

BANK NOTES

QUARTERLY NEWSLETTER

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A Look At Money Matters From Your Neighbors At Slocomb National Bank

STATEMENTS

A Letter From The President.

What an issue! Our latest newsletter is bigger than ever. We have a lot of things going on in the third quarter and we want to make sure everyone is invited to participate in the excitement. One of the things you'll notice the next time you visit the bank is our new exhibit, entitled "Glory Days". This version of our Stars and Stripes, which displays only 48 stars, hung in the original Slocomb National Bank building from 1912 – 1959, and



has always reminded us of times worth celebrating. And with celebrations in mind, we'd also like to invite everyone to stop by and visit on October 5th. We're planning a great 100 year anniversary celebration, complete with lunch and some wonderful festivities, so be sure to attend. We have lots to celebrate and even more to talk about, so read on and enjoy!

Warmest regards,

Hope H. Johnson, President

HISTORY

Chapter Three - Growth Comes Naturally

In 1967, the bank's one and only office was relocated from downtown Slocomb to its current location at the intersection of Highway 103 and the Lawrence Harris Highway. The Lawrence Harris Highway was so named in 1991 by the Alabama State Legislature in memory and in honor of the bank's fifth president, Lawrence Harris, for his contributions to the Slocomb community and his years of dedicated public service. The 1967 four thousand square foot building included the bank's first drive-in window, first night deposit box, and first safety deposit boxes. The building cost around \$115,000. The bank site even included a 20 foot evergreen that was lighted each year for Christmas. Sadly, the tree was destroyed in 1975 during Hurricane Eloise. General contractor for the bank building was Slingluff Construction of Dothan. Architects were Waid and Holmes of Dothan. Harry Harris was bank president at the time and total assets were around \$3,000,000.

In 1996, the bank building was completely renovated. The newly designed seven thousand square foot building included the bank's first automated teller machine (ATM). General contractor for the bank building was Hollis and Spann of Dothan. Architect was Waid Architecture, Inc. (Charles Waid), ironically, son of Alan Waid, architect for the original building in 1967. Hope H. Johnson was bank president at the time and total assets were around \$37,500,000.

At the end of 1905, the bank's total assets were \$104,464. At the beginning of 2005, the bank's total assets were \$49,513,000.

(Continued Next Issue...)

Slocomb National Bank Awards 2005 Lawrence Harris Scholarships

The Lawrence Harris Endowed Scholarship Fund was established by Slocomb National Bank in December of 1992 in memory of Lawrence Harris, as well as to promote the education of deserving undergraduate students who enroll full time at the University of Alabama. The scholarship is awarded only to graduates of Slocomb High School and is open to entering freshmen, transfer students, and continuing full-time undergraduates at the University of Alabama. A total of over \$65,000 has been awarded since the Fund was established.



Pictured here are (left to right): Trey Harris, \$1,000 scholarship recipient; Hope Johnson, President Slocomb National Bank; Jenna Register, \$1,000 scholarship recipient; and Ashlee Spivey, \$4,000 scholarship recipient.

100 YEARS

The Smart Way To Save For Education

As the cost of education continues to rise, so does the need for a better way to save. At Slocomb National Bank, we want to provide our customers and their families with options that fit their lifestyles and their budgets. Take a look at the programs below to see if one or more of them can help you plan for someone's educational future.

- The Coverdell Education Savings Account (formerly known as the Education IRA) was created to make savings for tomorrow more profitable. In addition to giving young people a better chance at building their futures, it provides them with tax breaks along the way. Find out more about the rules for Coverdell ESAs by calling today.
- U.S. Savings Bonds are a safe, easy way to save money and a solid addition to your investment portfolio. Using Savings Bonds to pay for qualified higher education expenses may allow you to exclude your earnings from federal income taxes.
- The Alabama State Treasurer offers two attractive college-planning options: the Alabama Higher Education 529 Fund and the Alabama Prepaid Affordable College Tuition (PACT) Program.

Find out more about each of these options by stopping in to visit today!



