Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1971

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

P. O. BOX 630847
NACOGDOCHES, TX 75963-0847

2b Employer Identification Number (EIN)
75-1827898

2c Sponsor's telephone number
800-723-7601

2d Business code (see instructions)
522110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2010	BEVERLY RICE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

P. O. BOX 630847
NACOGDOCHES, TX 75963-0847

3b Administrator's EIN
75-1827898

3c Administrator's telephone number
800-723-7601

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	191
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	126
b	Retired or separated participants receiving benefits	**6b**	10
c	Other retired or separated participants entitled to future benefits	**6c**	48
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	184
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f	Total. Add lines **6d** and **6e**	**6f**	184
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 3D 1I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)			**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

D Employer Identification Number (EIN)
75-1827898

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2009

2 Assets:

a	Market value	**2a**	2921580
b	Actuarial value	**2b**	2921580

3 Funding target/participant count breakdown

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	10	482918
b	For terminated vested participants	**3b**	49	304068
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		6784
	(2) Vested benefits	**3c(2)**		2255637
	(3) Total active	**3c(3)**	132	2262421
d	Total	**3d**	191	3049407

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**	

5	Effective interest rate	**5**	6.45 %
6	Target normal cost	**6**	0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

	08/20/2010
Signature of actuary	Date
JOHN D. GIBSON	08-02529
Type or print name of actuary	Most recent enrollment number
WERNTZ & ASSOCIATES, INC.	318-797-2554
Firm name	Telephone number (including area code)
P. O. BOX 5606 SHREVEPORT, LA 71135	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	470066	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	470066	0
10	Interest on item 9 using prior year's actual return of -19.85 %	-93308	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		236166
	b Interest on (a) using prior year's effective rate of 6.01 %		14194
	c Total available at beginning of current plan year to add to prefunding balance		250360
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	145064	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	231694	0

Part III Funding percentages

14	Funding target attainment percentage	14	88.21 %
15	Adjusted funding target attainment percentage	15	95.81 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.20 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/30/2009	200000	0			
			Totals ► 18(b)	200000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	187946

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.64 %	6.40 %	6.56 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 0

22 Weighted average retirement age — **22**: 65

23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**		0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**		
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	**34**		0

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			

36 Additional cash requirement (item 34 minus item 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	187946
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	187946
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40 Unpaid minimum required contribution for all years	**40**	0

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

D Employer Identification Number (EIN)
75-1827898

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	9273	13721
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	100000
(2) U.S. Government securities	1c(2)	193904	180180
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	351431	258881
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	1808564	2373328
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	558408	490376
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	2921580	3416486
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2921580	3416486

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	200000	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		200000
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)	10913	
	(C) Corporate debt instruments	2b(1)(C)	16339	
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		27252
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	62171	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		62171
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	111559	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	109297	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		2262

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	381309	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		381309
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		4228
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		677222
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	182316	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		182316
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		182316
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		494906
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: AXLEY & RODE, LLP (2) EIN: 75-0767305

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		2000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

D Employer Identification Number (EIN)
75-1827898

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 62-1194889

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 8

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT

NACOGDOCHES COMMERCIAL BANCSHARES, INC.
PENSION PLAN
Nacogdoches, Texas

December 31, 2009 and 2008

AXLEY & RODE, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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AXLEY & RODE, LLP
CERTIFIED PUBLIC ACCOUNTANTS • SINCE 1949
CROCKETT - JASPER - LIVINGSTON - LUFKIN - NACOGDOCHES

INDEPENDENT AUDITORS' REPORT

Retirement Plan Committee
Nacogdoches Commercial Bancshares, Inc.
Pension Plan
Nacogdoches, Texas

We were engaged to audit the accompanying statements of net assets available for plan benefits of Nacogdoches Commercial Bancshares, Inc. Pension Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for plan benefits for the years then ended and the Statement of Accumulated Plan Benefits as of January 1, 2009, and the related Statement of Changes in Accumulated Plan Benefits for the year then ended, and the supplementary schedules listed in the table of contents as of December 31, 2009. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFT 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note H, which was certified by Commercial Bank of Texas, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Axley & Rode LLP
CERTIFIED PUBLIC ACCOUNTANTS

