

FIRST COMMUNITY BANCSHARES INC /NV/  
Form S-4/A  
April 16, 2012

As filed with the Securities and Exchange Commission on April 16, 2012

Registration No. 333-180564

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 1 TO THE  
FORM S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**FIRST COMMUNITY BANCSHARES, INC.**

(Exact name of Registrant as specified in its charter)

<b>Nevada</b>	<b>6035</b>	<b>55-0694814</b>
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code No.)	(I.R.S. Employer Identification No.)

**One Community Place**

**Bluefield, Virginia 24605-0989**

**(276) 326-9000**

(Address, including zip code and telephone number, including area code, of Registrant's principal executive offices)

**John M. Mendez**

**President and Chief Executive Officer**

**First Community Bancshares, Inc.**

**P.O. Box 989**

**Bluefield, Virginia 24605-0989**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

with a copy to:

**Sandra M. Murphy, Esq.**

**George P. Whitley**

**Bowles Rice McDavid Graff & Love LLP    LeClairRyan, A Professional Corporation**

**600 Quarrier Street**

**951 East Byrd Street, Eighth Floor**

**Charleston, West Virginia 25301**

**Richmond, Virginia 23219**

**(304) 347-1100**

**(804) 343-4089**

Approximate date of commencement of proposed sale to the public: Upon consummation of the merger described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer   
 Non-accelerated filer  (Do not check if a smaller reporting company.) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)   
 Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**Calculation of Registration Fee**

Title of Each Class of Securities to be Registered	Amount to be Registered <sup>(1)</sup>	Proposed Maximum Offering Price Per Share or Unit	Proposed Maximum Aggregate Offering Price <sup>(2)</sup>	Amount of Registration Fee <sup>(3)</sup>
Common Stock, par value \$1.00 per share	2,157,133	N/A	\$ 26,312,871	\$ 2,969.25

Based upon the maximum number of shares of common stock of First Community Bancshares, Inc. (“First Community”) to be issued pursuant to the Agreement and Plan of Reorganization, dated March 1, 2012 by and among First Community, First Community Bank and Peoples Bank of Virginia, calculated as the product of (a) <sup>(1)</sup> 2,016,012 (the number of shares of Peoples Bank common stock estimated to be outstanding at the time the merger transaction is consummated) and (b) 1.07 (the number of shares of common stock of First Community to be exchanged for each share of Peoples Bank common stock in the merger transaction).

<sup>(2)</sup> Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act of 1933 on the basis of the market value of the shares of Peoples Bank common stock to be cancelled in the merger transaction, computed, in accordance with Rule 457(f)(1) and (3), as (a) the product of (i) \$19.70 (the market price per share of Peoples Bank common stock as of April 12, 2012) and (ii) 2,016,012 (the number of shares of Peoples Bank common stock estimated to be outstanding at the time the merger transaction is consummated), less (b) \$13,805,767.34 (the estimated amount of cash that will be paid by First Community to the shareholders of Peoples Bank in the merger transaction).

<sup>(3)</sup> First Community has previously paid \$3,015.46 of the filing fee.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**PEOPLES BANK OF VIRGINIA**

**2701 N. Parham Road**

**Richmond, Virginia 23294**

**(804) 270-6800**

April 26, 2012

Dear Shareholders:

You are cordially invited to attend a special meeting of shareholders of Peoples Bank to be held at 3:00 p.m., Eastern Daylight Saving Time, on Thursday, May 24, 2012 at Meadowbrook Country Club, 3700 Cogbill Road, Richmond Virginia 23234. At the special meeting, you will be asked to consider and vote upon a proposal to approve an agreement and plan of reorganization and a related plan of merger pursuant to which Peoples Bank will be merged with and into First Community Bank.

If the merger agreement is approved and the merger is subsequently completed, each outstanding share of Peoples Bank common stock will be converted into the right to receive:

\$6.08 in cash; and

1.07 shares of common stock of First Community Bancshares, Inc. ("First Community"), plus cash in lieu of any fractional share interest.

First Community common stock is traded on the Nasdaq Global Select Market under the symbol "FCBC." On April 12, 2012, the closing sale price of a share of First Community common stock was \$13.44.

