Ridgeland, MS 39157
888.355.8739

FNBB Services Corp.

300 Concourse Boulevard, Suite 100
Ridgeland, MS 39157
888.355.8739

First National Bankers Bank, Alabama

600 University Park Place, Suite 380
Birmingham, AL 35209
800.318.6272

Georgia Division

732 Kennesaw Avenue, Suite 210
Marietta, GA 30060
888.311.1051

FNBB Capital Markets

600 University Park Place, Suite 380
Birmingham, AL 35209
866.405.6864

Arkansas Bankers' Bank

1020 W. 2nd Street
Little Rock, AR 72201
800.737.0535

FNBB Insurance Agency, LLC

300 Concourse Boulevard, Suite 100
Ridgeland, MS 39157
888.355.8739

➔ First National Bankers Bankshares, Inc. Announces FNBB Insurance Agency, LLC Services

First National Bankers Bankshares, Inc. has announced the hiring of Delvan Irwin to the position of Senior Vice President for its newly-established FNBB Insurance Agency, LLC. Irwin brings 20 years of experience in the Insurance and Financial Services industries to this position.

Irwin will be responsible for establishing and managing the Ridgeland, Mississippi-based office of FNBB Insurance Agency, LLC, including the securing and retaining of financial institution accounts relative to all aspects of insurance design and consultation.

Irwin was previously Sales Director with Oklahoma City-based Bancinsure, where he developed and managed strategic relationships with emphasis on sales of financial institution products to distributors, banking associations and financial institution customers nationwide. Prior to that, he served in a number of capacities with AIG over a twelve year career.

With the formation of FNBB Insurance Agency, LLC, community bankers will now have access to a specialist in the insurance arena for financial institutions. The many product offerings include Directors & Officers Liability, Financial Institution Bond, Property & Casualty, Mortgage Impairment Programs, Lenders Single Interest and other unique coverages.

First National Bankers Bankshares, Inc. (FNBB, Inc.), the parent company for First National Bankers Bank in Baton Rouge, Louisiana, Mississippi National Banker's Bank in Ridgeland, Mississippi, First National Bankers Bank, Alabama in Birmingham, Alabama, and Arkansas Bankers Bank in Little Rock, Arkansas, serves the correspondent banking needs of community financial institutions across the southeastern United States. It is owned exclusively by the community banks that it serves.

For more information regarding FNBB Insurance Agency, Inc. please visit online at www.bankers-bank.com or contact Delvan directly at dirwin@bankers-bank.com or 601-953-8562.



First National Bankers Bankshares, Inc.
FINANCIAL HIGHLIGHTS

June 30, 2009
(Unaudited)

BALANCE SHEET

ASSETS

Cash and Due From Banks	\$436,477,485
Certificates of Deposit	\$15,083,665
Federal Funds Sold	96,905,000
Securities Purchased URA	1,445,279
Investment Securities	114,689,802
Trading Assets	1,731,199
Loans Outstanding	496,776,509
Loan Loss Reserve	(8,237,599)
Other Assets	<u>36,626,362</u>
Total Assets	1,191,497,702
Agent Federal Funds Sold	1,030,000,000
TOTAL RESOURCES ADMINISTERED	<u>\$2,221,497,702</u>

LIABILITIES AND CAPITAL

Deposits	\$286,643,101
Federal Funds Purchased	711,350,000
Securities Sold UAR	5,486,090
Borrowings from FHLB	44,407,164
Long-Term Subordinated Debt	8,248,000
Other Liabilities	5,002,026
Equity Capital	<u>130,361,321</u>
Total Liabilities and Capital	1,191,497,702
Agent Federal Funds Purchased	1,030,000,000
TOTAL RESOURCES ADMINISTERED	<u>\$2,221,497,702</u>

INCOME STATEMENT

Interest Income	\$15,859,583
Interest Expense	<u>2,079,253</u>
Net Interest Income	13,780,330
Provision for Loan Losses	3,992,000
Other Income	18,763,852
Operating Expenses	22,025,364
Tax	<u>2,312,937</u>
NET INCOME	<u>\$4,213,881</u>