Lufkin, Texas
July 27, 2010

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

	DECEMBER 31, 2009	DECEMBER 31, 2008
ASSETS		
Investments at Fair Value:		
Short-term money market funds	$ 355 692	$ 455 316
Certificates of Deposits	100 000	-
Mutual funds	134 684	103 092
Common stock	2 373 328	1 808 564
Corporate bonds	258 881	351 431
U. S. Government bonds and agencies obligations	140 417	144 994
Mortgage backed securities	39 763	48 910
TOTAL INVESTMENTS	3 402 765	2 912 307
Interest and dividends receivable	13 721	9 273
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 3 416 486	$ 2 921 580

The accompanying notes are an integral part of these statements.

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN
For the Years Ended December 31, 2009 and 2008

	2009	2008
Additions to Net Assets Attributed to:		
Investment Income:		
Dividends	$ 65 678	$ 75 272
Interest	27 210	16 877
Net appreciation (depreciation) in fair value of investments, net of realized gains and losses	384 334	(780 941)
TOTAL INVESTMENT INCOME	477 222	(688 792)
Employer contribution	200 000	250 000
TOTAL ADDITIONS	677 222	(438 792)
Deductions from Net Assets Attributed to:		
Benefits paid directly to participants/beneficiaries	182 316	180 526
TOTAL DEDUCTIONS	182 316	180 526
INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR PLAN BENEFITS	494 906	(619 318)
Net Assets Available for Plan Benefits:		
Beginning of year	2 921 580	3 540 898
END OF YEAR	$ 3 416 486	$ 2 921 580

The accompanying notes are an integral part of these statements.

STATEMENT OF ACCUMULATED PLAN BENEFITS
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

	JANUARY 1, 2009
Actuarial Present Value of Accumulated Plan Benefits (Note B):	
Vested Benefits:	
Participants currently receiving payments	$ 506 000
Other participants	2 841 000
	3 347 000
Nonvested benefits	9 000
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS	$ 3 356 000

The accompanying notes are an integral part of this statement.

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

	FOR THE YEAR ENDED JANUARY 1, 2009
Actuarial present value of accumulated plan benefits at January 1, 2008	$ 3 791 000
Increase (Decrease) During the Year Attributable to:	
Benefits accumulated	2 000
Increase due to the passage of time	184 000
Benefits paid	(181 000)
Decrease due to change in assumptions	(440 000)
NET INCREASE	(435 000)
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT END OF THE YEAR	$ 3 356 000

The accompanying notes are an integral part of this statement.

NOTE A - DESCRIPTION OF THE PLAN

The following description of The Nacogdoches Commercial Bancshares, Inc. Pension Plan (Plan) provides only general information. For a more complete description of the plan's provisions, refer to the summary plan description or the plan agreement.

1. General: The Plan is a defined benefit pension plan covering substantially all employees of Nacogdoches Commercial Bancshares, Inc. and its subsidiary Commercial Bank of Texas, N.A. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The plan was amended effective March 1, 2006 to freeze all benefit accruals. No further benefits will be accrued (earned by Participants) under the plan.

2. Eligibility: Employees will become eligible to participate in the Plan as of the first day on which they have completed one year of service as described below in Item 3 "Vesting Service". Since the benefit accruals were frozen effective March 1, 2006, new participants since that date will not earn a benefit.

3. Vesting Service: Vesting service is equal to a period of twelve calendar months in which an employee works 1,000 hours or more. A participant is 100% vested after seven years of credited service. Normal retirement date is the first day of the month following age 65. An employee may retire after his normal retirement date, with the consent of the Company.

