



Message from Scott Fife



To say that change is in the air as we migrate from one season to the next could also describe our company and industry. To say that the New Year brought a change to my life as well as my family would be an understatement. As I find myself typing this memo to the owners, customers and partners that make Southern the great organization it is, I search for what to say. So, first and foremost, let me say thank you for the opportunity that has been given to me as I take on this new role as Southern Bancorp Bank's President and CEO. Southern is a wonderful company with a bright future and one each of us can be proud of. I am excited as I take a hard look at the mission of our company and the changes Southern and Southern's affiliates have made in our communities, as well as all of the lives we touched in the process.

Southern ended the year in assets of over \$1 billion dollars and earnings in excess of \$9 million, creating a Return on Assets of .85%, making your company one of the most profitable CDFI banks in the country. As our financial position continues to strengthen in the first quarter of 2011, we are eager about the continuance of our ability to build communities and change lives in our targeted markets. I look forward to the change that 2011 brings to our company and I am ready and willing to move the mission of Southern forward together.

Message from Tanya Wright



Now approaching my one year anniversary here at Southern, I can hardly believe how quickly time has flown and how much has occurred over the past year. If one value of Southern was illustrated for 2010, I believe it would be commitment. The presence of Southern in each of our communities has remained alive and strong, and I know it is because of our determined employees and volunteers. Thus far, the year 2011 has brought much change, but all with positive and optimistic direction.

My past position as Global Executive Vice President at Heifer International allowed me to view and implement necessary change at the international level. While I am very grateful for the worldwide experiences Heifer allowed me to have, my allegiance lies with Arkansas and the Delta region. There is an absolute need for international poverty reduction; however, the need for jobs and improved education systems is also great locally. Creating change and bettering the world begins at home, and I know Southern will leave a lasting impact on the Delta for generations to come. I am proud

to be a part of Southern, and intend to ensure our mission continues to be known through our words and actions in the communities we serve.

National Community Bank Service Award

ICBA Honors Southern Bancorp for Outstanding Community Service
The Independent Community Bankers of America (ICBA) named Southern a top honoree in the 2011 ICBA



National Community Bank Service Awards for the bank's outstanding leadership in its "Planning for the Rural South" program.

ICBA founded the National Community Bank Service Awards program to help celebrate outstanding volunteer efforts of community banks. The ICBA National Community Bank Service Awards bring national recognition to aid their communities. The awards are given to ICBA members that show longstanding commitments to community outreach and development.

For more information on the ICBA National Community Bank Service Awards, please visit www.icba.org.



Progress made for Sunflower River weir

The Delta Bridge Project in Coahoma County is funding construction of the weir on the Sunflower River. The purpose of this project is to elevate the average level of the Sunflower River through public areas to make it a tourist, recreation and economic development anchor in Coahoma County. As of March 2011, the construction of the diversionary channel and buffer dams is complete so the area where the weir will be built may dry out. The anticipated results of this project will directly impact Southern Bancorp's goals of reducing poverty and unemployment by creating new

economic opportunities and improving quality of life for residents of Coahoma County.

Retirement Party for Phil Baldwin



On February 24, friends and family gathered for Phil Baldwin's farewell party at the main branch of Southern in Arkadelphia. People from as far as California were in attendance to say goodbye and wish the best of luck to the former CEO. Kind and congratulatory words were spoken by Congressman Mike Ross, who presented Baldwin with a flag that had flown over the nation's capital.

New director for Arkadelphia Promise



The Arkadelphia Promise Foundation hired their first executive director, Jason Jones, in January of this year. Before Jones took the new position, he was the head girls' basketball coach and history teacher at Cutter Morning Star Public Schools. The Ross Foundation and Southern Bancorp jointly fund the Arkadelphia Promise program, the third of its kind in the state of Arkansas. The Arkadelphia Promise Scholarship will pay the difference, or gap, between the dollar amount of an Arkansas Academic Challenge Scholarship and a dollar amount up to the highest tuition and mandatory fees charged by an Arkansas public college or university. The goal of the Arkadelphia Promise Scholarship is to increase the matriculation rate for

local students, reduce the number of students forgoing college because of financial reasons, and develop and encourage a more educated workforce in Arkadelphia as well as the entire state of Arkansas. For more information, visit <http://arkadelphiapromise.com/>.

Pre-Med Builds Assets

Kori Mansfield, a Biology teacher at the KIPP Delta school in Helena-West Helena, Arkansas, is a current participant in Southern's Asset Builders Individual Development Account (IDA) program, where the Southern Good Faith Fund (SGFF) matches \$3 for every \$1 saved. Asset Builders helps participants save toward an asset-building goal such as repairing or purchasing a home, starting a small business, or earning a post-secondary degree. Kori recently earned her Bachelor of Science degree in Biology/ Pre-Med from the University of Arkansas at Fayetteville, and is now working towards becoming a homeowner. One way to help participants like Kori reach their savings goal is to consider donating to Southern's Asset Builders program. Donations to the Asset Builders program are eligible for an Arkansas state income tax deduction equal to 50 percent of the donation. For example, a \$200 donation is eligible for a \$100 tax credit. For more information, please contact us at www.banksouthern.com.

Southern Bancorp Customer Wins Business of the Year

The Arkansas Business award for Business of the Year went to Southern customer, Joel Rush, CEO of The Learning Institute in Hot Springs. Joel moved to Hot Springs in 2001, and started The Learning Institute in 2005 with business partner, Matt Adams. The mission of The Learning Institute is to improve education by giving school districts usable data about their students' achievement.

When asked what brought Joel and The Learning Institute to Southern, he replied, "We wanted to bank somewhere local where we could build a long term banking relationship with people who lived in our community. Previously, we had been banking at local branches of national banks and found that while the local employees were helpful, they could not provide the range of services right in town that we can receive from Southern."

[Read more about Joel and Matt and The Learning Institute in their Arkansas Business article.](#)

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