Common Stock Dividends, July 1, 2009	\$1,331,545
Preferred Stock Dividends, June 30, 2009	\$281,260
* Book value per common share	\$383

FNBB Annual Golf Tournament

On Monday, April 6, 2009, First National Bankers Bank hosted the Annual Golf Tournament at Country Club of Louisiana in Baton Rouge, Louisiana. Seventy golfers came out to enjoy the beautiful course and nice Spring weather. Like past years, all participants went home with a prize. Listed below are our top place winners:

1st Place

- Dale Plauche, Plaquemine Bank & Trust Company, Plaquemine, LA
- Darren Guidry, Home Bank, Lafayette, LA
- Ralph Menetre, Central Progressive Bank, LaCombe, LA

2nd Place

- Danny Eason, Jeff Davis Bank & Trust Company, Jennings, LA
- David Lindsey, Resource Bank, Covington, LA
- Bill Carstens, Red River Bank, Alexandria, LA
- Matt Faust, Statewide Bank, New Orleans, LA

3rd Place

- Steve Panepinto, Plaquemine Bank & Trust Company, Plaquemine, LA
- John Rongey, Home Bank, Lafayette, LA
- Jim Lynons, First National Bank of Louisiana, Crowley, LA
- Buddy Melancon, St. Martin Bank & Trust Company, St. Martinville, LA

Closest to the Hole

- Donnie Spears, Peoples Bank of the South, Bude, MS
- Jack Brame, Red River Bank, Alexandria, LA

Newest FNBB, Inc. Shareholders

DeWitt Bank and Trust Company
DeWitt, AR

First Community Holding Company
Hammond, LA

First National Bank
Hope, AR

First Southern Bancshares, Inc.
Florence, AL

Jefferson Bank of Florida
Oldsmar, FL

Twin Lakes Community Bank
Flippin, AR

New Partnerships

Our strength and success come from our customers. We are proud to welcome the following banks as new customers as of June 30, 2009.

- **American Pride Bank**, Macon, GA
- **Bank of Evansville**, Evansville, IN
- **Bank of Evergreen**, Evergreen, AL
- **Bank of Wrightsville**, Wrightsville, GA
- **Capital City Bank**, Tallahassee, FL
- **CBS Banc Corp**, Russellville, AL
- **Cheaha Bank**, Oxford, AL
- **Community Bank of Pickens County**, Jasper, GA
- **Community Bank of the South**, Smyrna, GA
- **Covenant Bank & Trust**, Rock Spring, GA
- **Decatur First Bank**, Decatur, GA
- **Embassy National Bank**, Lawrenceville, GA
- **First Bank of Dalton**, Dalton, GA
- **First Bank of Georgia**, Augusta, GA
- **First Choice Community Bank**, Dallas, GA
- **First Choice Community Bank 1874**, Newnan, GA
- **First Federal Savings Bank**, Clarksville, TN
- **First National Bank**, Hope, AR
- **First National Bank of Georgia**, Carrollton, GA
- **First National Bank of Muhlenberg County**, Central City, GA
- **First Southern Bancshares, Inc.**, Florence, AL
- **FNB Bank, Inc.**, Mayfield, KY
- **Generations Bank**, Cullman, AL
- **Georgia Commerce Bank**, Atlanta, GA
- **Georgia Trust Bank**, Buford, GA
- **Heritage Bank & Trust**, Columbia, TN
- **Heritage First Bank**, Orange Beach, AL
- **Heritage First Bank**, Rome, GA
- **Highland Commercial Bank**, Marietta, GA
- **Home Federal Bank**, Shreveport, LA
- **Homeland Community Bank**, McMinnville, TN
- **Legacy Bank of Florida**, Boca Raton, FL
- **Legacy State Bank**, Loganville, GA
- **Liberty First Bank**, Monroe, GA
- **Louisville Community Development Bank**, Louisville, KY
- **Magnolia Bank, Inc.**, Hodgenville, KY
- **McIntosh State Bank**, Jackson, GA
- **Metro Bank**, Pell City, AL
- **Mountain Valley Community Bank**, Cleveland, GA
- **Newton Federal Bank**, Covington, GA
- **Patriot Bank of Georgia**, Cumming, GA
- **Peoples Bank of Bedford County**, Shelbyville, TN
- **Piedmont Community Bank**, Gray, GA
- **Private Bank of Buckhead**, Atlanta, GA
- **Progress Bank and Trust**, Huntsville, AL
- **Putman 1st Mercantile Bank**, Cookeville, TN
- **Queensborough National Bank & Trust Company**, Louisville, GA
- **South Louisiana Business Bank**, Prairieville, LA
- **Southern Heritage Bank**, Cleveland, TN
- **State Bank of Georgia**, Fayetteville, GA
- **Teche Federal Bank**, New Iberia, LA
- **The Coastal Bank**, Savannah, GA
- **The Coffee County Bank**, Manchester, TN
- **The Community Bank of East Tennessee**, Clinton, TN
- **The Geo. D. Warthen Bank**, Sandersville, GA
- **The Patterson Bank**, Waycross, GA
- **Touchmark National Bank**, Norcross, GA
- **Town Square Bank**, Ashland, KY
- **Unity National Bank**, Cartersville, GA
- **Verity Bank**, Winder, GA
- **Vinings Bank**, Smyrna, GA
- **WestSide Bank**, Hiram, GA



