



Achieve Greater Loyalty With Top Clients: F&M Bank GoldCrest Customer Program



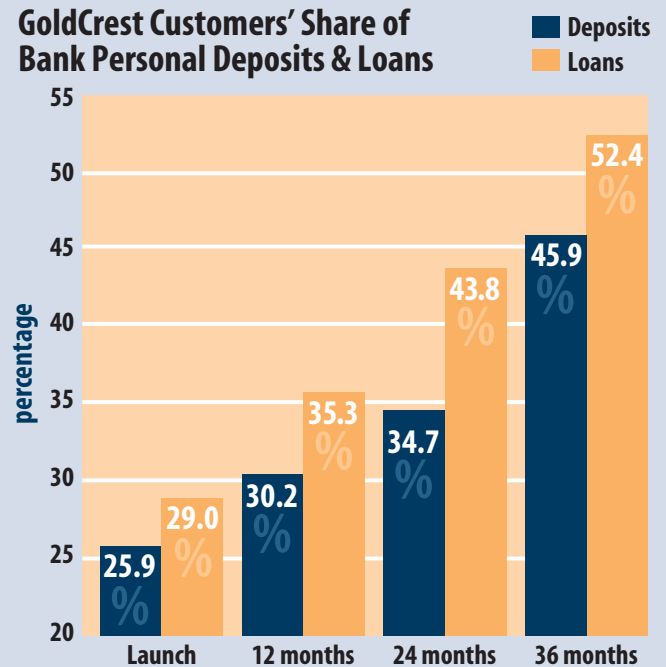
F&M Bank's **GoldCrest Customer Program** is an imaginative, measurable and sustainable program developed to recognize, reward and retain the bank's most profitable customers. The program also attracts customers with *move-up* potential. To be recognized as "GoldCrest," the customer must have a *personal checking account* and combined deposit balances of \$75,000 – OR – combined deposit and loan balances of \$100,000.

The central Tennessee-based bank has approximately \$700 million in assets and 13 full-service banking offices. The GoldCrest Customer Program has been highly successful in its **first three years**, with the following key accomplishments:

- The number of customers who qualify for GoldCrest more than doubled.
- GoldCrest Customers are only 8% of all personal banking customers, yet they represent almost half of all personal deposits and loan balances at the bank.
- GoldCrest personal deposits more than doubled – an increase of over \$111 million. GoldCrest personal loans increased by \$29 million.
- Cross-sell ratios improve because bank personnel are empowered and motivated to do more for their very best customers; accounts per GoldCrest Customer increased from 4.13 to 4.42.

GoldCrest Results After 36 Months

GoldCrest Customers' Share of Bank Personal Deposits & Loans



GoldCrest Customer Program Progress

	Launch	12 months	24 months	36 months
Number of GoldCrest Customers	566	668	753	1,338
Total Personal Deposits of GoldCrest Customers	\$85M	\$108M	\$130M	\$197M
GoldCrest Share of Bank Personal Deposits	25.9%	30.2%	34.7%	45.9%
Total Personal Loans of GoldCrest Customers	\$38M	\$48M	\$58M	\$67M
GoldCrest Share of Bank Personal Loans	29.0%	35.3%	43.8%	52.4%
Accounts Per GoldCrest Customer	4.13	4.01	4.35	4.42

CASE STUDY

The **Platinum Customer Program** gives you the ability to recognize, reward and retain your bank's very best customers.



Marquee Offer



Personalized Punch-Out Benefits Card



CEO Greeting

Variable data printing allows the bank to tailor offers to targeted demographic groups – or even to an individual customer – on a single digital press run.



Platinum Customer Program

Get The New Citizens Bank Platinum Credit Card
And Earn Even More ScoreCard Rewards

A Citizens Bank Platinum Credit Card gives you:

- ScoreCard Bonus Points – 1 point for every \$1 you spend
- The opportunity to combine ScoreCard Bonus Points from multiple accounts
- Competitive interest rates

Visit any Citizens Bank office to apply!

Citizens Bank

YOU HAVE EARNED **Platinum!** CUSTOMER PRIVILEGES!

Martha A. Samperson
 1234 Main Street North West
 Clarksville, TN 35555

Martha A. Samperson
 Your NEW Platinum card is here!