The merger cannot be completed unless the holders of a majority of the outstanding shares of Peoples Bank common stock vote in favor of approval of the merger agreement at the special meeting. The directors and executive officers of Peoples Bank have agreed to vote their shares of Peoples Bank common stock in favor of the merger. The directors

and executive officers of Peoples Bank collectively own approximately 34.09% of the outstanding shares of Peoples Bank.

Based on our reasons for the merger described in the accompanying proxy statement/prospectus, including the fairness opinion issued by our financial advisor, Davenport & Company, our board of directors believes that the merger is fair to you and in your best interests. **Accordingly, our board of directors unanimously recommends that you vote “FOR” approval of the merger agreement.**

The accompanying proxy statement/prospectus gives you detailed information about the special meeting, the merger and related matters. **We urge you to read this entire document carefully, including the considerations discussed under “Risk Factors,” beginning on page 13, and the annexes to the accompanying document, which include the merger agreement.**

**Your vote is very important.** Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card or by following the instructions to vote via the Internet or by telephone indicated on the proxy card.

We appreciate your continuing loyalty and support, and we look forward to seeing you at the special meeting.

Sincerely,

/s/ James H. Atkinson, Jr.	/s/ Quentin L. Corbett
James H. Atkinson, Jr.	Quentin L. Corbett
Chief Executive Officer	President

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the First Community common stock to be issued in the merger or determined if this document is accurate or adequate. Any representation to the contrary is a criminal offense. The shares of First Community common stock are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

This proxy statement/prospectus is dated April 16, 2012 and was first mailed to shareholders of Peoples Bank on or about April 26, 2012.

**PEOPLES BANK OF VIRGINIA**

**2701 N. Parham Road**

**Richmond, Virginia 23294**

**(804) 270-6800**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**To Be Held on May 24, 2012**

To the shareholders of Peoples Bank of Virginia:

We will hold a special meeting of shareholders of Peoples Bank of Virginia at 3:00 p.m., Eastern Daylight Saving Time, on Thursday, May 24, 2012, at Meadowbrook Country Club, 3700 Cogbill Road, Richmond, Virginia 23234, for the following purposes:

1. to consider and vote upon a proposal to approve an Agreement and Plan of Reorganization, dated as of March 1, 2012, by and among First Community Bancshares, Inc., First Community Bank and Peoples Bank of Virginia and a related plan of merger (collectively, the “merger agreement”), as described in the accompanying proxy statement/prospectus; and

2. to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

We have fixed the close of business on April 6, 2012 as the record date for the determination of shareholders entitled to notice of and to vote at the special meeting. Only holders of Peoples Bank common stock of record at the close of business on that date will be entitled to notice of and to vote at the special meeting or any adjournment or postponement of the special meeting.



**Our board of directors has determined that the merger agreement is in the best interests of Peoples Bank and its shareholders and unanimously recommends that shareholders vote “FOR” approval of the merger agreement.**

Holders of Peoples Bank common stock have the right to dissent from the merger and assert appraisal rights, provided the proper procedures in accordance with Article 15, Sections 13.1-729 through 13.1-741.1 of the Virginia Stock Corporation Act are followed. A copy of Article 15 of the Virginia Stock Corporation Act is attached as Annex C to the accompanying proxy statement/prospectus.

**Your vote is very important.** Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card or by following the instructions to vote via the Internet or by telephone indicated on the proxy card.

By Order of the Board of  
Directors

/s/ J. Kenneth Timmons, Jr.  
J. Kenneth Timmons, Jr.  
Corporate Secretary

Richmond, Virginia  
April 26, 2012

## HOW TO OBTAIN ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about First Community Bancshares, Inc. from documents that are not included in or delivered with this proxy statement/prospectus. You can obtain documents incorporated in this proxy statement/prospectus by reference but not otherwise accompanying this proxy statement/prospectus by requesting them in writing or by telephone from First Community as follows:

First Community Bancshares, Inc.

P.O. Box 989

Bluefield, Virginia 24605-0989

Attention: Robert L. Schumacher, General Counsel

(276) 326-9000

**You will not be charged for any of these documents that you request. If you would like to request documents, please do so no later than five business days prior to the date of the special meeting, or by May 16, 2012 in order to receive them before the special meeting.**

For additional information regarding where you can find information about First Community, please see “Where You Can Find More Information” beginning on page 77.