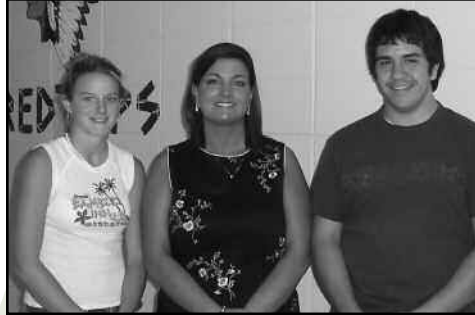
Free Student Checking

At Slocomb National Bank, we want to help our young people build a solid financial future. We provide checking to students with no monthly fees and no minimum balance requirements.

SNB: Making A Difference

Teaching Teens To 'Get Smart'

Kellie Ballard recently met and taught a great group of business students at Slocomb High School about credit issues as part of the bank's continuing "Get Smart About Credit" financial education effort. "The choices young adults make



Pictured here (L to R): Tara Wells, business student; Kellie Ballard, SNB; and Kristopher Flippo, business student.

with their first credit card will impact their lives later when they apply for a car loan or even a mortgage," said Kellie Ballard. "We are committed to raising awareness about the responsible use of credit. And, to show young adults how they can use credit wisely, right from the start."

SNB Supports the Slocomb Elementary PTO

SNB was proud to team up with Senator Harri Anne Smith (SNB) to help make the PTO gym air conditioning project a reality. Senator Smith was able to secure \$30,000 in State funding while Slocomb National Bank donated the additional \$1,500 needed to complete the project.



Pictured here: Phillip Santora, President Slocomb Elementary PTO and Hope H. Johnson, President Slocomb National Bank.

We understand that the project is complete and that the year-end school functions held in the gym were much more comfortable for students and parents. We appreciate the PTO and all their hard work on behalf of our children.

SNB Supports AIDB

The Alabama Institute for the Deaf and Blind (AIDB) based in Talladega, Alabama is the world's most comprehensive education and rehabilitation system serving children and adults who are deaf, blind and multi-disabled. Children ages 3 to 21 are served through the Alabama School for the Deaf, the Alabama School for the Blind and the Helen Keller School of Alabama, all located on the main campus in Talladega. The E.H. Gentry Technical Facility is an accredited two-year technical school for adults who are deaf or blind or who have multiple disabilities.



Pictured here in front of the Lawrence Harris room at the Dothan Regional Center (L to R) are: Ricky B. Holman, AIDB Regional Director and Joseph Johnson, SNB. The Lawrence Harris room at the Dothan Regional Center is used for video phone service.

Nine Regional Centers throughout Alabama serve people from birth all the way through life, helping them connect with the local resources they need to live a rich, full life. The Dothan Regional Center was constructed in 2001 and covers Houston, Barbour, Henry, Dale, Coffee, Geneva and Covington Counties. Most of their services are free to residents of Alabama who have a diagnosed vision



or hearing loss of at least 25% and for children with a diagnosed developmental delay. Joseph H. Johnson (SNB) currently serves on the Board of Trustees for AIDB. It is interesting to note that Joseph is the great great grandson of Dr. Joseph Henry Johnson who founded the Alabama Institute of the Deaf and Blind in Talladega in 1858.

'Success' Stories

Throughout our one hundred years of service, one thing stands out—our success can largely be attributed to the many friends and allies who have supported us along the way. At Slocomb National Bank, we want to share that century-old formula with our community. At SNB, our customers have access to the business tools they need to reach their goals and, more importantly, a partner every step of the way. We believe that realizing your business dream is less about what you know and more about discovering who can help. Bank with the friends who are dedicated for the long haul to your growing... *Success.*

Dan Bailey, CEO of the Alabama Bankers Association, seems to agree when he says: "Over the past century, Slocomb National has provided valuable services to consumers, helped grow local businesses and been an outstanding civic citizen. While our larger banks tend to receive a lot of attention in the press, the importance of Alabama's community banks, such as Slocomb National, to our local communities and our state is often not fully appreciated. Nearly half of the banks in Alabama have less than \$100 million in assets and represent the majority of Alabama's community bank population. These banks consistently are very well managed and are thriving in the highly competitive financial services industry. They are able to do so by being deeply committed to their local community. Further, they are very efficient in their operations and embrace opportunities to bring new products and services to their customers. Indeed, banks, such as Slocomb National, are the primary engine for economic growth in their towns."

