

First Federal Bancshares of Arkansas, Inc
First Federal Bank
Code of Ethics for Executive Officers and Financial Professionals

This Code of Ethics for Executive Officers and Financial Professionals applies to executive officers of First Federal Bancshares of Arkansas, Inc and First Federal Bank (collectively, “First Federal”) and all professionals serving in finance and accounting. First Federal expects all of its employees to act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with all applicable laws, rules and regulations, to deter wrongdoing and abide by the First Federal Code of Conduct and other policies and procedures adopted by First Federal that govern the conduct of its employees. This Code of Ethics is intended to supplement the First Federal Code of Conduct.

You agree to:

- Engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Avoid conflicts of interest and to disclose to the Director of Internal Audit any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- Take all reasonable measures to protect the confidentiality of non-public information about First Federal and its customers obtained or created in connection with your activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process;
- Produce full, fair, accurate, timely, and understandable disclosure in reports and documents that First Federal or its subsidiaries files with, or submits to, the Securities and Exchange Commission and other regulators and in other public communications made by First Federal;
- Comply with applicable governmental laws, rules and regulations; and
- Promptly report any possible violation of this Code of Ethics to the Director of Internal Audit or any of the parties or channels listed in the First Federal Code of Conduct.

You are prohibited from directly or indirectly taking any action to fraudulently influence, coerce, manipulate or mislead First Federal’s independent public auditors for the purpose of rendering the financial statements of First Federal misleading.

You understand that you will be held accountable for your adherence to this Code of Ethics. Your failure to observe the terms of this Code of Ethics may result in disciplinary action, up to and including termination of employment. Violations of this Code of Ethics may also constitute violations of law and may result in civil and criminal penalties for you, your supervisors and/or First Federal.

If you have any questions regarding the best course of action in a particular situation, you should promptly contact the Director of Internal Audit or the Audit Committee. You may choose to remain anonymous in reporting any possible violation of this Code of Ethics.

Reviewed and updated by the Board of Directors on this 27th day of September 2006.

Larry J. Brandt, Chairman/CEO

Tommy Richardson, President/COO

Your Personal Commitment to the First Federal Code of Ethics for Executive Officers and Financial Professionals

I acknowledge that I have received and read the First Federal Code of Ethics for Executive Officers and Financial Professionals, dated September 2006, and understand my obligations as an employee to comply with the Code of Ethics.

Please sign here: _____ Date _____

Please print your name: _____

Return signed and completed form to the Chief Financial Officer.