4. Contributions: The Plan sponsor, Nacogdoches Commercial Bancshares, Inc. (Company) makes annual contributions in amounts at least equal to the amounts, if any, required to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and Section 412 of the Internal Revenue code of 1986, as now or hereafter amended, as specified in the actuary's valuation reports for applicable periods of time.

   The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA as amended.

5. Payment of Benefits: Employees with 7 or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to 1% of the participant's average annual monthly compensation up to the integration level multiplied by the participant's years of credited service limited to a maximum of 35 years plus 1.5% (subject to certain limitations) of average annual monthly compensation in excess of the integration level multiplied by participant's years of credited service limited to a maximum of 35 years. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering 7 years of service, they will receive their vested portion of their accumulated plan benefits attributable to the Company's contributions. Employees may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement.

   Employees are eligible for early retirement at reduced benefits provided they have completed 10 years of credited service and attained age 55.

   The plan provides methods of computing benefits at late retirement, death or termination of employment.

6. Death and Disability Benefits: At the death or disability of a participant, a benefit will be payable to the beneficiary equal to the actuarial equivalent of the participant's accrued benefit.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The Plan has prepared its financial statements on the accrual basis in all material respects.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Valuation of Investments: Investments are recorded at fair value. Investments with quoted market values are valued at the last reported sales price on the last business day of the plan year. Mutual funds are recorded at their net asset value on the last day of the plan year. The change in the difference between current value and cost of investments is reflected in the Statement of Changes in Net Assets Available for Plan Benefits as net appreciation (depreciation) in the fair value of investments net of realized gains and losses. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. All investment information is certified by the trustee, as noted in Note H.

Risk and Uncertainties: The Plan provides for various investments in a mutual fund, foreign and domestic stocks, U.S. Government securities and short-term investments. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimations and assumptions in the near term would be material to the financial statements.

Actuarial Present Value of Accumulated Plan Benefits: Accumulated Plan benefits are those future periodic payments including lump sum distributions that are attributable under the Plan's provisions to services rendered by the employees prior to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' average annual monthly compensation up to a maximum of 35 years. The accumulated plan benefits for active employees are based on the average annual monthly compensation up to a maximum of 35 years ending on the date as of which the benefit information is presented (the valuation date). The plan was amended as of March 1, 2006 to freeze all benefit accruals. No further benefits will be accrued (earned by Participants) under the plan from that date forward. Benefits payable under all circumstances - retirement, death, disability, and termination of employment are included to the extent they are deemed attributable to employee service rendered prior to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary from Werntz & Associates, Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2009 and 2008 were (a) Applicable 2009 table (1994 GAR projected to current year) and in 2008 the Applicable 2008 table (1994 GAR projected to current year), (b) retirement age assumptions (assumed participants will retire when eligible) and (c) increases in compensation for 2009 and 2008 and (d) investment return. The valuations included segmented rates of return (1: 5.24%, 2: 5.69%, 3: 5.37%) for 2009 and segmented rates of return (1: 4.6%, 2: 4.82%, 3: 4.91%) for 2008. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Management has evaluated subsequent events through July 27, 2010, the date the financial statements were available to be issued.

Benefit payments are recorded when paid.

NOTE C - INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets.

	DECEMBER 31, 2009	DECEMBER 31, 2008
Investments at Fair Value as Determined by Quoted Market Price:		
Aim government and agency money market	$ 355 692	$ 455 316
Rydex S&P Equal Weight	232 436	163 464

During 2009 and 2008, the Plan's investments (including investments bought, sold, and held during the year) appreciated (depreciated) in value by $384,334 and $(780,941), as follows:

	YEARS ENDED DECEMBER 31, 2009	YEARS ENDED DECEMBER 31, 2008
Mutual funds	$ 31 592	$ (80 918)
Common stock	347 457	(687 776)
Corporate bonds	9 450	(2 897)
U. S. Government bonds and agencies obligations	(4 577)	8 510
Mortgage backed securities	412	(17 860)
	$ 384 334	$ (780 941)

NOTE D - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits.

