

Reynolds Glenn P
Form 4
March 03, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Reynolds Glenn P

2. Issuer Name and Ticker or Trading Symbol
NATIONAL BANKSHARES INC
[nksh]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
03/02/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

206 MATEER CIRCLE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

BLACKSBURG, VA 24060

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	03/02/2009		P	785 A \$ 19.73	1,843	I	By Spouse
Common Stock	03/02/2009		P	500 A \$ 19	2,343	I	By Spouse
Common Stock					3,476	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Reynolds Glenn P 206 MATEER CIRCLE BLACKSBURG, VA 24060	X			

Signatures

/s/ Glenn P.
Reynolds
03/03/2009
Date

**Signature of Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

\$

-0-

\$

204,886

Lawrence

2008

\$

304,811

(4)

\$

25,000

\$

683

\$

-0-

\$

Explanation of Responses:

330,494

Fensterstock,
Senior Vice

2007

\$

148,988

\$

18,000

\$

683

\$

-0-

\$

Explanation of Responses:

5

President

⁽¹⁾ The amounts in this column reflect bonuses awarded for the fiscal year shown but paid in the subsequent fiscal year.

⁽²⁾ Represents the compensation costs of stock option awards for financial reporting purposes for the year under SFAS 123R, rather than an amount paid to or realized by the Named Executive Officer. See Note 6 of the Notes to Financial Statements for a discussion of the assumptions used in calculating the aggregate grant date fair value computed in accordance with SFAS 123R. The SFAS 123R value as of the grant date for stock options is spread over the number of months of service required for the grant to become non-forfeitable. There can be no assurance that the SFAS 123R amounts will ever be realized.

⁽³⁾ Beginning January 20, 1999 and continuing through June 30, 2003, in order to conserve the Company's cash during this start-up period, Mr. Flum agreed to defer a portion of his annual salary. As of June 30, 2003, the cumulative non-interest bearing amount deferred was \$238,750.

In July 2004, the Company's Board of Directors agreed to issue 200,000 shares of the Company's common stock with a fair value of \$90,000 as partial payment of this liability as well as paying, in cash, the balance to the Chief Executive Officer, representing the tax "gross-up" on this stock award, thereby reducing the cumulative deferred amount by approximately \$150,000 to \$88,890. In December 2006, the Company's Board of Directors agreed to allow Mr. Flum to exercise stock options for 15,000 shares of the Company's common stock with an exercise price of \$15,000 as partial payment of this liability as well as paying, in cash, \$15,000 to Mr. Flum, representing the tax "gross-up" on this stock issuance. This transaction reduced the cumulative deferred amount still payable to \$58,890. In April 2008, the Company paid in full the remaining deferred compensation of \$58,890 owed to Mr. Flum.

⁽⁴⁾ In August 2008, Mr. Fensterstock exercised non-qualified stock options pursuant to which the Company reported \$149,985 as ordinary income to Mr. Fensterstock, representing the difference of the then fair market value of the shares and the exercise price.

Outstanding Equity Awards

No stock options, stock awards or stock appreciation rights were granted to the Company's executive officers during the last fiscal year.

The following table reflects outstanding equity grants to the Company's executive officers as of December 31, 2008:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Un-exercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
William B. Danner	-0-	100,000	-0-	\$ 1.0000	05-09-15
	-0-	50,000	-0-	\$ 1.2500	10-06-15
Lawrence Fensterstock	-0-	15,000	-0-	\$ 1.0000	12-19-11
	-0-	5,000	-0-	\$ 1.0000	07-31-13

The closing market price of the Company's common stock on December 31, 2008 was \$0.83 per share.

All of the options granted may be exercised after three years from the date of grant in installments upon the Company attaining certain specified gross revenue and pre-tax profit margin objectives as set forth in the table below, unless such objectives are modified in the sole discretion of the Board of Directors. In order to achieve the vesting of the applicable percentage of options at each level, both the minimum sales amount and the pre-tax operating margin tests for that level must be met.

