

Passion. Service. Excellence.



RCB | Financial Corporation



Beyond the expected in banking, you'll find an outstanding experience here that breaks convention, rewrites the rules, and makes banking fun again. River City Bank is truly different - where trusted bankers provide great service that enhances your life, business, community and satisfaction. Underpinned by our commitment to be a strong local leader, we promise you "passion, service, and excellence." It's more than our slogan; it's the way we do business.

RIVER CITY BANK
Passion. Service. Excellence.



April 22, 2013

Dear Fellow Shareholder:

On behalf of the directors and officers of RCB Financial Corporation (the "Holding Company"), we are pleased to provide you with the enclosed annual report and proxy materials in connection with the Holding Company's annual meeting of the shareholders. **The annual meeting will be held at River City Bank, 228 North Second Avenue, Rome, Georgia on Tuesday, May 14, 2013, at 6:00 pm local time.**

The annual meeting has been called for the following purposes: (1) to elect eleven directors of the Holding Company to serve until the 2014 annual meeting; (2) to ratify the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2013; and to consider and vote upon such other business as may properly come before the meeting and any and all adjournments thereof. The record date for determining shareholders entitled to vote at the annual meeting was the close of the Holding Company's business on March 31, 2013.

At the annual meeting we will provide you with a report from management concerning our performance during the past year as well a perspective on the current banking environment in our community, state, and nation. Refreshments will be served.

We sincerely hope that you can attend the meeting on May 14, 2013! Our officers, directors, and staff are very excited about the future of RCB Financial Corporation and River City Bank.

Whether or not you plan to attend the meeting, please complete, sign, and date the accompanying proxy sheet and return it in the enclosed postage-prepaid envelope before May 14, 2013. If you attend the meeting you may revoke your proxy and vote your shares personally.

Of course, if you have any questions, please contact me at (706) 236-2123.

Sincerely,

A handwritten signature in cursive script that reads "Roger F. Smith".

President and CEO



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
RCB Financial Corporation
Rome, Georgia

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of RCB Financial Corporation and subsidiary, which comprise the consolidated balance sheets as of December 31, 2012 and 2011, and the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of RCB Financial Corporation and subsidiary as of December 31, 2012 and 2011, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Atlanta, Georgia
April 5, 2013

Porter Keadle Moore, LLC

RCB FINANCIAL CORPORATION AND SUBSIDIARY

Consolidated Balance Sheets

December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Cash and due from banks, including reserve requirements of \$199,000 and \$389,000, respectively	\$ 9,475,651	9,020,342
Interest earning deposits in banks	<u>3,775,809</u>	<u>11,697,082</u>
Cash and cash equivalents	13,251,460	20,717,424
Investment securities available-for-sale	37,210,822	30,429,259
Federal Home Loan Bank stock, at cost	631,400	956,300
Loans, net	102,786,752	120,008,300
Premises and equipment, net	6,767,728	7,063,211
Other real estate	2,022,780	1,705,364
Accrued interest receivable and other assets	<u>1,039,127</u>	<u>1,383,109</u>
Total assets	\$ <u>163,710,069</u>	<u>182,262,967</u>
<u>Liabilities and Stockholders' Equity</u>		
Deposits:		
Demand	\$ 16,259,792	11,977,172
Interest-bearing demand	23,008,120	27,341,232
Savings and money market	48,185,699	56,615,359
Time	23,481,693	27,419,521
Time, \$100,000 and over	<u>24,607,345</u>	<u>31,071,899</u>
Total deposits	135,542,649	154,425,183
Securities sold under repurchase agreements	-	197,994
Federal Home Loan Bank advances	6,700,000	6,700,000
Accrued interest payable and other liabilities	<u>1,368,519</u>	<u>951,436</u>
Total liabilities	<u>143,611,168</u>	<u>162,274,613</u>
Commitments		
Stockholders' equity:		
Preferred Stock, no par value; 5,000,000 shares authorized, 9,168 shares issued and outstanding	9,078,433	9,017,363
Common stock, \$.01 par value; 25,000,000 shares authorized; 2,132,521 shares issued and outstanding	21,325	21,325
Additional paid-in capital	23,760,913	23,760,913
Accumulated deficit	(13,249,518)	(13,148,374)
Accumulated other comprehensive income	<u>487,748</u>	<u>337,127</u>
Total stockholders' equity	<u>20,098,901</u>	<u>19,988,354</u>
Total liabilities and stockholders' equity	\$ <u>163,710,069</u>	<u>182,262,967</u>