		FAIR VALUE MEASUREMENTS AT REPORTING DATE USING		
	FAIR VALUE	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS/ LIABILITIES (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
December 31, 2009:				
Short-term money market funds	$ 355 692	$ 355 692	$ -	$ -
Mutual funds	$ 134 684	$ 134 684	$ -	$ -
Common stocks	$ 2 373 328	$ 2 373 328	$ -	$ -
Corporate bonds	$ 258 881	$ 258 881	$ -	$ -
U.S. Government bonds and agencies	$ 140 417	$ 140 417	$ -	$ -
Mortgaged backed securities	$ 39 763	$ -	$ 39 763	$ -
December 31, 2008:				
Short-term money market funds	$ 455 316	$ 455 316	$ -	$ -
Mutual funds	$ 103 092	$ 103 092	$ -	$ -
Common stocks	$ 1 808 564	$ 1 808 564	$ -	$ -
Corporate bonds	$ 351 431	$ 351 431	$ -	$ -
U.S. Government bonds and agencies	$ 144 994	$ 144 994	$ -	$ -
Mortgaged backed securities	$ 48 910	$ -	$ 48 910	$ -

NOTE D - FAIR VALUE MEASUREMENTS - CONTINUED

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements

The fair value of the mutual funds and the money market fund is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds and U. S. government securities are based on quoted market prices.

Level 2 Fair Value Measurements

The fair values of mortgage backed securities are based on a discounted cash flow analysis based on observable inputs. These inputs include market quotes for similar instruments, current market yields and offering sheets.

NOTE E - PLAN TERMINATION

Should the Plan terminate at some future time, its net assets may not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

In the event the Plan terminates, the net assets of the Plan will be allocated in accordance with Section 4.5 of Appendix A of the Plan. This section provides for the benefits available to be distributed in the following order:

1. Each retired person in receipt of a benefit on the date three years prior to the date of termination. Each person who would have been in receipt of a benefit on the date three years prior to such date of termination, if he had retired prior to that date, subject to certain limits.
2. Each retired person in receipt of a benefit and each person who is entitled to retire on the date of such termination, subject to certain limits.
3. Each person or former person not eligible to retire who has met the eligibility requirements for, or is entitled to receive, a vested accrued benefit or vested minimum retirement benefit, as the case may be, subject to certain limits.
4. Each participant in the Plan who has not previously received an allocation subject to certain limits.
5. Employer.

All the above distributions are subject to the distribution rules under the Plan, the limitations provided in Section 2.5.15 of the Plan and to any changes as may be ordered by the PBGC.

NOTE F - TAX RULING OR DETERMINATION LETTER

The Internal Revenue Service has ruled that the Plan qualifies under Section 401 (a) of the Internal Revenue Code and is, therefore, not subject to tax under present income tax laws. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator is not aware of any action or event that has occurred that might affect the Plan's qualified status.

NOTE G - PLAN ADMINISTRATION AND COSTS

The Plan's assets are held in trust at the Company's subsidiary (Commercial Bank of Texas, N.A. Trust Department) which is a related party. All contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The plan paid Commercial Bank of Texas, N.A. fees amounting to $-0- for the years ending December 31, 2009 and 2008.

Certain administrative functions are performed by officers or employees of the plan sponsor. No such officer or employee receives compensation from the Plan. All administrative expenses are paid by the plan sponsor and are not reimbursed by the Plan.

NOTE H - INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the trustee.

