

First Community Bancshares, Inc.

Insider Trading Policy

OVERVIEW

This document sets forth the Policy regarding trading in the stock and other securities of First Community Bancshares, Inc. (the “Corporation”) and, where applicable, the disclosure of such transactions.

PURPOSE

The purpose of this Policy is to promote compliance with applicable securities laws by the Corporation and all directors, officers, and employees thereof, as well as the directors, officers, and employees of its subsidiaries, in order to preserve the reputation and integrity of the Corporation, and all persons affiliated with the Corporation.

GENERAL OBJECTIVES

Reserved.

STATEMENT OF NEED AND DEFINITION

If a director, officer or any employee of the Corporation or any agent or advisor of the Corporation has Material, Nonpublic information relating to the Corporation, it is the Corporation’s policy that neither that person nor any Related Person (as defined below) may buy or sell securities of the Corporation (the “Corporation Securities”) or engage in any other action to take advantage of that information or enable others to do so. This Policy also applies to material, nonpublic information relating to any other corporation with publicly-traded securities, including our customers or suppliers, obtained in the course of employment by or association with the Corporation.

SPECIFIC GOALS

Reserved.

POLICY ELEMENTS

Specific Management or Employee Responsibilities

CHIEF RISK OFFICER

The Chief Risk Officer shall be responsible for the formation and implementation of this Policy and with supervising the actions of the Insider Trading Officer. Further, the Chief Risk Officer shall be responsible for providing periodic reports on ongoing insider trading compliance matters, including any disciplinary actions, regarding the Policy to the Audit, Compliance, and Enterprise Risk Committee, or the full Board of Directors if requested.

INSIDER TRADING OFFICER

Annually, the Chief Risk Officer shall designate an Insider Trading Officer. Via the annual approval of this Policy, the Chief Risk Officer has designated the Corporation's Senior Counsel as the Insider Trading Officer, and all questions related to this policy should be directed to the Chief Risk Officer or the Insider Trading Officer. The Insider Trading Officer shall perform, or ensure performance of, the following:

- Pre-clearing all transactions involving Corporation Securities by Designated Insiders and Section 16 Insiders, and as otherwise necessary for other Insiders.
- Assisting in the preparation and filing of Section 16 reports (Forms 3, 4 and 5) for all Section 16 Individuals, and other applicable reports (whether filed by the Corporation or the individual), including providing memoranda and other appropriate materials to its officers and directors regarding compliance with Section 16, its related rules and other applicable disclosure rules.
- Coordinating with the Corporation's designated recipient of copies of reports filed with the SEC by Section 16 Individuals under Section 16 of the Exchange Act and other reports required by applicable disclosure rules.
- Providing quarterly, or if appropriate more frequent, reminders to all Section 16 Individuals and other individuals subject to disclosure rules regarding their obligations to report or to assist the Corporation in complying with its reporting obligations.
- Ensuring that the Corporation will be in a position to comply with any securities law disclosure rules, either currently in force or that may be adopted in the future, that apply to the Corporation and relate to insider transactions involving Corporation stock. Performing periodic cross-checks of available materials, which may include Forms 3, 4 and 5, Form 144, officers' and directors' questionnaires and reports received from the Corporation's stock administrator and transfer agent, to determine trading activity by officers, directors and others who have, or may have, access to material nonpublic information.
- Circulating this Policy (or a summary of the Policy) to all employees and consultants of the Corporation, on an appropriate periodic basis, and providing the Policy and other appropriate materials to new employees and consultants, and otherwise ensuring that appropriate education of affected individuals is accomplished.
- Annually obtaining a signed acknowledgment of receipt of the Policy from individuals subject to it.

Definitions

INSIDER

Any person who possesses Material, Nonpublic information is considered an Insider as to that information. Insiders include Corporation directors, officers,

employees, independent contractors and those persons in a special relationship with the Corporation, such as its auditors, consultants or attorneys. The definition of Insider is transaction specific; that is, an individual is an Insider with respect to each Material, Nonpublic item of which he or she is aware.