RCB FINANCIAL CORPORATION AND SUBSIDIARY

Consolidated Statements of Operations

For the Years Ended December 31, 2012 and 2011

		<u>2012</u>	<u>2011</u>
Interest income:			
Loans, including fees	\$	6,340,153	8,124,049
Investment securities		774,856	954,688
Federal funds sold and interest-bearing accounts		<u>33,975</u>	<u>40,590</u>
Total interest income		<u>7,148,984</u>	<u>9,119,327</u>
Interest expense:			
Deposits		1,118,930	2,320,987
Borrowings		<u>243,652</u>	<u>298,544</u>
Total interest expense		<u>1,362,582</u>	<u>2,619,531</u>
Net interest income		5,786,402	6,499,796
Provision for loan losses		<u>1,078,152</u>	<u>4,316,335</u>
Net interest income after provision for loan losses		<u>4,708,250</u>	<u>2,183,461</u>
Non-interest income:			
Service fees		375,341	326,534
Mortgage banking income		222,406	141,207
Trust fees		479,548	388,522
Gain from sales of investment securities available-for-sale		<u>87,110</u>	<u>7,377</u>
Total non-interest income		<u>1,164,405</u>	<u>863,640</u>
Non-interest expenses:			
Salaries and employee benefits		2,376,309	2,398,342
Data and item processing		514,065	500,717
Professional fees		479,062	452,690
Occupancy and equipment		545,326	594,474
FDIC insurance		228,496	343,015
Advertising and promotions		113,732	105,571
Other real estate		183,512	74,815
Other real estate loss on sale and writedown		206,254	629,700
Loss on disposal and impairment of fixed assets		2,760	97,871
Other operating		<u>791,158</u>	<u>972,370</u>
Total non-interest expenses		<u>5,440,674</u>	<u>6,169,565</u>
Earnings (loss) before income tax benefit (expense)		431,981	(3,122,464)
Income tax benefit (expense)		<u>20,000</u>	<u>(3,103,156)</u>
Net income (loss)		451,981	(6,225,620)
Preferred stock dividends and discount accretion on Preferred Stock held by the U.S. Department of the Treasury		<u>(553,125)</u>	<u>(533,999)</u>
Net loss available to common stockholders	\$	<u>(101,144)</u>	<u>(6,759,619)</u>
Basic and diluted loss per common share	\$	<u>(0.05)</u>	<u>(3.17)</u>

RCB FINANCIAL CORPORATION AND SUBSIDIARY

Consolidated Statements of Comprehensive Income (Loss)

For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Net income (loss)	\$ <u>451,981</u>	<u>(6,225,620)</u>
Other comprehensive income, net of tax:		
Unrealized gains on investment securities available-for-sale arising during the period, net of tax expense of \$0 and \$256,829, respectively	237,731	419,043
Reclassification for gains included in operations, net of tax expense of \$0 and \$2,800, respectively	<u>(87,110)</u>	<u>(4,577)</u>
Total other comprehensive income	<u>150,621</u>	<u>414,466</u>
Comprehensive income (loss)	\$ <u>602,602</u>	<u>(5,811,154)</u>

**RCB Financial Corporation
228 North Second Avenue
Rome, Georgia 30165
(706) 236-2123**

March 31, 2013

**PROXY STATEMENT
FOR ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 14, 2013**

This Proxy Statement is being furnished to the shareholders of RCB Financial Corporation (the "Holding Company") in connection with the solicitation of proxies by the Board of Directors of the Holding Company for use at the Annual Meeting of Shareholders of RCB Financial Corporation to be held on Tuesday, May 14, 2013, at 6:00 p.m., local time, and to any adjournment thereof, for the purposes set forth below and in the accompanying Notice of the Annual Meeting of Shareholders. The meeting will be held at River City Bank, 228 North Second Avenue, and Rome, Georgia 30165.

The shareholders' meeting is being held to consider and vote the following proposals:

- Proposal 1: To elect as Holding Company directors the persons listed as nominees in the Proxy Statement.
- Proposal 2: To ratify the appointment of Porter Keadle Moore, LLP, as the independent auditors of the Holding Company for fiscal year 2013.
- Proposal 3: To transact such other business as may properly come before the meeting and at any and all adjournments thereof.

Record Date, Solicitation and Revocability of Proxies

RCB Financial Corporation has fixed March 31, 2013, as the record date for determining the shareholders entitled to notice of and to vote at the meeting. At the close of business on the record date, there were outstanding and entitled to vote 2,132,521 shares of common stock of RCB Financial Corporation, \$0.01 par value per share, held by 439 shareholders of record. A majority of the outstanding shares of common stock represented at the meeting, in person or by proxy, will constitute a quorum.

