

First Farmers and Merchants Corporation (OTC Pink: FFMH; Columbia, TN) has agreed to sell 1 branch in White Bluff, TN to F&M Financial Corporation (Private; Clarksville, TN)

**Deposit Premium: Undisclosed**

Sandler O'Neill served as exclusive financial advisor to First Farmers and Merchants Corporation in connection with this transaction.

This transaction represents Sandler O'Neill's 29<sup>th</sup> bank branch transaction since January 1, 2015. During that time period, Sandler O'Neill has advised on branch transactions comprising 195 branches and over \$10.9 billion in deposits, more than any other investment bank.<sup>1</sup> This transaction represents Sandler O'Neill's 3<sup>rd</sup> whole bank or bank branch transaction in Tennessee since January 1, 2018, more than any other investment bank during that time period.<sup>1</sup>

COLUMBIA, Tenn. (September 21, 2018) – First Farmers and Merchants Corporation (OTC Pink: FFMH), the holding company for First Farmers and Merchants Bank, a community bank with 22 full-service locations in eight Middle Tennessee counties, today announced that it has entered into a definitive agreement (the "Transaction") to sell its branch office in White Bluff, Tennessee – the Bank's sole location in Dickson County – to F&M Bank in Clarksville, Tennessee. The Transaction is expected to close during the first quarter of 2019. The terms of the Transaction were not released.

Commenting on the announcement, T. Randy Stevens, Chairman and Chief Executive Officer of First Farmers, said, "As part of our expansion into the Nashville market, we have entered into an agreement to sell our branch in White Bluff to F&M Bank. We believe the synergies possible from our ongoing expansion in Nashville and the growth opportunities that characterize that market are compelling and present a better strategic fit with our vision for the Company's goals and objectives."

F&M Bank is a \$1.1 billion community bank chartered in 1906. With the addition of the White Bluff branch, F&M will operate a total of 20 banking and mortgage offices in ten Middle Tennessee counties. In response to the Transaction, William S. Stuard, Jr., Chairman and Chief Executive Officer of F&M Bank, stated, "We are excited to add the White Bluff office and community to the F&M family. White Bluff and Dickson County are natural extensions of our long range vision for Middle Tennessee. The branch has built, and continues to grow, a solid deposit and loan base. We look forward to offering our banking and mortgage services to the community and continuing their growth."

## Transaction Summary

Number of Branches	1
Location of Branch	White Bluff, TN
Deposits Transferred	~\$29 million
Loans Transferred	~\$4 million

Seller	First Farmers and Merchants Corporation
Headquarters	Columbia, TN
Total Assets	~\$1.4 billion

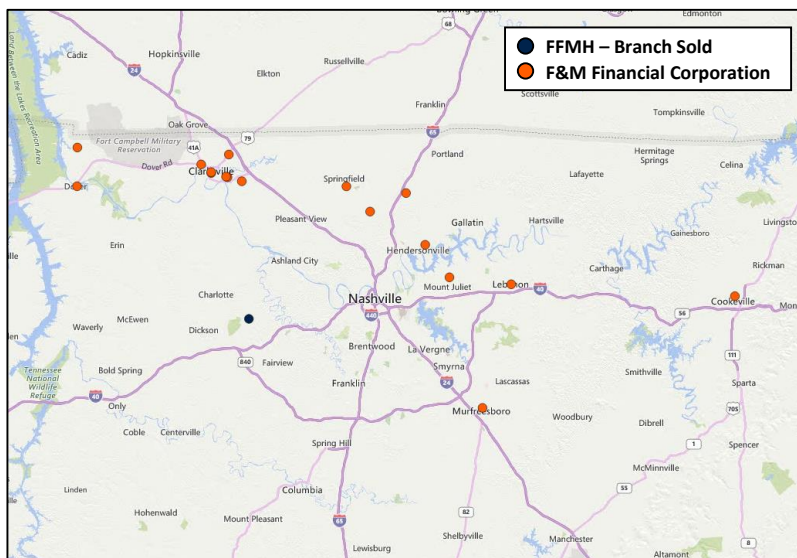
Buyer	F&M Financial Corporation
Headquarters	Clarksville, TN
Total Assets	~\$1.1 billion

(1) Includes completed and pending transactions; excludes terminated transactions and self-advisory roles

Note: Financial data as of June 30, 2018

Source: S&P Global Market Intelligence, FFMH Press Release

## Pro Forma Branch Map



## Sandler O'Neill Contacts

**Scott Clark**  
Principal  
(212) 466-7965

**Reid Brewer**  
Director  
(212) 466-8086

**Johnny Carson**  
Vice President  
(415) 978-5008

**Mackenzie Boydston**  
Analyst  
(212) 466-7747