MINIMUM ANNUAL

Level	Gross Sales	Pre-Tax Operating Margin	Options Vested	Cumulative Options Vested
1	\$ 3 Million	20%	6.7%	6.7%
2	\$ 4 Million	23%	6.7%	13.4%
3	\$ 5 Million	27%	10.0%	23.4%
4	\$ 6 Million	36%	10.0%	33.4%
5	\$ 7.5 Million	39%	13.3%	46.7%
6	\$ 9 Million	42%	13.3%	60.0%
7	\$ 11 Million	45%	16.6%	76.6%
8	\$ 14 Million	48%	16.6%	93.2%
9	\$ 17 Million	48%	6.8%	100.0%

Notwithstanding that the objectives may not have been met in whole or in part, each of the foregoing performance-based options will vest in full on a date which is two years prior to the expiration date of the option or, in the event of a change in control, will vest in full at the time of such change in control.

Directors' Fees

Non-employee directors receive \$450 for each Board of Directors' meeting attended, up to a maximum payment of \$1,800 per Director per calendar year.

DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash	Option Awards ⁽¹⁾	Total
Andrew J. Melnick	\$ 1,350	\$ 2,334	\$ 3,684
Jeffrey S. Geisenheimer	\$ 1,350	\$ 5,190	\$ 6,540
Joshua M. Flum	\$ 1,350	\$ 8,192	\$ 9,542
Richard J. James	\$ 1,350	\$ 228	\$ 1,578

⁽¹⁾ Represents the compensations costs for financial reporting purposes for the year under SFAS 123R. See Note 6 to the Notes to Financial Statements for the assumptions made in determining SFAS 123R values.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth as of March 6, 2009 information regarding the beneficial ownership of the Company's voting securities (i) by each person who is known to the Company to be the owner of more than five percent of the Company's voting securities, (ii) by each of the Company's directors and executive officers, and (iii) by all directors and executive officers of the Company as a group. Except as indicated in the following notes, the owners have sole voting and investment power with respect to the shares:

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percent of Class
Flum Partners ⁽²⁾	4,897,128	62.39%
Jerome S. Flum	5,380,353 ⁽³⁾⁽⁴⁾	68.54%
William B. Danner	21,395	—*
Lawrence Fensterstock	90,000	1.15%
Andrew J. Melnick	10,000	—*
Jeffrey S. Geisenheimer	73,653	—*
Richard J. James	37,000	—*
All directors and officers (as a group (6 persons))	5,612,401 ⁽³⁾⁽⁴⁾	71.50%

* less than 1%

⁽¹⁾ Does not give effect to (a) options to purchase 473,500 shares of Common Stock granted to 11 officers and employees pursuant to the 1998 Long Term Incentive Plan of the Company, and (b) options to purchase an aggregate of 109,000 shares granted to the non-employee directors pursuant to the 1998 Long Term Incentive Plan of the Company. All of the foregoing options are not exercisable within sixty days. Includes 2,000 shares of Common Stock issued to Flum Partners in consideration of loans to the Company.

⁽²⁾ The sole general partner of Flum Partners is Jerome S. Flum, Chairman of the Board and Chief Executive Officer of the Company.

⁽³⁾ Includes 4,897,128 shares owned by Flum Partners, of which Mr. Flum is the sole general partner, which are also deemed to be beneficially owned by Mr. Flum because of his power, as sole general partner of Flum Partners, to direct the voting of such shares held by the partnership. Mr. Flum disclaims beneficial ownership of the shares owned by Flum Partners. The 5,380,353 shares of Common Stock, or 68.54% of the outstanding shares of Common Stock, may also be deemed to be owned, beneficially and collectively, by Flum Partners and Mr. Flum, as a "group", within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Act").

⁽⁴⁾ Includes 2,000 shares of Common Stock owned by a grandchild of Mr. Flum, the beneficial ownership of which is disclaimed by Mr. Flum.

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The Company's equity compensation plan approved by stockholders is the 1998 Long-Term Incentive Plan. This plan expires May 11, 2009. The Company expects that a replacement plan will be adopted and become effective, subject to stockholder approval, by such date.