Comprehensive Asset Liability Management Review Services

FNBB Services Corp. can provide your bank an independent, comprehensive ALM review to meet your annual review requirements consistent with regulatory guidelines. We examine your bank's policies and internal control procedures as they relate to Asset Liability Management and Interest Rate Risk. Our auditors consider major assumptions, system inputs, model methodology and calculations from the vendor's software to determine whether it meets your bank's specific needs and provides realistic, reliable information. Our experienced auditors currently perform over 30 ALM reviews for banks throughout the southern region providing reports that are concise and useful. All work is performed off site, which saves your bank time and money.

Shareholder and BancWare ALM software users receive a discount on this service. Please note that FNBB SC and FNBB have consulted with regulators and contracted a third party review to maintain independence in providing this service. To receive more information or a proposal, contact Deborah Barrett at 601.605.1361 or email dbarrett@bankers-bank.com.

FNBB Services Corp. strives to support community banks in any way we can and our ALM review service is one more way we do that!

Press Release from First Louisiana Bank



Lakeshia Getter

Ron C. Boudreaux, President & CEO of First Louisiana Bank is happy to announce the following: Adam Hubble as Vice President of Commercial Lending at our E. 70th location, and Lakeshia Getter as Branch Manager of the Line Avenue Branch.

Getter joined the Bank in February 2003, and serves as the Branch Manager for our Line Avenue location. Getter is a graduate of Northwestern State University in Natchitoches, La and has been in banking for 9 years.



Adam Hubble

Hubble joined the Bank in April of 2009 to serve as Vice President of Commercial Lending at the E. 70th Street location. Hubble has resided in Shreveport for the past 7 years having worked in the local banking industry during that period. Hubble holds a bachelor's degree in finance, a Master's Degree in Business Administration, and is a recent graduate of the Graduate School of Banking.

Investar Bank Opens Second Branch Location

John D'Angelo, President and C.E.O., of Investar Bank announced today that the Bank has completed construction of its second branch location in Port Allen, LA. D'Angelo said that the Bank officially opened for business on Monday, May 11, 2009. The site is located at 3761 Hwy 1 South, Port Allen, Louisiana.

The Port Allen Branch is a 2,300 square foot building with state of the art equipment and technology. The branch includes three drive-through lanes and one ATM.

For more information about Investar Bank, check out www.investarbank.com.