Sorrells Funeral Home

"Slocomb National Bank is a small community bank with a big heart, taking care of my business and personal needs with that professional, friendly touch they're so well known for, making me feel like



Pictured here at Sorrells Funeral Home are (L to R): Terry Sorrells and Hope Johnson, SNB.

my business is just as important to them as it is to me." - *Terry Sorrells*

Harris Brothers

"When I think of SNB, I think of history. I'm always amazed at the changes I've witnessed over the years in banking, particularly bank technology. Many years ago when I worked at the bank, if we



Pictured here at Harris Brothers are (L to R): Steve Harris and Harri Anne Smith, SNB.

received an unsigned check we would actually compare handwriting to figure out where to post it. Now computers do so much." - *Steve Harris*

Merritt's Auto and Home Center

"Our family has done business with SNB approximately three quarters of a century, five generations. The important thing is they have been and still are our very personal friends. After college we bought our first car financed by SNB, a 1957 black Fairlane Ford. In 1978 we bought a Western Auto Associate Store, now Merritt's Auto and Home Center, and set up our business account with SNB. They have met our needs and provided excellent service since that time. The special



Pictured here at Merritt's are (L to R): Patricia Merritt, Marjorie Harris (SNB), Joey Merritt, and Billy Joe Merritt.

thing about SNB is the personal relationship they have with their customers; first name basis, not talking to a computer somewhere and not being able to explain or discuss a need or situation. The SNB office and staff are always friendly and accommodating. We appreciate a hometown, home owned bank in our community" - *Patricia Merritt*

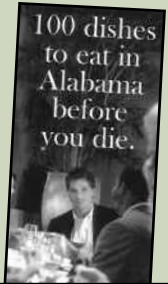
In The Spotlight

Zack's Family Restaurant

"When I think of SNB, I think of professional people serving hometown folks. The fact that the bank is here in town makes it very convenient. However, I appreciate the day to day service with a smile as much as the convenience" - *Zack Whaley.*

Zack's fried cornbread and fried green tomatoes were recently featured in the Alabama Bureau of Tourism and Travel brochure "100 dishes to eat in Alabama before you die." With all the new publicity, Zack and his staff should be busier than ever. Congratulations Zack's!

Pictured here at Zack's are (L to R): Hope Johnson, SNB with Zack and Dianne Whaley.



Sawyers Produce

"The Bank has been with us in good times and bad—like the drought in 1977. I appreciate their friendly service and good advice." - *Janice Sawyers*

Sawyers Produce was recently seen in the Alabama Public Television feature "Season to Taste: Slocomb Tomato Festival." We were excited about the great exposure and are proud to have the Sawyers as friends and customers. Copies of the feature are available for viewing at the bank. Congratulations to the Sawyers!



Pictured here at Sawyers are (L to R): Jerry Bedsole, SNB with Ronald Sawyers, Janice Sawyers, and Ron Sawyers.



SUCCESS

Services (With A Smile)

At Slocomb National Bank, we understand how important time is to all of us. We all love it when things are more convenient, so we're adding services every day to make your banking easier. With 24 Hour Telephone Banking and an ATM / VISA Debit Card, SNB is placing great service and high tech convenience at your fingertips.

24 HOUR TELEPHONE BANKING

From a touchtone phone, dial:
1-888-730-7517
(toll free)

For messages in English, press 1
For messages in Spanish, press 2

Press:

1. For Account Information
2. For Check Verification
3. For Location & Business Hours
4. To Report Lost & Stolen Cards
5. For Customer Service
9. To end this call



One Hundred Years... And Still Growing.



