

FOR IMMEDIATE RELEASE
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FNB Bank Acquires Peoples State Bank of Commerce, Expanding Footprint into Tennessee

Scottsboro, Ala. — FNS Bancshares, Inc., parent of FNB Bank, is pleased to announce it has reached an agreement to acquire Commerce Bancshares, Inc., a bank holding company, and its wholly-owned subsidiary, Peoples State Bank of Commerce (“Peoples State Bank”), which is headquartered in Nolensville, Tennessee, thus strategically expanding the Alabama-based bank into neighboring Tennessee. Peoples State Bank will be merged with and into FNB Bank, and the current banking locations of Peoples State Bank will operate as branches of FNB Bank following the merger.

"This is a very proud moment for FNB Bank," said President and CEO Stephen Rownd. "FNB Bank has served the people and businesses of Jackson and DeKalb counties for over a century. We've always considered ourselves a community bank, and not only are we thrilled about expanding, but we're extremely fortunate to be acquiring a bank with many of the same roots, values, and culture that we've had for all these years."

FNB Bank currently has nine branches in Alabama and with the acquisition of Peoples State Bank, will add three additional branches, which are located in Nolensville and Ardmore, Tennessee and Grant, Alabama.

"This was a smart decision for our customers and our bank," said Greg Lee, Chairman of the Board of Peoples State Bank. "We're joining forces with a well-established and respected bank that will bring additional services and products for our customers and expanded opportunities for our team members". Brenda Barnes, CEO of Peoples State Bank also stated, "as Steve said, we are two institutions with very similar values and cultures, and I'm absolutely certain this will be a win-win for our communities and our customers."

Peoples State Bank has assets of \$155 million. FNB Bank, which is headquartered in Scottsboro, Alabama, has assets of \$375 million.

"FNB Bank is committed to strategic, thoughtful growth and we believe that the combination of these two very similar banks is a perfect illustration of that," Mr. Rownd said. "Ultimately growth is about finding new and better ways to serve our customers, and we believe this acquisition will do just that."

The acquisition, subject to approvals from regulatory agencies and Commerce Bancshares shareholders is expected to close in the 3rd quarter of 2017.

FNS Bancshares, Inc. was advised in the transaction by FIG Partners, LLC as financial advisor and by Bryan Cave LLP as legal counsel. Commerce Bancshares, Inc. was advised in the transaction by Hovde Group, LLC as financial advisor and by Jones Walker LLP as legal counsel.

About FNB Bank

Established in 1900, FNB Bank is an Alabama chartered bank, member FDIC, with nine offices located in Scottsboro, Bridgeport, Henagar, Pisgah, Section, Skyline, and Woodville. FNB Bank offers businesses and consumers a full range of financial products and services.

About Peoples State Bank

Established in 1916, Peoples State Bank, Member FDIC, operates three offices located in Grant, Alabama and Nolensville, Tennessee and Ardmore, Tennessee. Peoples State Bank provides full service business and personal banking products to its commercial and consumer customers.

For more information, please contact: Steve Beaird, FNB Bank EVP and CFO at 256-259-6000.