To avoid even the appearance of impropriety, additional restrictions on trading Corporation Securities apply to directors, executive management, and certain employees who are assumed to regularly possess inside information (the “Designated Insiders”). These Designated Insiders are identified on Attachment A and must comply with the Designated Insiders Addendum to the Insider Trading Policy.

MATERIAL INFORMATION

The materiality of a fact depends on the circumstance. Accordingly, it is not possible to define all categories of Material information. However, information should be regarded as material if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a corporation’s business or to any type of security – debt or equity.

While it may be difficult to determine whether particular information is material or not, there are some categories of information that are particularly sensitive and that should almost always be considered material. Examples include, but are not limited to:

- Unpublished financial results and projections (especially to the extent the Corporation’s own expectations regarding its future financial results differ from analysts’ expectations);
- News of a pending or proposed corporate transaction, such as a merger or acquisition;
- Significant changes in corporate objectives or policies;
- Gain or loss of a major customer or supplier;
- Major changes to product offerings;
- Changes in executive management;
- Significant changes in the Corporation’s accountants or accounting policies;
or
- Any major problems or successes of the business.

Again, the categories on this list are only to be used as examples. Many other types of information may be considered Material depending on the circumstances. If you have any questions regarding whether information you possess is material or not, you should contact the Insider Trading Officer.

NONPUBLIC INFORMATION

Information about the Corporation is considered to be Nonpublic if it is known within the Corporation but not yet disclosed to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors. The Corporation generally discloses information to the public either via press release or in the regular quarterly and annual reports that the Corporation is required to file with the SEC. The circulation of rumors, even if accurate and reported in the media, no matter how widespread, does not constitute effective public dissemination.

In addition, even after a public announcement of Material information, a reasonable period of time must elapse in order for the market to react to the information. Accordingly, this Policy requires that, for information to be considered “public,” it must have been publicly available, through press release or otherwise, for at least two full trading days. If you have any questions regarding whether any information you possess is Nonpublic, you should contact the Insider Trading Officer.

RELATED PERSON

For purposes of this Policy, a Related Person is an Insider’s spouse, minor children and anyone else living in their household; partnerships in which they are a general partner; closely held corporations and LLC’s for which they are an officer, manager or member; trusts of which they are a trustee; estates of which they are an executor; and other equivalent legal entities that they control. Although an Insider’s other family members, such as parents or siblings, are not automatically considered Related Persons (unless living in the same household), they may be a Tippee (as defined below) for securities laws purposes.

For purposes of this Policy, any transactions involving Corporation Securities in which Related Persons engage, or by family trusts, partnerships, foundations and similar entities over which Insiders or Related Parties have control, or whose assets are held for the benefit of Insiders or Related Parties, are the same as transactions by the Insider. Insiders are responsible for making sure that such persons and entities do not engage in any transaction that would violate this Policy.

General Rules

The following are the general rules of the Corporation’s Insider Trading Policy that apply to Insiders. Additional rules apply to Designated Insiders. It is very important that all directors, officers, and employees understand and follow these rules because, if you violate them, you may be subject to disciplinary action by the Corporation (including termination of your employment for cause) and civil and criminal penalties, including

finances and imprisonment. Note that it is each individual's responsibility to comply with the laws against insider trading. Note that this Policy is intended to assist you in complying with laws against insider trading; however, it is each individual's responsibility to comply with said laws and exercise appropriate judgment in connection with any trade in Corporation Securities.

NON-DISCLOSURE OF MATERIAL NONPUBLIC INFORMATION

Material, Nonpublic information must not be disclosed to anyone, except the persons within the Corporation or third party agents of the Corporation (such as investment banking advisors and outside legal counsel) whose positions require them to know it, until such information has been publicly released by the Corporation.