➔ Keep Growing Deposits in Tough Economic Times

*Ivan Gomez, Client Development Associate
LendingTools.com*

Community banking has long been a cornerstone of the financial services industry. Through conservative practice, smart business decisions and a dedication to personal relationships, community banks are positioning themselves to have a very strong 2009 by staying the course that has allowed independent institutions to flourish despite the recent economic downturn.

Community banks have recently turned to technology to establish nontraditional methods of solidifying current and potential business while continuing to search for ways to increase revenue in a highly competitive market. According to the research and advisory company Celent, analysts predict customers will soon expect from community banks the same technology offerings they can get from mobile banking through big banks—services like remote deposit capture and others. Given this trend, services like ACH origination, wire transfer and remote deposit capture have become instrumental for retaining and increasing customer deposits—and more important than ever to solidifying a bank's business customer base.

So how does a financial institution implement these services with limited resources? Many are turning to outsourcing, increasingly favoring the software as a service (SaaS) model rather than software licensing, which requires capital expenditures, noted Aite Group analyst Gwenn Bezard. By utilizing the SaaS model, banks can stay competitive while keeping costs down.

Since 2004, First National Bankers Bank has utilized the LendingTools.com correspondent suite known as Netlink—a solution provided as a SaaS. LendingTools.com provides the same service to community banks through the Business Service Suite. Also delivered as a SaaS in the community bank's own

brand, the Business Services Suite provides community banks the tools needed to compete with and stay ahead of the competition. Services include a suite of traditional cash management products between the community bank and their corporate customers, such as ACH origination, wire transactions, account balances, account sweep, and Remote Deposit Capture. This not only equips community banks with the technology to accommodate the most demanding business customers, it provides additional services and fee income. Best of all, if you are a current Netlink customer, transactions created by your customers can be automatically routed into the Netlink console, providing a seamless transaction flow for the parties involved.

For more information on the Business Service Suite, call your respective bankers bank business development officer or visit www.LendingTools.com.



Community banks have recently turned to technology to establish nontraditional methods of solidifying current and potential business while continuing to search for ways to increase revenue in a highly competitive market.





➔ NetLink Exchange Reaches Another Milestone in Q2!

The OnWe Team added our 80th Community Bank to the Network during the 2nd Quarter. The growth and acceptance of NetLink Exchange/OnWe Network has been phenomenal as the OnWe Team has worked diligently to include community banks in numerous markets across the Southeastern United States. As more exchange partners come on board, our current volume of 4.8 million items will continue to increase, and our community banks will reap the rewards.

Strong processor relationships have been a key part of the success and viability of NetLink Exchange. As our processor network expands, so does the opportunity for even more community banks to participate. The OnWe Team has recently completed testing and certification for Financial Institution Service Corp (FISC). Our staff have worked hand in hand with the FISC group to facilitate OnWe participation for the first of the FISC banks.

Such partnerships help us to further honor our commitment of growing our community bank Network, one neighborhood at a time.

International Payments Transaction Guide

We recently updated our International Payments Transaction Guide (IPTG) to include our expansion of International Service offerings. Respondent banks now have online capabilities for creation of international wire transfers, purchase and sale of currency and coin, and ordering foreign drafts. A new option is also available for incoming wires that require receipt using a SWIFT code.

A copy of the new IPTG can be located under the Downloads Section in NetLink or on our website at www.bankers-bank.com. Please contact your Business Development Officer for more information.

ANNOUNCEMENT

Mr. Richard “Dicky” Heard announced his retirement as president of Bank of Winnfield, but will remain as chairman of the bank’s board of directors. Robert “Buddy” Heard has been elected as president of the bank. Dicky Heard is a past board member of First National Bankers Bank, Louisiana. We thank Mr. Heard for his contribution to FNBB and the banking industry and wish him well.

FNBB Services Corp. Employee 2009 Public Service Award Recipient

Deborah Barrett has been named by the Mississippi Society of CPAs as the 2009 recipient of the Public Service Award for her church, civic, and community service in the Hattiesburg area. Deborah was honored and received her award at the Business Meeting of the 2009 MSCPA Convention in Sandestin on June 27th.