	YEARS ENDED DECEMBER 31,	
	2009	2008
Investments at Fair Value:		
Certificates of deposit	$ 100 000	$ -
Short term money market fund	$ 355 692	$ 455 316
Mutual funds	$ 134 684	$ 103 092
Common stock	$ 2 373 328	$ 1 808 564
Corporate bonds	$ 258 881	$ 351 431
U. S. Government bonds and agencies obligations	$ 140 417	$ 144 994
Mortgage backed securities	$ 39 763	$ 48 910
Total investment income	$ 477 222	$ (688 792)
Investments at Cost:		
Certificates of deposit	$ 100 006	$ -
Short term money market fund	$ 355 692	$ 455 316
Mutual funds	$ 187 269	$ 187 269
Common stock	$ 2 659 513	$ 2 441 447
Corporate bonds	$ 253 309	$ 353 271
U. S. Government bonds and agencies obligations	$ 133 627	$ 133 627
Mortgage backed securities	$ 37 189	$ 46 526

Schedule SB, line 26 -
Schedule of Active Participant Data

Nacogdoches Commercial Bancshares, Inc.

75-1827898/001

For the plan year 1/1/2009 through 12/31/2009

Years of Credited Service

Attained Age	Under 1 No.	1 to 4 No.	5 to 9 No.	10 to 14 No.	15 to 19 No.	20 to 24 No.	25 to 29 No.	30 to 34 No.	35 to 39 No.	40 & up No.
Under 25		18	1							
25 to 29		9	10							
30 to 34		2	5	3						
35 to 39		4	2	5	1					
40 to 44		4	2	1						
45 to 49		2	6	6	1		2			
50 to 54		4	1	2	2	1	2	2		
55 to 59		1	1	2	1	1	1	1		
60 to 64		1	1	5	2	1	1	2	1	
65 to 69		1		1	2					
70 & up			1							

Warning 415 limit exceeded by one or more participants. See Notes and Warnings report.

Schedule SB, Part V
Statement of Actuarial Assumptions/Methods

Nacogdoches Commercial Bancshares, Inc.

75-1827898 / 001

For the plan year 1/1/2009 through 12/31/2009

Valuation Date: 1/1/2009

Funding Method: As prescribed in IRC Section 430

Age - Eligibility age at last birthday and other ages at nearest birthday

New participants are not included in current year's valuation

Retrospective Compensation - Current compensation

Form of Payment - Assumed form of payment for funding is lump sum equivalent of normal form. Funding Target for lump sum is the greater of the present value of accrued benefit computed using funding segment rates and 417(e) Applicable Mortality Table or lump sum at the assumed retirement date of accrued benefit using plan actuarial equivalence discounted using appropriate segment rate. Lump sum on plan actuarial equivalence rates will not exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) plan actuarial equivalence interest and mortality

Interest Rates - Segment rates for the Valuation Date as permitted under IRC 430(h)(2)(C) & (G)

Segment #	Year	Rate %
Segment 1	0 - 5	5.64
Segment 2	6 - 20	6.40
Segment 3	> 20	6.56

Pre-Retirement - Mortality Table - None

Turnover/Disability - None

Salary Scale - 4%

Expense Load - None

Ancillary Ben Load - None

Post-Retirement - Mortality Table - 09C - 2009 Funding Target - Combined - IRC 430(h)(3)(A)

Cost of Living - None

Lump Sum - G83 - 1983 Group Annuity at 7.5%
or
09E - 2009 Applicable Mortality Table for 417(e) (unisex)

Asset Valuation Method: Fair market value of assets adjusted for contributions under IRC 430(g)(4)

410(b)/401(a)(4) Testing:

Pre-Retirement - Interest - 7.5%

Post-Retirement - Interest - 7.5%

Mortality Table - U84 - 1984 Unisex

Permissively Aggregated Plans - Tested as a Single Plan

Compensation - Use current compensation to calculate the benefit accrual rate (annual method)

Testing Age - Normal retirement age or attained age, if older

Normal Form for MVAR - Joint with 50% Survivor Benefits

Warning 415 limit exceeded by one or more participants. See Notes and Warnings report.