Your ATM/debit card, with the STARsm and VISA[®] symbols, gives you instant access to your account. And we have made using your ATM/debit card more secure by giving you the ability to conveniently change and customize your PIN. Call us at SNB or stop by today to learn more.

For more information, contact us at:



One Hundred Years... And Still Growing.

220 East Lawrence Harris Highway
Slocomb, Alabama 36375

p: (334) 886-2367 • f: (334) 886-2364

24 Hour Telephone Banking: (888) 730-7517

Hours: Mon-Thu 9am-4pm; Fri 9am-6pm

(Drive up window opens each morning at 8:30am)



'Success' Stories (...Continued From Page 3)

Carpenter Farms

"I appreciate our local bank and their personal service. It's important to me to know my banker. The people there are always friendly and cooperative. I remember my first visit to the bank when I started farming back in the 1970's. Jerry was quick to



Pictured here at the farm are (L to R): Joseph Johnson (SNB), Larry Carpenter, Mrs. Evelyn Carpenter, Shaun Carpenter, and Trevor Carpenter.

make me feel welcome, ending our conversation with: 'If you need more, just come on back.'

- Larry Carpenter

Dalton Pharmacy

"Dalton Pharmacy has been doing business with the Slocomb National Bank since the bank was organized in 1905 and remains one of their oldest customers. Our founder, Jep P. Dalton, was one of the

early stockholders in the bank and his grandson, Joe Dalton, has recently been elected as a Director of the Bank. Slocomb National Bank was one of the few banks to be able to reopen after President Roosevelt declared a bank holiday during the Great Depression. It was great to know that our money was safe and we were able to still operate in the depression years.



Pictured here at Dalton Pharmacy are (L to R): Paul Dalton and Joseph Johnson, SNB.

When we needed financial help, they were always willing and able to help us. Years ago, on a trip to the World Fair in New Orleans, Helen and I had car trouble along the way and decided to trade cars. All it took was a simple call by the motor company to the Bank to get authorization on the check. Our relationship with Slocomb National Bank throughout the last 100 years has always been nothing but great." - Paul Dalton

A Hometown Approach To Banking

All words carry meaning, but some are able to convey a wealth of feeling and emotion we all understand. At Slocomb National Bank, we feel the services we offer should remind our customers of the way we feel about them, our community and the way we do business. Slocomb National Bank is proud to offer **Hometown Banking**. It's an approach to banking that makes it more of what we all want it to be—personal. Just think about it... trusted friends, personalized service, relationships that matter and a more relaxed, easier approach to life can all be summed up in one word: *Hometown*.

A Hometown Advantage. With us, banking is all about our growing relationships. That's why Slocomb National Bank is pleased to announce **Hometown Advantage Checking**. With Hometown Advantage Checking you get checking with interest, unlimited check writing and many other features. Qualify by maintaining \$2,500 in Hometown Advantage Checking; or by maintaining \$10,000 in

a combination of checking, savings, money market, CDs and/or IRAs.

With Hometown Advantage Checking, enjoy all these benefits:

- **Free personalized Hometown Advantage checks or a discount on the checks of your choice**
- **Daily interest earned on your account balance**
- **Unlimited check writing**
- **Free 24-Hour Automated Telephone Banking**
- **Free ATM/Debit card with two withdrawals each month at other banks' ATMs with no SNB fee**
- **No-fee travelers' checks and cashier's checks**
- **Safe deposit box discount**
- **Free notary service**
- **No closing cost Home Equity Line of Credit**
- **One savings or money market account with no monthly service fee**

Member FDIC. Refer to Truth in Savings Disclosure for more information. All accounts, ATM/Debit Cards and Overdraft Protection are subject to credit approval. At our discretion, we may change the interest rate for this account. Interest will begin to accrue no later than the business day we

receive credit for the deposit of non-cash items. When you make a financial transaction or balance inquiry at an ATM not owned by SNB, we may charge you a fee and you may be charged a fee by the ATM owner or operator.