PROHIBITED TRADING IN CORPORATION SECURITIES

No person may place a purchase or sell order or recommend that another person place a purchase or sell order in Corporation Securities (including initial elections, changes in elections or reallocation of funds relating to 401(k) plan accounts) when he or she has knowledge of Material, Nonpublic information concerning the Corporation. Loans, pledges, gifts, charitable donations and other contributions of Corporation Securities are also subject to this Policy.

TWENTY-TWENTY HINDSIGHT

If securities transactions ever become the subject of scrutiny, they are likely to be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction an insider should carefully consider how his or her transaction may be construed in the bright light of hindsight. Again, in the event of any questions or uncertainties about the Policy, please consult the Insider Trading Officer or someone that he or she has delegated responsibility for advising of the Policy.

"TIPPING" INFORMATION TO OTHERS

Insiders may be liable for communicating or tipping Material, Nonpublic information to any third party (a Tippee), not limited to just Related Persons. Further, insider trading violations are not limited to trading or tipping by Insiders. Persons other than Insiders also can be liable for insider trading, including Tippees who trade on Material, Nonpublic information tipped to them and individuals who trade on Material, Nonpublic information which has been misappropriated.

Tippees inherit an Insider's duties and are liable for trading on Material, Nonpublic information illegally tipped to them by an Insider. Similarly, just as Insiders are liable for the insider trading of their Tippees, so are Tippees who pass the information along to others who trade. In other words, a Tippee's liability for insider trading is no different from that of an Insider. Tippees can obtain

Material, Nonpublic information by receiving overt tips from others or through, among other things, conversations at social, business or other gatherings.

AVOID SPECULATION

Insiders and their Related Persons should not engage in any transactions that suggest they are speculating in Corporation Securities (that is, trying to profit in short-term movements in the stock price). Accordingly, Insiders and their Related Persons may not trade in options, warrants, puts and calls or similar instruments on Corporation Securities or sell Corporation Securities “short,” or “sell against the box.” A short sale involves selling shares that you do not own at a specified price with the expectation that the price will go down so you can buy the shares at a lower price before you have to deliver them. A sale against the box is a sale of securities that are owned but are not delivered within 20 days or deposited in the mail for delivery within 5 days after the sale. A sale against the box has the same effect as a short sale.

In addition, Insiders and their Related Persons may not hold Corporation Securities in margin accounts. Investing in Corporation Securities provides an opportunity to share in the future growth of the Corporation. Investment in the Corporation and sharing in the growth of the Corporation, however, does not mean short-range speculation based on fluctuations in the market. Such activities may put the personal gain of the Insider in conflict with the best interests of the Corporation and its stockholders. Anyone may, of course, in accordance with this Policy and other Corporation policies, exercise options granted to them by the Corporation.

Hedging Transactions

Note that many hedging transactions, such as “cashless” collars, forward sales, equity swaps and other similar or related arrangements, may indirectly involve a short sale. The Corporation discourages Insiders from engaging in such transactions and requires that any such transaction be carefully reviewed by the Insider Trading Officer prior to the time you enter into it to determine whether the proposed transaction may be completed or would violate this Policy.

TRADING IN OTHER SECURITIES

No director, officer or employee may place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another corporation if the person learns of Material, Nonpublic information about the other corporation in the course of his/her employment with the Corporation.

PRE-CLEARANCE PROCEDURES

If you are unsure about whether information you possess would qualify as Material, Nonpublic information and whether you therefore should refrain from

trading in the Corporation's stock, you should pre-clear any transactions involving Corporation stock that you intend to engage in with the Insider Trading Officer.

Exceptions to the General Policies

There are certain limited exceptions to this policy. Specifically, there are exceptions for (1) certain family trusts and other entities having an independent professional trustee; (2) certain purchases (but not sales) under employee stock option and stock purchase plans; and (3) certain blind trusts and pre-arranged trading programs. However, before proceeding with any transaction involving Corporation Securities pursuant to one of these exceptions, please pre-clear the activity through the Insider Trading Officer.