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QUESTIONS AND ANSWERS  
ABOUT THE SPECIAL MEETING AND MERGER

**Q. What is the proxy statement/prospectus and why am I receiving it?**

A: This proxy statement/prospectus describes the proposed merger between Peoples Bank of Virginia (“Peoples Bank”) and First Community Bank. Because you are a shareholder of Peoples Bank, you are being asked to vote on the merger agreement at a special meeting of shareholders to be held on Thursday, May 24, 2012.

**Q. When and where is the special meeting?**

A: The Peoples Bank special meeting of shareholders will be held at Meadowbrook Country Club, 3700 Cogbill Road, Richmond Virginia 23234, on Thursday, May 24, 2012 at 3:00 p.m., Eastern Daylight Saving Time.

**Q: What do I need to do now?**

A: After you have carefully read this proxy statement/prospectus, indicate on your proxy card how you want your shares to be voted. Then sign, date and mail your proxy card in the enclosed prepaid return envelope as soon as possible. Alternatively, you may vote by following the Internet and telephone voting instructions indicated on the proxy card. This will enable your shares to be represented and voted at the special meeting.

**Q: Why is my vote important?**

A: The merger agreement must be approved by the holders of a majority of the outstanding shares of Peoples Bank common stock. If you do not vote, it will have the same effect as a vote against the merger agreement.

**Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?**

A: No. Your broker or other nominee will not be able to vote shares held by it in street name on your behalf without instructions from you. You should instruct your broker or other nominee to vote your shares, following the directions your broker or other nominee provides.

**Q: What if I fail to instruct my broker?**

A: If you fail to instruct your broker or other nominee to vote your shares, it will have the same effect as a vote against the merger agreement.

**Q: Can I attend the meeting and vote my shares in person?**

Yes. All shareholders are invited to attend the special meeting. However, if you hold your shares in street name, you will need proof of ownership (by means of a recent brokerage statement, letter from a broker, or other A: nominee) to be admitted to the meeting. Shareholders of record can vote in person at the special meeting. If your shares are held in street name, then you should instruct your broker on how to vote your shares, following the directions your broker provides.

**Q: Can I change my vote?**

A: Yes. There are three ways you can change your vote after you have sent in your proxy card:

you may send a written notice to the Corporate Secretary of Peoples Bank stating that you would like to revoke your proxy before the special meeting;



you may complete and submit a new proxy card, and any earlier proxy will be revoked automatically or, if you submitted your proxy via the Internet or by telephone, you can change your vote by submitting a proxy at a later date, in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or

you may attend the special meeting and vote in person, and any earlier proxy will be revoked. However, simply attending the special meeting without voting will not revoke your proxy.

If you have instructed a broker or other nominee to vote your shares, you must follow directions you receive from your broker or other nominee to change your vote.

**Q: Should I send in my stock certificates now?**

No. You should not send in your stock certificates at this time. Instructions for surrendering your Peoples Bank A: common stock certificates in exchange for the merger consideration will be sent to you after we complete the merger.

**Q: Where will my shares of First Community common stock be listed?**

We intend to apply to have the shares of First Community common stock to be issued in the merger approved for A: quotation on the Nasdaq Global Select Market. First Community's common stock currently trades on the Nasdaq Global Select Market under the symbol "FCBC."

**Q: May I resell my stock acquired in the merger?**

The First Community common stock issued pursuant to the merger will be freely transferable under the Securities A: Act of 1933, as amended, which is referred to in this proxy statement/prospectus as the Securities Act, including those shareholders of Peoples Bank who may be deemed to be an affiliate of First Community for purposes of Rule 144 promulgated under the Securities Act.

**Q: When do you expect to complete the merger?**

A:

We expect to complete the merger in the second quarter of 2012. However, we cannot assure you when or if the merger will occur. Peoples Bank shareholders must first approve the merger agreement at the special meeting and the necessary regulatory approvals must be obtained.

**Q: Whom should I call with questions?**

A: You should contact James H. Atkinson, Jr., Chief Executive Officer, or Quentin L. Corbett, President, of Peoples Bank, at (804) 270-6800.

**Q: What will I receive in the merger?**

If the merger agreement is approved by the shareholders of Peoples Bank and the merger is subsequently completed, each outstanding share of Peoples Bank common stock will be converted into the right to receive the following:

\$6.08 in cash; and

1.07 shares of common stock of First Community, plus cash in lieu of any fractional share interest.