Shares of RCB Financial Corporation's common stock represented by a properly executed proxy, if such proxy is received prior to the vote at the shareholders meeting and not revoked, will be voted at the shareholders meeting in accordance with the instructions indicated in such proxy. **If a proxy is received and no instructions are indicated, such shares of the common stock will be voted "FOR" the election as Directors of the Holding Company the eleven nominees listed in the Proxy Statement, "FOR ratifying the appointment of Porter Keadle Moore, LLP, as the independent auditors of the Holding Company for fiscal year 2013, and in accordance with the recommendations of the Board of Directors as to any other matter which may properly come before the shareholders' meeting.**

**RCB FINANCIAL CORPORATION
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 14, 2013**

RCB Financial Corporation (the "Holding Company"), will hold its annual meeting of shareholders at River City Bank, 228 North Second Avenue, Rome, Georgia 30165 on Tuesday, May 14, 2013, at 6:00 p.m., local time to vote on:

- Electing as directors of RCB Financial Corporation the persons listed as nominees in the Proxy Statement dated March 31, 2013, that accompanies this notice;
- Ratifying the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2013; and
- Transacting such other and further business as may properly come before the meeting.

Only shareholders of record at the close of business on March 31, 2013 will be entitled to notice of and to vote at the annual meeting or any adjournment or postponement thereof. The holders of shares of the Holding Company's common stock are entitled to one vote per share on all matters to be presented for action by shareholders at the annual meeting.

Enclosed for your review are the Holding Company's proxy statement and proxy sheet for the proposals that shareholders will vote on at the annual meeting.

The Board of Directors of the Holding Company unanimously recommends that shareholders vote FOR each of the nominees for director and FOR ratifying the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2013.

**BY ORDER OF THE
BOARD OF DIRECTORS**

Roger F. Smith
President and CEO
RCB Financial Corporation
Rome, Georgia
April 22, 2013

A shareholder who has given a proxy may revoke it at any time prior to its exercise at the shareholders meeting by either (i) giving written notice of the revocation to the Chief Executive Officer to the Holding Company, (ii) properly submitting to the Chief Executive Officer of the Holding Company a duly executed proxy bearing a later date, or (iii) appearing in person at the shareholders' meeting and voting in person. All written notices of revocation or other communications with respect to revocation of proxies should be addressed as follows: RCB Financial Corporation, 228 North Second Avenue, Rome, Georgia 30165, Attention: Roger F. Smith, President and CEO.

Proxies are being solicited by on behalf of the Board of Directors of RCB Financial Corporation. Directors, officers, and employees of the Holding Company may solicit proxies personally or by telephone or facsimile. None of these people will receive any special compensation for solicitation activities.

Voting of Shares

The holders of shares of RCB Financial Corporation's common stock are entitled to one vote per share on all matters presented at the meeting for action by shareholders.

The affirmative vote of a majority of RCB Financial Corporation's outstanding common stock present in person or represented by proxy and entitled to vote at the meeting will be required to elect the eleven directors to serve until the 2014 Annual Shareholder's Meeting.

The affirmative vote of a majority of RCB Financial Corporation's outstanding common stock present in person or represented by proxy and entitled to vote at the meeting will be required to ratify the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2013.

All other matters that may properly come before the meeting require the affirmative vote of a majority of shares of common stock present in person or by proxy and entitled to vote on such matters, unless a stricter requirement is imposed by applicable law.

This proxy statement and the accompanying form of proxy were first mailed to the shareholders on or about April 22, 2013.

PROPOSAL 1: ELECTION OF DIRECTORS

The table below sets forth certain information about the director nominees, including name and principal occupation or employment. Duly elected directors will serve until the next annual meeting of shareholders, or until their respective successors are duly elected and qualified.

<u>Name</u>	<u>Principal Occupation or Employment</u>
C. King Askew	Attorney
Darrell Lowrey	Orthopedic Surgeon
Jarrett Shadday	Real Estate Investor
W. Keith Winslette	Pharmacist
Michael W. Mathis	Owner-Building Supply Business
Richard Haney	Real Estate Investor
Robert Stone	Entrepreneur
Roger F. Smith	Bank Executive
Virginia Kibler	Restaurateur
W. Barritt Gilbert	Urologist
C. B. (Buster) Wright III	Retired

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF THE ELEVEN NOMINEES NAMED ABOVE.

