



Business Brief

Area Economy Continues to Accelerate

The energy sector continued to lend impetus to the Houston economy, as the business-cycle index for the metro area grew at its highest pace since November, 2006, with an annualized rate of 8.1 percent. Crude oil prices were up by more than \$6 in July, and job gains of 11,600 were broadly based among trade and transportation, professional and business services, and government sectors. Demand decreased for homes under \$150,000 due to the tightening of subprime lending requirements, but prices in Houston's mid-range and high-end housing markets remain some of the strongest in the nation.

New Deposit Offerings From *ICON*: (new accounts only)

HIGH YIELD MONEY MARKET
4.50% APY*

YOU-PICK-THE-TERM CD
5.00% APY** (30 days - 12 months)

*The minimum opening deposit for Icon Money Market account is \$100.00. The annual percentage yield ("APY") shown in the above ad will be paid on all balances. Interest rate is variable and subject to change or may be withdrawn without prior notice. Fees could reduce earnings on the account. Subject to withdrawal limitations.

**Annual Percentage Yield ("APY") is effective as of the publication date. Deposits are limited to funds not currently on deposit with IconBank. Rate is subject to change or may be withdrawn without prior notice. The Annual Percentage Yield assumes interest will remain on deposit. Minimum opening deposit for the Certificate of Deposit is \$1,000.00. A penalty may be imposed for early withdrawal. For Certificates of Deposit with terms less than 6 months, interest is paid at maturity. For Certificates of Deposit with terms from 6 months up to 12 months, interest is paid quarterly. Certificate of Deposit will automatically renew at IconBank's current stated rate.

Who do I call?

IconBank Contacts

Executive Offices:

Mark S. Reiley, CEO 281-517-2405
John D. Green, President 281-517-2402
Ky Kim Troyer, EVP 281-517-2401

Sam Houston Banking Center:

Rand Lassus, CCO 281-517-2407
Jay Cadena, SVP Lender 281-517-2403
Sarah Bhojani, AVP 281-517-2408
Veronica Battaglia, Business Dev. Assistant 281-517-2404
Yvette DeLosReyes, Office Manager 281-517-2410
Sophia Esteves, Personal Banker 281-517-2411
Lee Weaver, Teller Supervisor 281-517-2415

Bay Area Banking Center:

Jim Stewart, Market President 281-517-2461
Lynda Porter, Business Development Officer 281-517-2462

West Houston:

Ron Majewski, Market President 281-517-2430

Operations, Bookkeeping and Accounting:

Gina Hill, Operations Manager 281-517-2475
Julie Zaleski, Bookkeeping Manager 281-517-2476
Kathy Moody, Accounting Manager 281-517-2477

Loan Operations:

Jessica Cassidy, Manager 281-517-2406
Bill Reese, Loan Administration 281-517-2441

Customer Service: 281-517-2400
Telephone Banking: 800-517-2441



A Message From Our Founders

Dear Shareholders,

IconBank is pleased to announce that we will soon reach the milestone of \$30 million in deposits, with checking accounts making up over 42% of total deposits. Total loans are also approaching \$30 million, and we have close to \$10 million in the "loan pipeline." We continue to grow at a strong pace, despite recent nationwide concerns in financial markets over the fallout from sub-prime mortgage lending practices.

In addition to these accomplishments is the overwhelming response received dur-

ing Icon's second stock offering (see "Second Offering Complete," p. 1, this issue). A major source of our success is the hard work and dedication of our shareholders. We appreciate your efforts, and ask that you continue to support your investment through the referral of deposit and loan business to your Icon management team.

Though there are many milestones yet to achieve, we have done much in just a short time. The future looks bright at IconBank!



Convenient drive-thru banking services are now available at our Sam Houston office.

Warmest regards,

CEO
IconBank

President
IconBank



Second Offering Complete

Icon's second offering came to a close on August 31. We sold all authorized shares and raised our target amount of \$4.5 million. This time around, the demand for shares actually exceeded the supply, and well over \$250K in subscriptions had to be returned/declined. We are starting an "Interested Buyer" list, so please contact us if you or someone else is interested in buying or selling shares. As you know, we will not set a price, but will attempt to put buyers and sellers together.



Product Spotlight

I-Scan Technology a Hit with Customers

Positive Response to Innovative Check Processing Technology is Overwhelming

Our last issue highlighted Icon's flagship deposit-gathering product, I-Scan (see volume 1, issue 1). Since then, the impact of I-Scan continues to grow. The only frustration for some users is that they didn't request the installation of an I-scan device even sooner!

So far Icon has installed over 40 I-Scan machines with 142 accounts and almost \$7.1 million in total deposits tied to the technology. Icon's business clients say they're delighted with the practicality and efficiency of this innovative check processing technology.

"I am able to make deposits to all of my accounts from one machine," explains Paige Henderson of Hengst & Henderson law firm. Henderson says I-Scan saves the firm valuable office time and several weekly trips to the bank.

Don Reed of Unicom says I-Scan removes distance barriers between business locations. "The physical difference between our two companies no longer matters." As for ease of use,

Reed says, "The product worked as advertised from the first day. With a minimal amount of training we were immediately able to take advantage of electronic deposits."