**Q: How Does the Peoples Bank Board of Directors recommend that I vote?**

A: The Peoples Bank board of directors has unanimously approved and adopted the merger agreement and recommends that Peoples Bank shareholders vote FOR approval of the merger.

**Q: What happens if I transfer my Peoples Bank shares after the Record Date for the Special Meeting?**

A: The record date for the special meeting is earlier than the expected date of completion of the merger. Therefore, if you transfer your shares of Peoples Bank after the record date for the special meeting, but prior to the merger, you will retain the right to vote at the special meeting, but the right to receive the merger consideration will transfer with the shares of Peoples Bank common stock.

## SUMMARY

*This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should read carefully this entire document, including the merger agreement and the other documents to which we have referred you. See “Where You Can Find More Information” beginning on page 77. Page references are included in this summary to direct you to a more complete description of the topics.*

*Throughout this proxy statement/prospectus, “Peoples Bank,” “we” and “our” refers to Peoples Bank, “First Community” refers to First Community Bancshares, Inc. and “First Community Bank” refers to First Community Bank, First Community’s banking subsidiary. Also, we refer to the merger between First Community Bank and Peoples Bank as the “merger,” and the Agreement and Plan of Reorganization, dated as of March 1, 2012, by and among First Community, First Community Bank and Peoples Bank and the related plan of merger as the “merger agreement.”*

### Parties to the Proposed Merger (Page 18)

*First Community Bancshares, Inc.* First Community is a financial holding company incorporated under the laws of the State of Nevada and serves as the holding company for First Community Bank, a Virginia-chartered banking institution that conducts commercial banking operations within the states of Virginia, West Virginia, North Carolina, South Carolina and Tennessee. First Community also owns Greenpoint Insurance Group, Inc., a full-service insurance agency, and First Community Wealth Management, a registered investment advisory firm. First Community conducts its banking operations through 53 banking centers, loan production, administrative, or other financial services offices as of December 31, 2011. First Community had total consolidated assets of approximately \$2.16 billion, total deposits of approximately \$1.54 billion and total consolidated shareholders’ equity of approximately \$305 million at December 31, 2011. First Community’s principal executive offices are located at One Community Place, Bluefield, Virginia 24605 and its telephone number is (276) 326-9000.

*Peoples Bank* Peoples Bank is a Virginia-chartered banking institution headquartered in Richmond, Virginia. Peoples Bank operates four banking offices and had total consolidated assets of approximately \$286 million, total deposits of approximately \$246 million and total consolidated shareholders’ equity of approximately \$39 million as of December 31, 2011. Peoples Bank’s corporate office is located at 2702 N. Parham Road, Richmond, Virginia 23294, and its telephone number is (804) 270-6800.

The Merger (Page 18)

We have attached the merger agreement to this document as Annex A. Please read the entire merger agreement. It is the legal document that governs the merger. We propose a merger whereby Peoples Bank will merge with and into First Community Bank, with First Community Bank as the surviving entity. Subject to approval by Peoples Bank shareholders and the receipt of all required regulatory approvals, we expect to complete the merger in the second quarter of 2012.

Peoples Bank Shareholders will receive Cash and Whole Shares of First Community Common Stock for each Share of Peoples Bank Common Stock Exchanged Pursuant to the Merger (Page 31)

If the merger of Peoples Bank with and into First Community Bank is completed, each outstanding share of Peoples Bank common stock (other than shares held by dissenting shareholders) will be converted into the right to receive:

\$6.08 in cash, which is referred to as the “per share cash consideration;” and

1.07 shares of First Community common stock, which is referred to as the “exchange ratio,” plus cash in lieu of any fractional share interest.

The exchange ratio is subject to possible adjustment under certain circumstances described in “The Merger-Termination of the Merger Agreement” beginning on page 42.

## Comparative Per Share Market Price Information (Page 54)

Shares of First Community common stock currently trade on the Nasdaq Global Select Market under the symbol "FCBC." Shares of Peoples Bank common stock trade in the OTC Markets in the OTCQB Market Tier under the symbol "PBAV." The following table sets forth the closing sale prices of First Community common stock as reported on the Nasdaq Global Select Market and the bid prices of Peoples Bank common stock as quoted in the OTCQB Market Tier of the OTC Markets on February 29, 2012, the last trading-day before we announced the merger, and on April 12, 2012, the last practicable trading-day before the distribution of this proxy statement/prospectus.