FORM 5500 - SCHEDULE H, PART IV, LINE 4j
SCHEDULE OF REPORTABLE TRANSACTIONS
NACOGDOCHES COMMERCIAL BANCSHARES, INC.
PENSION PLAN
December 31, 2009

EIN 75-1827898
PIN 001

(a) IDENTITY OF PARTY INVOLVED	(b) DESCRIPTION OF ASSET	(c) PURCHASE PRICE	(d) SELLING PRICE	(e) LEASE RENTAL	(f) EXPENSE INCURRED WITH TRANSACTION	(g) COST OF ASSET	(h) VALUE OF ASSET ON TRANSACTION DATE	(i) NET GAIN OR LOSS
Series of Transactions:								
Aim Government and Agency*	Money Market Account	$ 393 969	$ -	$ -	$ -	$ 393 969	$ 393 969	$ -
Aim Government and Agency*	Money Market Account	$ -	$ 493 593	$ -	$ -	$ 493 593	$ 493 593	$ -

(a) Purchase price includes expenses incurred in connection with transactions (i.e., commissions). Selling price is net of expenses incurred in connection with transactions.

Note: This schedule is a listing of transactions of the same security which exceeds 5% of the Plan's assets as of the beginning of the year and are deemed to be reportable transactions for the year ended December 31, 2009. The trustee initiates and consummates all investment transactions.

The information shown on this schedule has been summarized from information provided by the Trustee, to which the Trustee has certified as being complete and accurate.

See independent auditors' report.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NACOGDOCHES COMMERCIAL BANCSHARES, INC.

D Employer Identification Number (EIN)
75-1827898

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2009			
2	Assets:			
	a Market value		2a	2921580
	b Actuarial value		2b	2921580
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	10	482918
	b For terminated vested participants	3b	49	304068
	c For active participants:			
	(1) Non-vested benefits	3c(1)		6784
	(2) Vested benefits	3c(2)		2255637
	(3) Total active	3c(3)	132	2262421
	d Total	3d	191	3049407
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions		4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		4b	
5	Effective interest rate		5	6.45%
6	Target normal cost		6	0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

John D. Gibson — Signature of actuary

August 20, 2010 — Date

John D. Gibson — Type or print name of actuary

0802529 — Most recent enrollment number

Werntz & Associates, Inc. — Firm name

318-797-2554 — Telephone number (including area code)

P. O. Box 5606

Shreveport LA 71135 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	470066	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	470066	0
10	Interest on item 9 using prior year's actual return of -19.85%	-93308	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		236166
	b Interest on (a) using prior year's effective rate of 6.01%		14194
	c Total available at beginning of current plan year to add to prefunding balance		250360
	d Portion of (c) to be added to prefunding balance		250360
12	Reduction in balances due to elections or deemed elections	145064	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	231694	250360

Part III Funding percentages

14	Funding target attainment percentage	14	80.00%
15	Adjusted funding target attainment percentage	15	95.81%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.20%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/30/2009	200000	0			
			Totals ▶ 18(b)	200000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	187946

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.64%	6.40%	6.56%	☐ N/A, full yield curve used

b Applicable month (enter code) — 21b: 0

22 Weighted average retirement age — 22: 65

23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment — 27:

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years — 28: 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) — 29: 0

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29) — 30: 0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions) — 31: 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount — 33:

34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33) — 34: 0

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			

36 Additional cash requirement (item 34 minus item 35) — 36: 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) — 37: 187946

38 Interest-adjusted excess contributions for current year (see instructions) — 38: 187946

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) — 39: 0

40 Unpaid minimum required contribution for all years — 40: 0

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	2009 This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	B Three-digit plan number (PN) ▶
NACOGDOCHES COMMERCIAL BANCSHARES, INC. PENSION PLAN	001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	D Employer Identification Number (EIN)
NACOGDOCHES COMMERCIAL BANCSHARES, INC.	75-1827898

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

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(1)	Non-vested benefits	3c(1)		6784
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(3)	Total active	3c(3)	132	2262421
d	Total	3d	191	3049407
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		6.45%
6	Target normal cost	6		0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

John D. Gibson — Signature of actuary

August 20, 2010 — Date

John D. Gibson — Type or print name of actuary

0802529 — Most recent enrollment number

Werntz & Associates, Inc. — Firm name

318-797-2554 — Telephone number (including area code)