Application of Policy after Termination of an Insider's Employment

If an Insider's employment terminates at a time when they possess Material, Nonpublic information about the Corporation or its business partners, the prohibition on trading on such information continues until such information is absorbed by the market following public announcement of it by the Corporation or another authorized party, or until such time as the information is no longer Material. If you have questions as to whether you possess Material, Nonpublic information after you have left the employ of the Corporation, you should direct questions to the Insider Trading Officer.

Potential Criminal and Civil Liability and/or Disciplinary Action

The penalties for "insider trading" include civil fines of up to three (3) times the profit gained or loss avoided, and criminal fines for each violation of up to One Million Dollars (\$1,000,000.00) and a term of imprisonment up to ten years. You can also be liable for improper transactions by any person to whom you have disclosed Material, Nonpublic information or made recommendations on the basis of such information as to trading in the Corporation's securities ("Tippee Liability"). The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the National Association of Securities Dealers (NASD) use sophisticated electronic surveillance techniques to uncover insider trading.

CONCLUSION

Reserved.

Approved by the ACER Committee:

Approved by First Community Bancshares, Inc. Boards of Directors:

First Community Bancshares, Inc. ***Insider Trading Policy Designated Insider Addendum***

The Corporation's general Insider Trading Policy is hereby incorporated herein by reference.

The following additional policies and restrictions (the "Additional Policies") apply to Designated Insiders, including executive officers, directors and certain other officers, employees and consultants of the Corporation, as designated from time to time and listed on Attachment A. If you violate these rules, you may be subject to disciplinary action by the Corporation (including termination of your employment for cause). In addition, you could be in violation of applicable securities laws (and subject to civil and criminal penalties, including fines and imprisonment). Persons subject to these Additional Policies are also subject to the general policies described in the overall Insider Trading Policy. If there is ever a conflict between the overall Insider Trading Policy and this Addendum, the more restrictive requirement shall apply.

POLICY ELEMENTS

Black-Out Periods

During the closing of each fiscal quarter and until public disclosure of the financial results for that quarter, Designated Insiders are likely to possess Material, Nonpublic information about the expected financial results for the quarter. Even if such Designated Insiders don't actually possess any such information, any trades by them during that period may give the appearance that they are trading on inside information. Accordingly, the Corporation has designated a regularly scheduled quarterly "Black-Out Period" on trading beginning with the **fifteenth (15th) day of the last month of each quarter** and ending at the **close of the second full trading day** after disclosure of the quarter's financial results.

In addition to the regularly-scheduled black-out periods, the Corporation may from time to time designate other periods of time as a special black-out period (for example, if there is some development with the Corporation's business that merits a suspension of trading by Corporation personnel). The Corporation may not widely announce the commencement of a special black-out period, as that information can itself be sensitive information. For this reason, it is extremely important that you adhere to the pre-clearance procedures outlined in this Policy to ensure that you do not trade during any special black-out period. The period outside of such Black-Out Periods shall be designated the "Trading Window."

Designated Insiders and Related Persons are prohibited from trading during Black-Out Periods. Designated Insiders are responsible for knowing when the Corporation's quarterly Black-Out Periods commence and will be notified when they end. If Designated Insiders are informed that the Corporation has implemented a special black-out period, they shall not disclose the fact that trading has been suspended to anyone, including other Corporation employees, other than Related Persons who would be prohibited from

trading because you are. The imposition of a special Black-Out Period should be considered Material, Nonpublic information. All “limit” orders or other pending trading orders made by Designated Insiders and their Related Persons in place during a black-out period must be cancelled (unless the orders were made pursuant to an approved Rule 10b5-1(c) trading program).

Pre-Clearance Requirements

Designated Insiders **must refrain from trading** in Corporation Securities, even during the Trading Window, **unless** they first comply with the Corporation’s pre-clearance procedures. To pre-clear a transaction, Designated Insiders must get the approval of the Insider Trading Officer before you enter into the transaction. In pre-clearing a trade, in addition to reviewing the substance of the proposed trade, the Insider Trading Officer may consider whether it will be possible for both the individual and the Corporation to comply with any applicable public reporting requirements. Designated Insiders should contact the Insider Trading Officer **at least 3 days** before you intend to engage in any transaction to allow enough time for pre-clearance procedures.