**PROPOSAL 2: RATIFYING THE APPOINTMENT
OF PORTER KEADLE MOORE, LLP,
AS INDEPENDENT AUDITORS**

The Audit Committee of the Board of Directors has considered the qualifications and experience of Porter Keadle Moore, LLP, and based upon the recommendation of the Audit Committee, the Board of Directors has appointed Porter Keadle Moore, LLP, as independent auditors for the Holding Company for the current fiscal year which ends December 31, 2013. Although the submission of this matter is not required by law, the Board of Directors desires to obtain the shareholders' ratification of such appointment. A resolution ratifying the appointment will be offered at the Annual Meeting. If the resolution is not adopted, the adverse vote will be referred to the Audit Committee for further review.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" RATIFYING THE APPOINTMENT OF PORTER KEADLE MOORE, LLP, AS THE HOLDING COMPANY'S INDEPENDENT AUDITORS FOR FISCAL YEAR 2013.

DIRECTOR AND MANAGEMENT STOCK OWNERSHIP

The following table presents stock ownership information as of the record date for each of the executive officers and director nominees of RCB Financial Corporation, and all executive officers and director nominees as a group. The table sets forth: (1) each person's name, (2) his/her respective position within the Holding Company, (3) the number of shares of Holding Company common stock he/she directly or indirectly owned, controlled or held with the power to vote as of the record date, (4) the percentage of the outstanding shares of Holding Company common stock he/she owned at the record date, and (5) the number of shares subject to warrants or options.

<u>Name</u>	<u>Position</u>	<u>Number Of Shares</u>	<u>Percentage of Outstanding Shares</u> ⁽¹⁾	<u>Shares Subject to Warrants and Options</u> ⁽²⁾
Michael W. Mathis	Director	122,850	5.76%	100,000
Jarrett Shadday	Director	110,000	5.16%	100,000
Darrell Lowrey	Director	48,700	2.28%	30,000
Richard Haney	Director	43,740	2.05%	-
W. Keith Winslette	Director	35,000	1.64%	35,000
C. King Askew	Director	32,500	1.52%	32,500
Virginia Kibler	Director	30,000	1.41%	30,000
W. Barritt Gilbert	Director	25,000	1.17%	25,000
Roger F. Smith	CEO and Director	22,500	1.06%	15,000
C.B. Wright III	Director	9,000	0.42%	-
Robert Stone	Director	8,000	0.38%	-
Connie J. Williams	CFO	3,000	0.14%	10,000
T. Grant Espy	CCO	1,500	0.07%	5,000
Executive Officers and Director Nominees as a Group (13)		491,790	23.06%	382,500

(1) The calculation of ownership of each individual and group is based upon 2,132,521 shares outstanding as of the record date, and may change if and when options or warrants are exercised.

(2) All outstanding warrants and options vest over a 3 year period and are now fully vested, and carry an exercise price of \$10.00 per share.

**RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
RCB FINANCIAL CORPORATION**

I. Annual Meeting of Shareholders

WHEREAS, RCB Financial Corporation (the “Company”) plans to hold its 2013 annual meeting of shareholders (the “Annual Meeting”) and at such meeting to consider (i) a proposal to elect directors to serve a one-year term or until their successors are duly elected and qualified; and (ii) a proposal to ratify the appointment of Porter Keadle Moore, LLP, as the Company’s independent auditors for the fiscal year 2013.

NOW, THEREFORE, BE IT RESOLVED, that the Annual Meeting date is hereby set for May 14, 2013 at 6:00 p.m. local time, at River City Bank, 228 North Second Avenue, Rome, Georgia 30165; and

RESOLVED FURTHER, that the record date for shareholders to vote at the Annual Meeting shall be the close of the Company’s business on March 31, 2013; and

RESOLVED FURTHER, that Connie Williams, CFO, be and is hereby appointed as the Company’s inspector of elections at its Annual Meeting, and to perform such duties in connection therewith as required by law; and

RESOLVED FURTHER, that the following individuals are hereby nominated for election as directors at the Annual Meeting to serve until the 2014 Annual Meeting or until their successors are duly elected and qualified; and

W. Barritt Gilbert
Robert Stone
C. B. (Buster) Wright, III
Darrell Lowrey
Virginia Kibler
Jarrett Shadday
W. Keith Winslette
C. King Askew
Michael W. Mathis
Richard Haney
Roger F. Smith, CEO

RESOLVED FURTHER, that the proper officers of the Company be, and they hereby are, authorized and directed to prepare or cause to be prepared, with the assistance of legal counsel and to distribute proxy materials in connection with the Annual Meeting; and

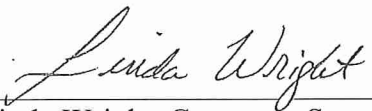
RESOLVED FURTHER, that the Board of Directors hereby appoints C. King Askew and Roger F. Smith to be named in appointments of proxy solicited by the Company as the proxies for shareholders at the Annual Meeting.