P. O. Box 5606

Shreveport LA 71135 — Address of the firm

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8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	470066	0
10	Interest on item 9 using prior year's actual return of -19.85%	-93308	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		236166
	b Interest on (a) using prior year's effective rate of 6.01%		14194
	c Total available at beginning of current plan year to add to prefunding balance		250360
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	145064	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	231694	0

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16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.20%
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18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/30/2009	200000	0			
			Totals ► 18(b)	200000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	187946

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Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:	1st segment: 5.64%	2nd segment: 6.40%	3rd segment: 6.56%	☐ N/A, full yield curve used

b Applicable month (enter code)	21b	0
22 Weighted average retirement age	22	65

23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31		0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	34		0

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			

36 Additional cash requirement (item 34 minus item 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	187946
38 Interest-adjusted excess contributions for current year (see instructions)	38	187946
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Schedule SB, Part V
Summary of Plan Provisions

Nacogdoches Commercial Bancshares, Inc.
75-1827898 / 001
For the plan year 1/1/2009 through 12/31/2009

Employer: Nacogdoches Commercial Bancshares, Inc.

Type of Entity - C-Corporation

EIN: 75-1827898 TIN: 75-1827898 Plan #: 001

Dates: Effective - 7/1/1971 Year end - 12/31/2009

Eligibility: All employees excluding non-resident aliens, members of an excluded class and union

Minimum age - N/A Months of service - 12

Hours Required for - Eligibility - 1000 Benefit accrual - 1000 Vesting - 1000

Plan Entry - First day of calendar month coincident with or next following eligibility satisfaction

Retirement: Normal - First of month coincident with or next following attainment of age 65

Early - Attainment of age 55 and completion of 10 years of service

Average Compensation: Current compensation

Top Heavy Minimum Benefit - Highest 5 consecutive top heavy years of participation

Plan Benefits: Retirement - Sum of 0% of current compensation per year of service limited to 99 years.

Accrued Benefit - 0% of current compensation per year of service plus prior year accrued benefit.

Minimum Benefit - None

Maximum Benefit - None

Maximum allowable distribution is lump sum equivalent of normal form not to exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) plan actuarial equivalence interest and mortality

Death Benefit - Present Value of Accrued Benefit

Top Heavy Minimum: None

IRS Limitations: 415 Limits - Percent: 100 Dollar: $195,000

Maximum 401(a)(17) compensation - $245,000

Normal Form: Life Annuity

Optional Forms: Lump Sum
Life Annuity Guaranteed for 10 Years
Joint with 50%, 75% or 100% Survivor Benefit

Vesting Schedule:

Years	Percent
0-2	0%
3	20%
4	40%
5	60%
6	80%
7	100%

Service is calculated using all years of service

Warning 415 limit exceeded by one or more participants. See Notes and Warnings report.

Schedule SB, Part V
Summary of Plan Provisions

Nacogdoches Commercial Bancshares, Inc.
75-1827898 / 001

For the plan year 1/1/2009 through 12/31/2009

Present Value of Accrued Benefit: Based on the greater of 417(e) or Actuarial Equivalence

417(e):

Interest Rates -

Segment #	Years	Rate %
Segment 1	0 - 5	5.24
Segment 2	6 - 20	5.69
Segment 3	> 20	5.37

Mortality Table - 09E - 2009 Applicable Mortality Table for 417(e) (unisex)

Actuarial Equivalence:

Pre-Retirement - Interest - 7.5%
Mortality Table - G83 - 1983 Group Annuity

Post-Retirement - Interest - 7.5%
Mortality Table - G83 - 1983 Group Annuity

Warning 415 limit exceeded by one or more participants. See Notes and Warnings report.