It's here you will enjoy this special Platinum member celebrating over 75th year of doing business in the US-Citizens region. We've included a few extra special offers for our very best customers – including a new Citizens Bank Platinum credit card that comes ScoreCard points that can be combined with previous points on your Citizens Bank Check Card. ScoreCard rewards are one reason to keep your account open with Citizens Bank.

Thank you for your loyalty to Citizens Bank.

Sincerely,
John A. Smith, III
 Chairman/CEO

Martha A. Samperson
 1234 Main Street North West
 Clarksville, TN 35555

Use your Personalized **Platinum Card** to Get Special **Platinum** Privileges!

Enjoy your Platinum benefits!

Because of your relationship with Citizens Bank, you have earned the exclusive benefits listed on the back of your personalized Platinum card. Present your Platinum card at any of Citizens Bank's convenient locations to take advantage of these great benefits!

Benefits are based on a personal checking account with \$1,000 and 1 total combined deposit of \$10,000 in 2+ combined deposits and have an FDIC rate of 3.25%. Accounts must be in good standing. Excludes all self-renewal credit features with existing new Platinum benefits as they are not included in this announcement.

Please present your card at all advantages!

Bank your own way.

FOR PLATINUM CUSTOMERS

TWO TICKETS TO THE BILTMORE ESTATE
 When You Rollover Your Retirement Plan into an IRA with Citizens Investment Services

Offer expires September 30, 2007. See back of coupon for offer details.

\$750 OFF CLOSING on a new Mortgage for a Home Purchase

Offer expires September 30, 2007. See back of coupon for offer details.

75TH ANNIVERSARY CD SPECIAL
2.75% APY ON 25-MONTH CD

Offer expires May 31, 2008. See back of coupon for offer details.

\$100 Lowes GIFT CARD

When you draw \$10,000 or more on a new or existing Home Equity Line of Credit.

Offer expires September 30, 2007. See back of coupon for offer details.

FNB

Refer a friend and Get \$50!

Refer a friend to FNB and receive \$50 when your referral opens an FNB checking account. There's no limit to the number of friends you can refer, so start earning today!

Offer expires on September 30, 2007.

WELCOME TO FIRST RATE REWARDS!

We're pleased to extend our thanks to you with the exclusive privileges listed on the back of this First Rate Rewards card. Just present your card at the bank to take advantage of these benefits.

Benefits are based on a total combined deposit balance of \$10,000 in a combined deposit account with a minimum of \$1,000 in FDIC deposits. Accounts must be in good standing. Excludes all self-renewal credit features with existing new First Rate Rewards benefits as they are not included in this announcement.

FIRST RATE REWARDS CUSTOMER
 BENEFITS AVAILABLE THROUGH SEPTEMBER 30, 2007

Refer a Friend and Get \$50!

Refer a friend to FNB and receive \$50 when your referral opens an FNB checking account. There's no limit to the number of friends you can refer, so start earning today!

Offer expires on September 30, 2007.

WELCOME TO FIRST RATE REWARDS!

We're pleased to extend our thanks to you with the exclusive privileges listed on the back of this First Rate Rewards card. Just present your card at the bank to take advantage of these benefits.

Benefits are based on a total combined deposit balance of \$10,000 in a combined deposit account with a minimum of \$1,000 in FDIC deposits. Accounts must be in good standing. Excludes all self-renewal credit features with existing new First Rate Rewards benefits as they are not included in this announcement.

FIRST RATE REWARDS CUSTOMER
 BENEFITS AVAILABLE THROUGH SEPTEMBER 30, 2007

USE YOUR PERSONALIZED FIRST RATE REWARDS CUSTOMER CARD TO GET SPECIAL FNB PRIVILEGES.

FIRST RATE REWARDS COUPONS

5,000 Scorecard Bonus Points
 when you open a new FNB Visa® Credit Card account

Offer expires on September 30, 2007. See back of coupon for details.

Absolutely NO CLOSING COSTS
 on any new Home Equity Line of Credit

Offer expires on September 30, 2007. See back of coupon for details.

Standard Oil Change & Tire Rotation
 \$10 OFF Harbin's Quick Lane

Located at member's First Choice/History. Valid one (1) time up to 10,000 miles. Excludes tires. Excludes all other services. Excludes all other services. Excludes all other services. Excludes all other services.

Offer expires on September 30, 2007. See back of coupon for details.

Receive a Complimentary Travel Mug

when you bring this coupon to any FNB office

Offer expires on September 30, 2007. See back of coupon for details.