The following table also includes the equivalent market value per share of Peoples Bank common stock on February 29, 2012 and April 12, 2012, which reflects the sum of (a) the product of the exchange ratio of 1.07 multiplied by the last quoted bid price of First Community common stock on the dates indicated, plus (b) the per share cash consideration of \$6.08.

	<b>First Community Common Stock</b>	<b>Peoples Bank Common Stock</b>	<b>Equivalent Market Value Per Share of Peoples Bank</b>
At February 29, 2011	\$ 12.40	\$ 9.40	\$ 19.35
At April 12, 2012	\$ 13.44	\$ 19.70	\$ 20.46

The value of the stock portion of the merger consideration to be received for each share of Peoples Bank common stock will be based on the most recent closing price of First Community's common stock prior to the consummation of the merger. Because the stock portion of the merger consideration to be paid to shareholders of Peoples Bank is based on a fixed number of shares of First Community common stock and because the market value of the shares of First Community common stock to be received by Peoples Bank shareholders will change, shareholders of Peoples Bank are not assured of receiving a specific market value of First Community common stock, and thus a specific market value for their shares of Peoples Bank common stock, at the effective time of the merger. First Community cannot assure you that its common stock will continue to trade at or above the prices shown above. You should obtain current stock price quotations for the First Community common stock from a newspaper, via the Internet or by calling your broker. See "The Merger – Merger Consideration" beginning on page 31.

## Dividend Information (Page 54)

First Community currently pays a quarterly cash dividend to its shareholders. During the quarter ending December 31, 2011, First Community paid a cash dividend of \$0.10 per share of First Community common stock. First Community intends to continue to pay a quarterly cash dividend to its shareholders. However, the payment of dividends by First Community on its common stock in the future, either before or after the merger is completed, is subject to the determination of its board of directors and depends on its cash requirements, financial condition and earnings, legal and regulatory considerations and other factors.

During 2011 and in prior years, Peoples Bank did not pay a cash dividend. Pursuant to the merger agreement, Peoples Bank cannot pay future cash dividends without the prior approval of First Community.

#### Federal Income Tax Consequences of the Merger (Page 48)

At the effective time of the merger, First Community and Peoples Bank will each receive an opinion of counsel to the effect that, based on certain facts, representations and assumptions, the merger will be treated as a “tax-free reorganization” for federal income tax purposes. Peoples Bank shareholders generally will not recognize any gain or a loss on the conversion of shares of Peoples Bank common stock into shares of First Community common stock. However, Peoples Bank shareholders will be taxed on the cash portion of the merger consideration received for their shares of Peoples Bank common stock. The parties’ obligation to complete the merger is conditioned on their receipt of the opinion regarding the federal income tax treatment of the merger.

Tax matters are complicated, and the tax consequences of the merger to you will depend upon the facts of your particular situation. In addition, you may be subject to state, local or foreign tax laws that are not discussed herein. Accordingly, we strongly urge you to consult your own tax advisor for a full understanding of the tax consequences to you of the merger.

Peoples Bank's Financial Advisor Believes that the Merger Consideration is Fair to Peoples Bank Shareholders (Page 23)

Among other factors considered in deciding to approve the merger, the Peoples Bank board of directors received the opinion of its financial advisor, Davenport & Company, which we refer to in this proxy statement/prospectus as Davenport, that, as of March 1, 2012, the merger consideration was fair to the holders of Peoples Bank common stock from a financial point of view. The opinion dated as of March 1, 2012 is included as Annex B. You should read this opinion completely to understand the assumptions made, matters considered and limitations of the review undertaken by Davenport in providing its opinion. Davenport's opinion is directed to the Peoples Bank board of directors and does not constitute a recommendation to any shareholder as to any matters relating to the merger. Peoples Bank agreed to pay Davenport a retainer of \$10,000 and a cash fee equal to 0.85% of the market value of the total consideration received by Peoples Bank and its shareholders, plus reimbursement of reasonable out-of-pocket expenses.

Our Board of Directors Recommends Approval of the Merger (Page 21)

Based on Peoples Bank's reasons for the merger described herein, including the fairness opinion of Davenport, the Peoples Bank board of directors believes that the merger is fair to you and in your best interests and unanimously recommends that you vote "FOR" approval of the merger agreement.