FORM 5500 - SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS HELD (AT END OF YEAR)
NACOGDOCHES COMMERCIAL BANCSHARES, INC.
PENSION PLAN
EIN 75-1827898 PN 001
December 31, 2009

(a)	(b) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(d) COST	(e) CURRENT VALUE
	Bank of America	Certificate of deposit at 1.05% maturing 11/12/10	$ 100 006	$ 100 000
	AIM	Government and agency money market	355 692	355 692
	The Vanguard Group	International value fund; 4,400 shares	187 269	134 684
	3M Co.	Common stock; 1,700 shares	110 811	140 539
	AT&T	Common stock; 2,350 shares	88 602	65 871
	Cullen Frost Banker	Common stock, 2,050 shares	108 974	102 500
	Deere & Co.	Common stock, 2,420 shares	130 756	130 898
	Dow Chemical	Common stock, 2,640 shares	108 126	72 943
	Exxon Mobil	Common stock, 1,800 shares	145 603	122 742
	Federal Express	Common stock, 1,600 shares	151 710	133 520
	General Electric	Common stock, 5,800 shares	185 800	87 754
	General Mills, Inc.	Common stock, 1,910 shares	107 843	135 247
	General Dynamics Corporation	Common stock, 1,760 shares	130 945	119 979
	Johnson & Johnson	Common stock, 2,210 shares	143 983	142 346
	Microsoft Corporation	Common stock, 5,280 shares	157 018	160 934
	Nucor	Common stock, 2,500 shares	145 192	116 625
	Pepsico	Common stock, 1,690 shares	111 114	102 752
	Pfizer	Common stock, 6,100 shares	143 050	110 959
	Rydex Etf Tr-sp EWI	Common stock, 5,880 shares	283 332	232 436
	Sysco	Common stock, 5,100 shares	162 225	142 494
	Wal-Mart Stores	Common stock, 2,560 shares	120 317	136 832
	Canon Inc.	Common stock, 2,740 shares	124 112	115 957
	3M Co.	Bond at 4.375% maturing 08/15/13	50 386	53 354
	Credit Suisse FB USA	Bond at 4.875% maturing 08/15/10	51 019	51 210
	General Electric	Bond at 4.150% maturing 05/15/12	50 020	51 146
	General Electric	Bond at 5.00% maturing 05/15/16	50 020	50 323
	Wells Fargo & Co	Senior note at 5.3% maturing 08/26/11	51 864	52 849
	Federal Home Loan Bank	Bond at 3.50% maturing 03/09/12	49 121	51 877
	Federal Home Loan Mortgage Corporation	Bond at 5.75% maturing 01/15/12	84 506	88 540
	Federal Home Loan Mortgage Corporation	Mortgage pool at 5.00% maturing 01/15/19	16 719	18 164
	Federal National Mortgage Association	Mortgage pool at 5.00% maturing 03/01/21	20 470	21 598
			$ 3 726 605	$ 3 402 765

See independent auditors' report.

Schedule SB, line 19 - Discounted Employer Contributions

Nacogdoches Commercial Bancshares, Inc.

75-1827898 / 001

For the plan year 1/1/2009 through 12/31/2009

Valuation Date: 1/1/0001

	Date	Amount	Adjusted Contribution	Adjusted Prior Year Contribution	Adjusted Quarterly	Effective Rate	Penalty Rate
Deposited Contribution	**12/30/2009**	**$200,000**					
Applied to Additional Contribution	1/1/2009	200,000	187,946	0	0	6.45	0
Totals for Deposited Contribution		$200,000	$187,946	$0	$0		

Schedule SB, line 22 - Description of Weighted Average Retirement Age

Nacogdoches Commercial Bancshares, Inc.

75-1827898 / 001

For the plan year 1/1/2009 through 12/31/2009

The age reported is the average of the assumed retirement ages for all active participants as of the valuation date rounded to the nearest whole age. For an active late retiree, the assumed retirement age may be later than the Plan's normal retirement age. Each participant's rate of retirement is assumed to be 100% at his/her assumed retirement age.

Warning 415 limit exceeded by one or more participants. See Notes and Warnings report.