



PREMIER
COMMERCIAL BANK

PREMIER NEWS

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SUMMER 2009

Deposit Corner

Did you know that Premier Commercial Bank has personal accounts? We want your personal business as well as your company's. We want to be your bank. In an increasingly complicated world, we want to bring a simpler approach to meeting your banking needs. ~Continued Inside~

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A Letter From The President

It has been a tumultuous year. However, as we stated in our last newsletter, we like where we are.

We have continued on our path of steady, measured growth. As of August, we exceeded the \$60 million mark in total assets. We have over \$50 million of loans and lines of credit to our clients, and expect to see more growth for the remainder of the year. Our staff focuses on ensuring that the overall client experience is an excellent one. We want to distinguish ourselves from the crowd with premier-level attention to meeting the needs of our clients, over the duration of our relationships with them.



Frank Gavigan President and CEO

The foundation of any successful banking franchise is its people. We set out to enlist the best bankers in our markets and made several additions since our last newsletter. Susan Mondello joined us as Senior Vice President and Treasury Services Officer. She is spearheading the growth of the deposit side of our bank. Leah Price came on board as Senior Vice President and is our High Point Market President. She will head our expansion into the High Point market. Finally, Helena Paige joined us as Commercial Banking Specialist. She works with Robin Gailey in our Credit Administration area. We are excited to have these three professionals join our team.

We held our annual meeting on May 19, 2009. Shareholders approved the election of three existing Directors, Frank Gavigan, Lane Schiffman, and Gilmour Lake. They also approved holding open one seat for the board to fill before the next annual meeting. Shareholders also approved hiring Elliott and Company as our external auditors for 2009.

As we look to the rest of this year and beyond, a major challenge faces us in building the deposit base of the bank. We need to grow deposits in a careful and deliberate manner that will benefit us for years to come. To do that, we need to focus on gathering checking deposits. We need your help with this. We need your personal and corporate checking business to help fund the company. These deposits are the raw material for our loans. Without them, we won't be able to grow the way we would like to. Your business means a lot to us, and we want you to make Premier your primary bank.

While we are happy with what we have accomplished, there remains much work to be done and we look forward to working with you to grow our company.

Premier was born out of a belief that business owners and managers need a business bank. Small and medium-sized businesses are the lifeblood of our economy, and Premier is the only Triad-based bank designed around their unique needs. How are we different? We start by doing more listening than talking, so that we can understand your business. Our bankers will come to you with creative, customized solutions. If this sounds like your kind of bank, talk to us, because at Premier...

WE MEAN BUSINESS



336-398-2321

701 Green Valley Road, Ste 102
Greensboro, NC 27408

Protect Yourself From Identity Theft

Ways to protect your social security number :

- Don't carry your Social Security card in your wallet.
- Give your Social Security Number (SSN) only when absolutely necessary.
- Ask why a SSN is needed, who has access to it, and how it is kept confidential.
- Don't print your SSN or driver's license number on your checks.
- Shred old bank statements, insurance forms, credit applications, etc.

Ways to secure your finances :

- Limit the number of credit cards you carry.
- Watch billing cycles for missing bills and review monthly statements for odd charges. Contact your creditors if a bill doesn't arrive when expected or includes charges you don't recognize.
- Use automatic deposit for payroll, social security or other federal benefit checks.
- Keep copies of credit cards (front and back) in a safe place in case a card is lost or stolen.
- Destroy receipts that show your entire credit card number. It's illegal in North Carolina for a business to print the full credit card number on the electronically generated customer's receipt.
- "Opt out" of sharing your nonpublic personal information or credit report information with other businesses.

NC Dept. of Justice/Roy Cooper, Attorney General (919) 716-6400

Deposit Corner Continued...

In addition to our focus on small to mid-sized companies in the Triad, Premier offers a full line of traditional consumer products. Checking, Money Market and Savings accounts, as well as Certificates of Deposit and credit cards are all designed with your convenience in mind. Manage your accounts online and use any ATM in the country at no charge to you!

Premier is uniquely positioned for success in a banking environment that has many others distracted by problem loans, bad investments and more. We continue to experience healthy loan demand from good, solid companies, and our mission is to fund these loans with local deposits. It is important to our success that we build a strong deposit base as well as a strong loan portfolio.



Your continued support of Premier is crucial in helping us attain success. If you have not yet begun your Premier banking experience, we urge you to call us today!

Your transition to Premier can be virtually seamless. After gathering the necessary information, we will prepare account documents and assist you with related tasks, such as changing automatic drafts and setting up bill pay vendors on your behalf. Once you have experienced our premier client service, we know that you will want to refer your friends, family, and business associates.