I-Scan makes use of a desktop scanner to convert your paper remittance checks to "e-checks," which are then deposited via the Internet and can be viewed online. The technology works with any type of check drawn on a U.S. bank and allows businesses to post and receive credit for checks faster. "I-Scan has expedited the process of fund availability and lowered the inconvenience of visiting banks on a daily basis. It can be compared to having a small bank in your own office," explains Adeela Yunus of Satya, Inc.

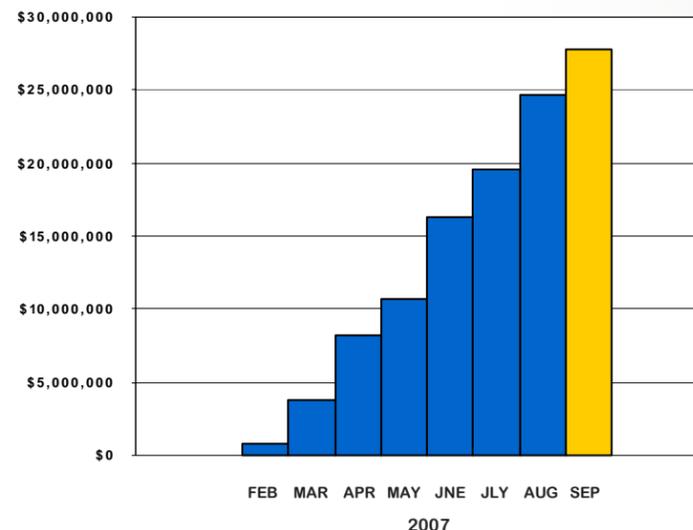
Contact IconBank to find out more about how I-Scan can take the hassle out of check processing for your business. Take it from Leslie Griffin of HMS Healthcare: "Who would have ever thought that the process of making a deposit would be fun! It is so fast and simple."

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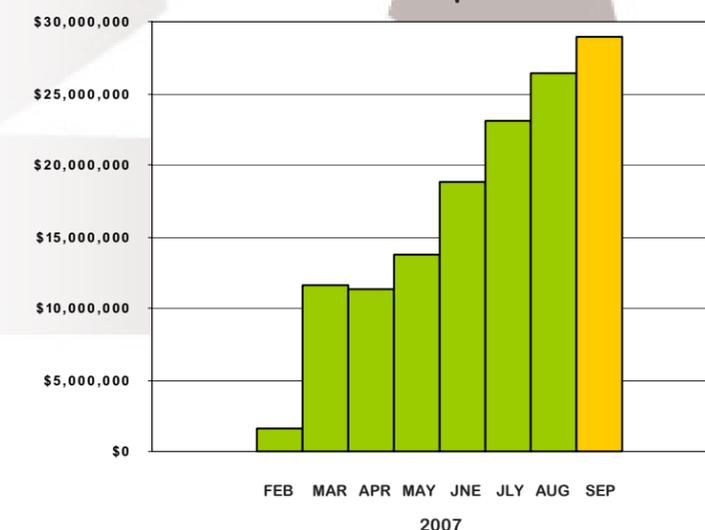
LESLIE GRIFFIN, HMS HEALTHCARE, ON ICON-BANK'S I-SCAN

Financial Highlights

Total Loans



Total Deposits



Bay Area Update

Although still in its temporary location, Icon's Bay Area Banking Center is doing well, with total deposits of over \$6.2 million and total loans of almost \$4.8 million. Special thanks to Dr. Nishith Majmundar, Dr. Vipul Patel, Dr. Rakesh Patel, Dr. Atul Shah, and Mr. Srini Iyengar for their continued extra efforts in the Bay Area region.

Approval by the city of Webster for our permanent office is expected within the next 60 days, and construction will start soon thereafter. Our permanent Bay Area location will be a 4,100 square foot full-service banking facility, complete with three drive-through banking lanes and a safety deposit box area.

IconBank Board of Directors

Ameen Ali, CPA

Jairo (Jay) Cadena, Senior Vice President, IconBank of Texas, N.A.

Richard N. Coffman, Consultant/CPA

Mark R. Evans, O'Connor, Craig, Gould & Evans

Janet T. Friedman, J. Friedman Mortgage

John D. Green, President, IconBank of Texas, N.A.

Archie A. (Trey) Henderson III, Hengst & Henderson, P.C.

Vipul Patel, M.D., Southmore Medical Clinic, P.A.

Mark S. Reiley, CEO/Cashier, IconBank of Texas, N.A.

Michael S. Richard, South Texas Medical Clinics, P.A.

Joseph Rosa, ReMax Heritage

David E. Roth, Roth Financial

Bernard E. Warriner, Jr., Warriner & Associates

Insurance, Inc.

Advisory Director
Dr. Nishith Majmundar
Laija Neurology Association

www.iconbanktx.com

Staff Changes

Please join us in congratulating Jim Stewart on his promotion to Bay Area President. Jim is taking the place of Chris Kelley, who recently resigned to pursue other interests.

We all wish Chris the best in his new endeavors and heartily thank him for all of his hard work over the last year in making IconBank a reality!

Meet Our Newest Shareholder

Congratulations to Board Member Joe Rosa and wife Anna on the July 30th birth of their son Giuseppe Matteo Rosa. "Little Joey" knows you're never too young to support your investment in Icon, as evidenced by his request to be photographed in an IconBank baby cap.



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