Date, Time and Location of the Special Meeting (Page 16)

The special meeting will be held at 3:00 p.m., Eastern Daylight Saving Time, on Thursday, May 24, 2012, at Meadowbrook Country Club, 3700 Cogbill Road, Richmond Virginia 23234. At the special meeting, Peoples Bank shareholders will be asked to approve the merger agreement, to approve a proposal to adjourn the special meeting if necessary to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.



Record Date and Voting Rights for the Special Meeting (Page 16)

You are entitled to vote at the special meeting if you owned shares of Peoples Bank common stock as of the close of business on April 6, 2012. You will have one vote at the special meeting for each share of Peoples Bank common stock that you owned on that date.

Shareholders of record may vote by mail, telephone, via the Internet or by attending the special meeting and voting in person. Each proxy returned to Peoples Bank (and not revoked) by a holder of Peoples Bank common stock will be voted in accordance with the instructions indicated thereon. If no instructions are indicated, the proxy will be voted "FOR" approval of the merger agreement and "FOR" the proposal to adjourn the special meeting if necessary to permit further solicitation of proxies on the proposal to approve the merger agreement.

Approval of the Merger Agreement Requires a Majority Vote by Peoples Bank Shareholders

The affirmative vote of the holders of a majority of the outstanding shares of Peoples Bank common stock is necessary to approve the merger agreement on behalf of Peoples Bank.

Management of Peoples Bank Owns Shares Which May Be Voted at the Special Meeting (Pages 51 and 66)

Each of the directors and executive officers of Peoples Bank , who collectively own approximately 34.09% of the outstanding shares of Peoples Bank common stock as of the record date for the special meeting, has entered into a shareholder agreement with First Community pursuant to which each of them has agreed to vote all of their shares in favor of the merger agreement.

First Community and Peoples Bank Must Meet Several Conditions to Complete the Merger (Page 32)

Completion of the merger depends on meeting a number of conditions, including the following:

shareholders of Peoples Bank must approve the merger agreement;

First Community and Peoples Bank must receive all required regulatory approvals for the merger, and any waiting periods required by law must have passed;

there must be no law, injunction or order enacted or issued preventing completion of the merger;

the First Community common stock to be issued in the merger must have been approved for trading on the Nasdaq Global Select Market (or on any securities exchange on which the First Community common stock may then be listed);

First Community and Peoples Bank must each receive a tax opinion confirming the tax-free nature of the merger;

the representations and warranties of each of First Community and Peoples Bank in the merger agreement must be accurate, subject to exceptions that would not have a material adverse effect on First Community or Peoples Bank, respectively;

First Community and Peoples Bank must have complied in all material respects with their respective obligations in the merger agreement;

First Community must have entered into a new employment agreement with Marshall E. McCall, Jr.;

First Community and Peoples Bank must have entered into severance agreements with certain executive officers of Peoples Bank;

First Community and certain executive officers of Peoples Bank must have entered into consulting agreements; and

dissenting shares shall not represent 20% or more of the outstanding Peoples Bank common stock.

Unless prohibited by law, either First Community or Peoples Bank could elect to waive a condition that has not been satisfied and complete the merger anyway. The parties cannot be certain whether or when any of the conditions to the merger will be satisfied, or waived where permissible, or that the merger will be completed.

#### First Community and Peoples Bank Must Obtain Regulatory Approvals to Complete the Merger (Page 35)

To complete the merger, the parties need the prior approval of or waiver from the Federal Reserve Board, which is referred to in this proxy statement/prospectus as the FRB, and the Bureau of Financial Institutions of the Virginia State Corporation Commission, which is referred to as the VA Bureau of Financial Institutions. The U.S. Department of Justice is able to provide input into the approval process of federal banking agencies and will have between 15 and 30 days following any approval of a federal banking agency to challenge the approval on antitrust grounds. First Community, First Community Bank, and Peoples Bank have filed all necessary applications with the applicable regulatory agencies. First Community and Peoples Bank cannot predict, however, whether the required regulatory approvals will be obtained or whether any such approvals will have conditions which would be detrimental to First Community following completion of the merger.

#### First Community and Peoples Bank may Terminate the Merger Agreement (Page 42)

First Community and Peoples Bank can mutually agree at any time to terminate the merger agreement before