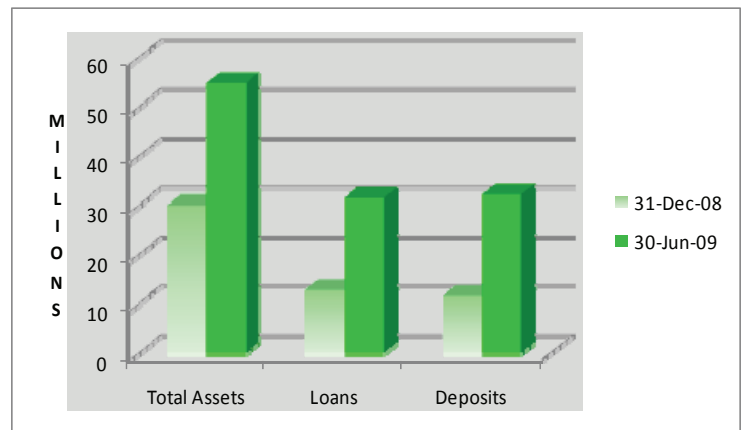


William E. Swing
Executive Vice President and Chief Financial Officer

Financial Highlights

We are pleased to update you on the growth and development of your Bank. June 30 marks not only the half way point for 2009, but also the completion our first full year of operation. Since our opening in May of 2008, we have operated the Bank with an eye towards building a well-positioned and sound financial institution.

As of June 30, 2009, the Bank reported (unaudited) assets of \$54.8 million. This includes net loans and deposits of \$31.5 million and \$32.2 million respectively. As you can see, we have experienced strong growth since our 2008 year-end report, when we reported assets, loans, and deposits of \$30.1 million, \$12.8million, and \$11.6 million respectively.



This growth is due in large part to our ability to deliver a combination of competitive products with a professional level of service to what has been a receptive market. This is evidenced by the growth of our core-deposit portfolio during the year. Core deposits are defined as checking, money market and savings accounts, and certificates of deposit less than \$100,000. At December 31, 2008, core deposits accounted for approximately 45% of total deposits. At June 30, 2009, the percentage of core deposits to total deposits had increased to just over 57%. Total deposits grew by approximately 178% in the first six months of 2009.

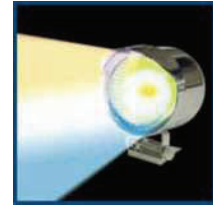
Lending activity has also accelerated during the year. While total loans outstanding have increased from \$12.9 million in December 2008 to just under \$32 million at June 30, 2009, over \$14.5 million of this growth occurred in the second quarter. A key component of building a high-quality asset base is a well-diversified loan portfolio. Commercial lending increased from 15% to 22% of gross loans in the first six months of 2009.

Capital and liquidity remain strengths for the Bank. Our capital ratios continue to significantly exceed regulatory minimums, which is not the case for many institutions today. We are well capitalized and have the necessary liquidity to meet the needs of the markets we serve.



Premier Spotlight

Jay Harris
Executive Vice President and Triad Market Manager



Jay Harris joined Premier Commercial Bank in 2008 as Senior Lender and Triad Market Manager. His primary role at Premier is to develop and oversee the bank's business development functions.

A native of Greensboro, Jay has more than 20 years of experience in the Triad. After graduating from UNC-Chapel Hill in 1986, Jay started his career with Bank of America. In 1998, he joined First Citizens Bank in Greensboro as Vice President and Commercial Loan Officer. Prior to joining Premier, he served as Senior Vice President and Senior Commercial Loan Officer for Bank of North Carolina after it acquired SterlingSouth Bank & Trust Company, where he had worked since its inception in 2000.

Jay is active in the Greensboro community and currently serves on the board of directors for both the Salvation Army of Greensboro and the Guilford Education Alliance. Other local involvement and leadership activities include former President of the Crescent Rotary Club, former Board Chair for Downtown Greensboro, Inc., and advisory council member for the Salvation Army Boys & Girls Clubs of Greensboro for nearly 10 years.

Jay is married and has three teenage children. He enjoys spending time with his family, playing golf and running with his very energetic chocolate lab, Tahoe.

"I BELIEVE BUSINESS OWNERS AND MANAGERS ARE HUNGRY FOR A BANK THAT LISTENS; A BANK THAT WILL BE PROACTIVE AND RESPONSIVE TO THEIR SPECIFIC NEEDS. WE HAVE BUILT THAT BANK AT PREMIER THROUGH OUR UNIQUE BUSINESS MODEL, OUR PRODUCTS AND SERVICES, AND OUR EXPERIENCED STAFF."