



December 24, 2020

Dear Fellow Shareholders:

Despite the exceptional challenges of 2020, a healthy, prosperous future may not be so far off. A COVID vaccine is on the way; hopefully with the virus diminishing, a strong economy will quickly emerge from pent-up demand, and incredibly low interest rates.

In 2020, the Bank's net interest margin steadily declined due to the Federal Reserve's rate cuts in response to COVID-19. Naturally, this affects the Bank's net income, but the margin will stabilize as assets and liabilities adjust to the new level of rates. However, it will take several more quarters for the margin to start growing again.

This year the Bank's assets increased dramatically due to the Paycheck Protection Program loans (PPP). These short-term loans are in the process of being forgiven by the Small Business Administration. Our total assets will decrease, but as these loans are paid off, the Bank's non-interest earnings through PPP fee recognition will increase. While PPP fees will not fully offset the margin compression, it will lessen the impact on our earnings.

On December 17, 2020, the Board of Directors declared a distribution of \$4.45 per share to shareholders of record on that date, payable on December 24, 2020.

Remember, you can bank with us regardless of where you live using digital banking channels, such as Mobile Banking, Net-Teller, and Remote Deposit/Mobile Deposit. Call Breanna Randall at 334-289-6747, and she will help you get started.

We wish you all a happy holiday season.

Sincerely yours,

William Gary Holemon
President and Chief Executive Officer