The following table summarizes information about the Company's common stock that may be issued upon the exercise of options, warrants and rights under all equity compensation plans of the Company as of December 31, 2008.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by stockholders	582,500	\$ 1.1893	675,500
Equity compensation plans not approved by stockholders	—	—	—
Total	582,500	\$ 1.1893	675,500

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

There were no such reportable relationships or related transactions in 2008.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The aggregate fees incurred by J.H. Cohn LLP for professional services rendered to the Company for the last two fiscal years are as follows:

	Fiscal Year Ended December 31,	
	2008	2007
Audit fees ⁽¹⁾	\$ 80,000	\$ 75,000
Audit related fees ⁽²⁾	—	7,000
Tax fees ⁽³⁾	8,650	8,000
All other fees	—	—
Total fees	\$ 88,650	\$ 90,000

- (1) Consists of fees for services provided in connection with the audit of the Company's financial statements and review of the Company's quarterly financial statements.

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(2) Consists of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees."

(3) Consists of fees for preparation of Federal and state income tax returns.

The engagement of J.H. Cohn LLP for the 2008 and 2007 fiscal years and the scope of audit-related services, including the audits and reviews described above, were all pre-approved by the Audit Committee.

The policy of the Audit Committee is to pre-approve the engagement of the Company's independent auditors and the furnishing of all audit and non-audit services.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) **Financial Statements** – contained in Item 8:

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<u>Report of Independent Registered Public Accounting Firm</u>	25
<u>Balance Sheets - December 31, 2008 and 2007</u>	26
<u>Statements of Income - Years Ended December 31, 2008 and 2007</u>	27
<u>Statements of Stockholders' Equity – Years Ended December 31, 2008 and 2007</u>	28
<u>Statements of Cash Flows - Years Ended December 31, 2008 and 2007</u>	29
<u>Notes to Financial Statements</u>	30

(b) **Exhibits:**

- 2 - Copy of the Asset Purchase Agreement dated December 29, 1998. (1)
 - 3(i) - Copy of the Company's Amended and Restated Articles of Incorporation dated as of May 7, 1999. (3)
 - 3(ii) - Copy of the Company's By-Laws as amended April 27, 1987 and May 11, 1999. (5)
 - 10-C - Copy of Company's 1998 Long-Term Incentive Plan. (2)
 - 14 - CreditRiskMonitor.com, Inc. Code of Ethics for Principal Executive Officer and Senior Financial Officers. (4)
 - 31.1* - Certification of Chief Executive Officer.
 - 31.2* - Certification of Chief Financial Officer.
 - 32.1* - Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
 - 32.2* - Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- (1) Filed as an Exhibit to Registrant's Report on Form 8-K dated January 19, 1999 (File No. 1-10825) and incorporated herein by reference thereto.
- (2) Filed as an Exhibit to Registrant's Annual Report on Form 10-KSB for the fiscal year ending December 31, 1998 (File No. 0-10825) and incorporated herein by reference thereto.
- (3) Filed as an Exhibit to Registrant's Annual Report on Form 10-KSB for the fiscal year ending December 31, 1999 (File No. 1-10825) and incorporated herein by reference thereto.

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- (4) Filed as an Exhibit to Registrant's Annual Report on Form 10-KSB for the fiscal year ending December 31, 2003 (File No. 1-10825) and incorporated herein by reference thereto.
- (5) Filed as an Exhibit to Registrant's Annual Report on Form 10-KSB for the fiscal year ending December 31, 2005 (File No. 1-10825) and incorporated herein by reference thereto.

* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CREDITRISKMONITOR.COM, INC.
(REGISTRANT)

Date: March 23, 2009

By: /s/ Jerome S. Flum
Jerome S. Flum
Chairman of the Board and
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: March 23, 2009

By: /s/ Jerome S. Flum
Jerome S. Flum
Chairman of the Board and
Chief Executive Officer

Date: March 23, 2009

By: /s/ Lawrence Fensterstock
Lawrence Fensterstock
Chief Financial Officer

Date: March 23, 2009

By: /s/ Andrew J. Melnick
Andrew J. Melnick
Director

Date: March 23, 2009

By: /s/ Jeffrey S. Geisenheimer
Jeffrey S. Geisenheimer
Director

Date: March 23, 2009

By: /s/ Joshua M. Flum
Joshua M. Flum
Director

Date: March 23, 2009

By: /s/ Richard J. James
Richard J. James
Director