Hedging Or Derivative Transactions Involving Corporation Stock

Designated Insiders may not engage in hedging or derivative transactions, such as “cashless” collars, forward contracts, equity swaps or other similar or related transactions.

Section 16 Filers

Certain officers of the Corporation, members of the Corporation’s Board of Directors and 10% stockholders (“Section 16 Insiders”) must also conduct their transactions in Corporation stock in a manner designed to comply with the “short-swing” trading rules of Section 16(b) of the Securities Exchange Act of 1934. The practical effect of these provisions is that officers and directors who purchase and sell, or sell and purchase, Corporation securities within a six-month period must disgorge all profits to the Corporation whether or not they had any Nonpublic information at the time of the transactions. Section 16 Filers are listed on Attachment B.

Section 16 Insiders are also subject to additional reporting requirements. Federal securities laws require Section 16 Filers to publicly report transactions in Corporation stock (on Forms 3, 4 and 5 under Section 16, Form 144 with respect to restricted and control securities, and, in certain cases, Schedules 13D and 13G). **The due date for Section 16 Insiders to file Forms 3 and 4 is two (2) business days after the transaction has been executed.** The Corporation takes these reporting requirements very seriously and requires that all persons subject to public reporting of Corporation stock transactions adhere to the rules applicable to these forms. Where issues arise as to whether reporting is technically required (particularly issues that turn on facts specific to the transaction and the individuals involved, or on unsettled issues of law), the Corporation encourages its insiders to choose to comply with the spirit and not the letter of the law – in other words, to err on the side of fully and promptly reporting the transaction even if not technically required to do so. In addition, where the Corporation is

required to report transactions by individuals, the Corporation expects full and timely cooperation by the individual.

Exceptions to Additional Rules and Restrictions for Emergency, Hardship or Other Special Circumstances

In order to respond to emergency, hardship or other special circumstances, exceptions to the prohibition against trading during Black-Out Periods will require the approval of the President and Chief Executive Officer of First Community Bancshares, Inc.

Application of Additional Rules and Restrictions After Employment Terminates

If you are subject to the black-out periods imposed by this Policy and your employment terminates during a black-out period (or if you otherwise leave while in possession of material nonpublic information), you will continue to be subject to the Policy, and specifically to the ongoing prohibition against trading, until the black-out period ends (or otherwise until the close of the second full trading day following public announcement of the material nonpublic information).

Prohibition on Selling Stock Acquired by Option Exercise

Executive officers are prohibited from selling Corporation Securities acquired by exercising stock options until such Officer is in compliance with the Corporation's Stock Ownership Guidelines Policy without authority from the Corporation's Chief Executive Officer. Notwithstanding the preceding sentence, executive officers may immediately sell Corporation stock acquired by exercising stock options for the limited purposes of paying the exercise price of the stock option and any applicable tax liability.

Approved by the ACER Committee: April 24, 2017

Approved by First Community Bancshares, Inc. Boards of Directors: May 23, 2017

**INSIDER TRADING POLICY
ACKNOWLEDGMENT**

I certify that I have read, understand and agree to comply with the First Community Bancshares, Inc. Insider Trading and Disclosure Policy and, if applicable, the “Insider Trading Designated Insider Addendum.” I agree that I will be subject to sanctions imposed by the Corporation, in its discretion, for violation of the Policy, and that the Corporation may give stop-transfer and other instructions to the Corporation’s transfer agent against the transfer of Corporation securities as necessary to ensure compliance with the Policy. I acknowledge that one of the sanctions to which I may be subject as a result of violating the Corporation’s policy is termination of my employment including termination for cause.