Rock & Roll ROAD TRIPS

Enter to WIN A Trip For 2 With The Rockers

Opryland Hotel Country Christmas

The Rockers are headed to Nashville's Opryland Resort for a Country Christmas celebration December 18-22.

Tip for 2 includes round trip transportation, 2 nights accommodations, Park Tickets Christmas Dinner Party, Nashville City Spectacular starting the Rockers and more!

Just bring 100 COUPON to any Southern Heritage Office to enter. Drawing will be held on November 1.

Bring this coupon to any Southern Heritage Representative, in person only. See a customer service representative for complete rules.

Expect A Difference!

Welcome to Platinum!

Because we value your relationship with Southern Heritage Bank, you've earned these exclusive benefits based on the back of this Platinum card. Just present your Platinum card at any Southern Heritage Bank office to take advantage of these benefits!

Benefits are based on a total combined deposit balance of \$10,000 in a combined deposit account with a minimum of \$1,000 in FDIC deposits. Accounts must be in good standing. Excludes all self-renewal credit features with existing new Platinum benefits as they are not included in this announcement.

Please present your card at all Southern Heritage Bank office to take advantage of these benefits.

Use your personalized **Platinum** card to get special Southern Heritage Bank privileges.

www.southernheritagebank.com

Platinum Platinum for Platinum Members Only! Platinum Platinum

Oliver's Get a \$50 Gift Certificate For Dinner At Oliver's When You Open A Brokerage Relationship

Call Madison Tavelitz, Financial Consultant • 360-2084

Open A NEW DEPOSIT ACCOUNT Including CDs and get a FREE SHB COFFEE MUG

Special Platinum Savings \$250 off

Using bank on the New or Southern Heritage

Call Jay Adams or Kelli Braithorn at 473-7900

Take advantage of our Special Introductory Rate, 5.85% APR

for 6 Months then Prime for Life with a New Home Equity Line of Credit

Offer expires September 30, 2007. See back of coupon for details.

Platinum MEMBER

Benefits Available Through September 30, 2007

George W. Samperson
 1234 Main Street
 Clarksville, TN 37320

Lee Stewart
 Lee Stewart
 President & CEO

The bank's top tier customers receive a customized, high-quality mailer every 3-4 months ... with new coupons featuring great incentives, discounts and gifts.

In addition to F&M Bank's GoldCrest Customer Program, other banks have implemented similar programs. Designed with plenty of flexibility for each bank, some banks use the name "Platinum" for their program ... others develop their own program name and brand.



F&M Bank GoldCrest Customer Program

- Objective:** Develop an ongoing relationship and loyalty program to recognize, reward and retain profitable clients who keep high deposit and/or loan balances with the bank. The purpose of the program is to deepen total banking relationships with the bank's most highly desired clients ... and attract customers with "move-up" potential.
- Situation:**
- Upon initial implementation of the program, the bank had 566 customers who met GoldCrest requirements: A personal checking account and \$75,000 in combined deposits or \$100,000 in combined deposits and loans.
 - This group constituted \$85 million in deposits or 25.9% of all deposits for the bank.
 - GoldCrest customers initially held an average of 4.13 accounts.
- BLF Role:** BLF Marketing partnered with the F&M Bank marketing team and played a leadership role in developing the overall program strategy, which included:
- Identification of GoldCrest Customers and responsibility for list management/updating.
 - Coordination of employee training curriculum and program launch.
 - Development of a personalized, high-end mailer with customized offers and benefits.
 - Keeping program on track by recommending special offers, coordinating personnel training and overseeing mailer production and distribution.
 - Periodic analysis and reporting of results.
- Strategies:**
- Personalized GoldCrest mailers are dropped three times per year featuring five customized coupon offers and 10-12 "boiler plate" benefits.
 - Employed variable data printing technology to customize coupon offers based on geographic markets, key demographic segments and/or individual customer criteria.
 - Concerted sales training is geared to cross-sell services to existing GoldCrest customers and attract "move-up" customers.
- Results:**
- **12 Months After Launch** — 688 GoldCrest customers representing \$108 million in deposits or 30.2% of all bank personal deposits; 4.01 accounts per customer.
 - **24 Months After Launch** — 753 GoldCrest customers representing \$130 million in deposits or 34.7% of all bank personal deposits; 4.35 accounts per customer.
 - **36 Months After Launch** — 1,338 GoldCrest customers representing \$197 million in deposits or 45.9% of all bank personal deposits; 4.42 accounts per customer.
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