Deborah is an Assistant Vice President and Auditor for FNBB Services Corp. We are very proud of her accomplishment.



*Deborah Barrett on the right,
Linda Keng, Past MSCPA President on the left*

Recognition

DIANA BARNES, a Compliance Audit Officer with our Compliance Services Division in Birmingham, Alabama has just received her certification as a CBAP, Certified BSA/AML Professional. Diana attended the BSA/AML Institute, an ICBA sponsored school in Minneapolis which covered the requirements and best practice expectations in Bank Secrecy Act and Anti-Money Laundering. Also included was in-depth training, resources and peer networks to effectively manage/audit the BSA/AML function which she will share with her many community bank audit clients. Please join us in congratulating Diana in her accomplishment.

➔ 2009 Seminar Schedule

- August 4 & 5 - ACH Boot Camp
- August 11, 12, 13 - Quarterly Compliance Meeting
- August 26 - ALM Users Meeting
- September 10 - Regulatory Compliance Seminar in Mississippi
- September 15 - Mortgage Opportunity Seminar
- September 16 - Bank Portfolio Management 101 Seminar
- September 22 - Mortgage Opportunity Seminar
- October 20 - IS Seminar
- October 21 - IS Seminar
- November 4 - Regulatory Compliance Seminar in Alabama
- November 17, 18, 19 - Quarterly Compliance Meeting

For more detailed information and locations please go to the calendar on our website at www.bankers-bank.com.

Welcoming Our Newest Employees

MNBB

Penny Jones
Loan Review Analyst

FNBB, Alabama

Jennifer Pivar
Client & Market Support Manager
Georgia Division

ABB

Chuck Hunt
Business Development Officer

Megan Sherman
Receptionist

FNBB Insurance Agency, LLC

Delvin Irwin
Senior Vice President
Sales Manager



7813 Office Park Blvd.
Baton Rouge, LA 70809

➔ SERVICE BEYOND COMPARISON

➔ OUR MISSION STATEMENT

FNBB, Inc. is organized to be a profitable company providing high quality correspondent services which encourage the growth of its shareholders and clients. It is focused on serving the management and financial needs of community financial institutions and their customers in the Southern United States.

OUR SERVICES

AUDIT SERVICES

- ACH Audit
- Compliance Audit
- Compliance Training
- Information Systems Audit
- Information Security Service
- Internal Audit
- Loan Review
- Specialized Audits

OPERATIONS SERVICES

- Agency Federal Funds
- ACH File Receipt
- ACH Origination
- ACH Returns and NOCs
- Adjustments - FRB and OnWe
- Cash Letter Clearing
- Cash Management/Sweep
- Cash Vault Service
- Domestic Wire Transfers
- Image Cash Letter Exchange
- International Services
- Online Communications Network
- OFAC Scanning
- Principal Federal Funds
- Reconciliation Assistance
- Savings Bond Orders
- TT&L Notification

LENDING SERVICES

- Bank Stock Financing
- Credit Analysis
- Leasing Services
- Letters of Credit
- Loan Participations Purchased and Sold
- Loans to Senior Officers and Directors
- Loans for Physical Plant and Land
- Overline Assistance

INVESTMENT SERVICES

- Asset/Liability Management
- Bond Accounting
- Certificates of Deposit
- Employee Benefit Plans
- Investment Security Trading
- Municipal Lending
- Municipal Underwriting
- Safekeeping
- Trust Preferred Issues

INSURANCE SERVICES

- Directors and Officer Liability
- Financial Institution Bond
- Property & Casualty & Workers' Compensation
- Lenders Single Interest
- Mortgage Impairment & Force-Placed Programs
- Excess FDIC

ADDITIONAL SERVICES

- Credit Card and Merchant Services
- Executive Compensation Packages (BOLI)
- Flood Determination Services
- Mortgage Lending
- Official Checks and Money Orders
- Remote Deposit Capture
- Sale Leaseback Transactions
- Stored Value Cards