Date: _____

Signature: _____

Printed Name: _____

ATTACHMENT A

**FIRST COMMUNITY BANCSHARES, INC.
DESIGNATED INSIDERS SUBJECT TO BLACK-OUT PERIODS *
OF INSIDER TRADING POLICY
UPDATED MAY 23, 2017**

*First Community Bank (FCB)
First Community Bancshares, Inc. (FCBI)*

<u>Name</u>	<u>Title (if any)</u>
Robert M. Anderson	VP – Credit Administration, FCB
James H. Atkinson, Jr.	Director, FCB
Lynsey L. Artrip	SEC Reporting Coordinator, FCB
Tonya R. Bailey	VP – Accounting, FCB
Jason R. Belcher	SVP – Chief Risk Officer & Secretary, FCB
W. C. Blankenship, Jr.	Director, FCB & FCBI
Derek A. Bonnet	Director of Internal Audit
David D. Brown, V	Chief Financial Officer, FCB; Chief Financial Officer, Principal Accounting Officer & Secretary, FCBI
Peyton C. Bundy	Treasurer, FCB
Robert L. Buzzo	Director, FCB
Milton H. Campbell	SVP – Regional President-Carolinas Region, FCB
Samuel D. Campbell	Director, FCB
C. William Davis	Director, FCB
Samuel L. Elmore	Director, FCB & FCBI
S. Michael Feola	Director, FCB
T. Vernon Foster	Director, FCB

<u>Name</u>	<u>Title (if any)</u>
Sarah W. Harmon	VP & Senior Counsel, FCB
Samuel G. Hill	SVP & Senior Trust Officer, FCB
William C. Hopkins	SVP – Regional President-Southern Region, FCB
Richard H. Jarrell	Director, FCB
Richard S. Johnson	Director, FCB & FCBI
I. Norris Kantor	Director, FCB & FCBI
E. Stephen Lilly	EVP & Chief Operating Officer, FCB; Chief Operating Officer, FCBI
R. Ramsey Martin, Jr.	VP – Regional President-Eastern Virginia Region, FCB
Gary R. Mills	President, Chief Executive Officer & Director, FCB; President & Director, FCBI
Jeffrey D. Noble	SVP & Chief Credit Officer, FCB
M. Adam Sarver	Director, FCB & FCBI
John C. Spracher	Senior Vice President, FCB
William P. Stafford, II	Chairman of the Board, FCB & FCBI; Chief Executive Officer, FCBI
Matthew A. Stull	VP – Finance, FCB
Frank C. Tinder	Director, FCB
Michelle A. Vass	Controller, FCB
Ruth A. White	Secretary to the Board & Assistant Secretary, FCB; Assistant Corporate Secretary, FCBI

**** Persons subject to black-out periods would include all spouses, children, parents, companies, partnerships, affiliates, etc., considered to be under the influence or control of anyone on the above list.***

ATTACHMENT B
FIRST COMMUNITY BANCSHARES, INC.
PERSONS SUBJECT TO SECTION 16 *
UPDATED MAY 23, 2017
First Community Bank (FCB)
First Community Bancshares, Inc. (FCBI)

<u>Name</u>	<u>Title (if any)</u>
Jason R. Belcher	SVP & Chief Risk Officer, FCB
W. C. Blankenship, Jr.	Director, FCB & FCBI
David D. Brown, V	Chief Financial Officer, FCB; Chief Financial Officer, Principal Accounting Officer & Secretary, FCBI
C. William Davis	Director, FCB & FCBI
Samuel L. Elmore	Director, FCB & FCBI
Richard S. Johnson	Director, FCB & FCBI
I. Norris Kantor	Director, FCB & FCBI
E. Stephen Lilly	EVP & Chief Operating Officer, FCB; Chief Operating Officer, FCBI
Gary R. Mills	President, Chief Executive Officer & Director, FCB; President, FCBI
M. Adam Sarver	Director, FCB & FCBI
William P. Stafford, II	Chairman of the Board, FCB & FCBI; Chief Executive Officer, FCBI

*Persons subject to Section 16 would include all spouses, children, parents, companies, partnerships, affiliates, etc., considered to be under the influence or control of anyone on the above list.