II. Independent Auditors

WHEREAS, the Board of Directors has considered the qualifications and experience of Porter Keadle Moore, LLP, as independent auditors for the Company for the previous fiscal year which ended December 31, 2012.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby appoints Porter Keadle Moore, LLP, as independent auditors for the Company for the current fiscal year which ends December 31, 2013.

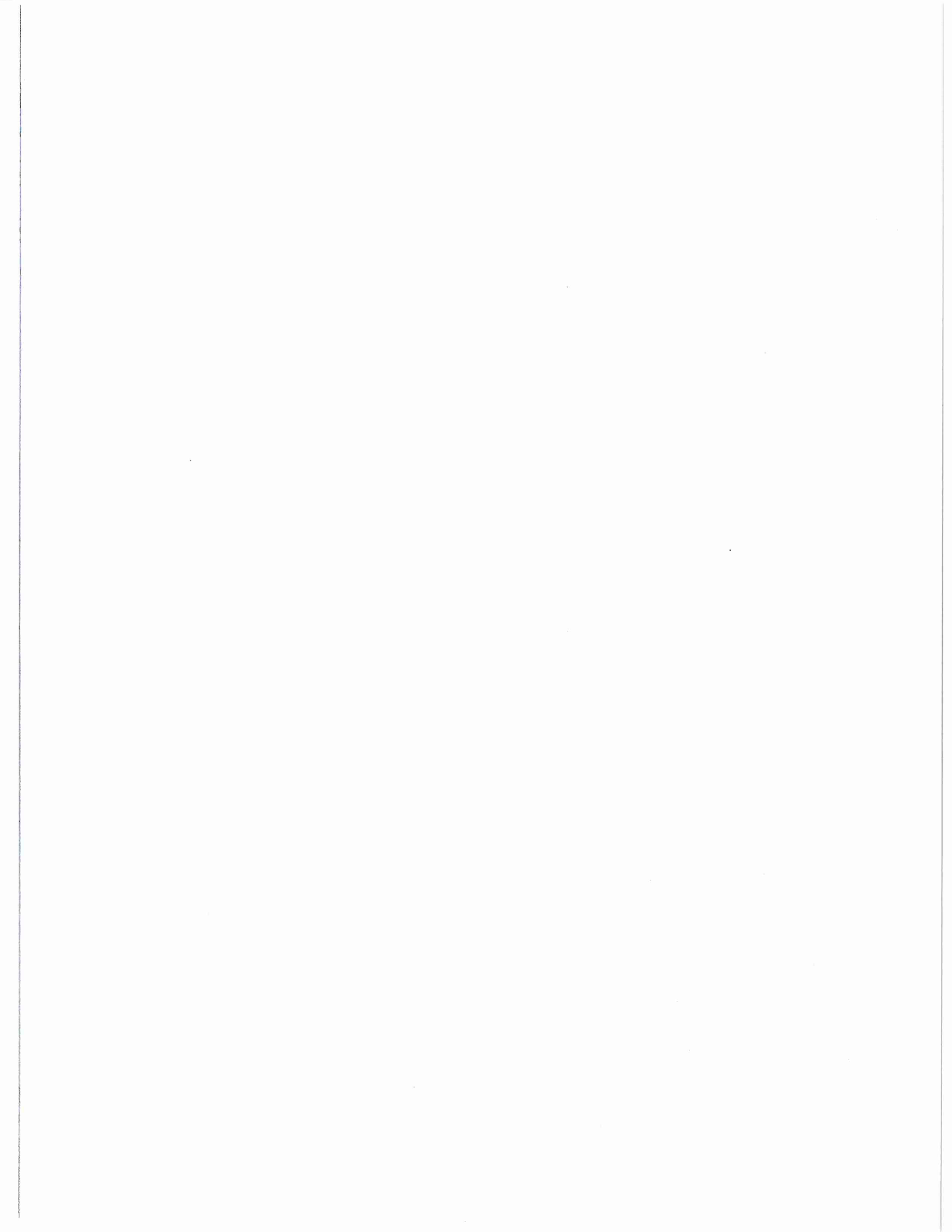
Given under hand and seal of RCB Financial Corporation, this 12th day of March, 2013.



Linda Wright, Corporate Secretary

For a copy of River City Bank's Annual Disclosure Statement for 2012, which is available upon request, you may contact Connie Williams, CFO. She can be reached at:

River City Bank
228 North Second Avenue
Rome, Georgia 30165
706-236-2123



Member
FDIC



Remember when
banking felt like this?

It still does at River City Bank.

RIVER CITY BANK
Passion. Service. Excellence.

