

**SPECIAL MEETING  
OF THE  
ARKANSAS STATE BANKING BOARD  
FEBRUARY 28, 2013**

A special meeting of the Arkansas State Banking Board was held in the conference room of the Arkansas State Bank Department, 400 Hardin Road, Suite 100, Little Rock, Arkansas, at 10:00 a.m. on February 28, 2013. The following Board Members were present: Chairman Rodney Parks, Marcus McCain, Gary Hudson, John Freeman, and Elizabeth Bowles. Vice-Chairman Charles Smith was called by phone and participated in the meeting by conference call. Representing the State Bank Department were Commissioner Candace A. Franks, Deputy Commissioners Luther Guinn and Susannah Marshall, Attorney Brent Taylor, Certified Bank Examination Manager Tom Narrell, and Administrative Analyst Barbara Mahoney. Donna Baham Jacks from Bushman Court Reporting was the recording reporter for the applicant.

Bank Commissioner, Candace A. Franks, called this special meeting of the State Banking Board. Notice of the special meeting was sent by regular mail to each member of the State Banking Board on January 8, 2013. The notice was also given to the news media in accordance with state law.

Commissioner Franks opened the meeting. Secretary Luther Guinn declared a quorum was present. Commissioner Franks then asked the visitors and guests to stand and introduce themselves and state who they represent. Randy Dennis and Kyle Shadid with DD&F Consulting Group were in attendance. Representing Arvest Bank was Karla Payne, Executive Vice-President. She then turned the meeting over to Chairman Rodney Parks.

Chairman Rodney Parks announced that the first order of business was the election of a new chairman and vice-chairman for the year. A motion was made by Gary Hudson, seconded by Elizabeth Bowles, to elect Marcus McCain as Chairman and John Freeman as

Vice-Chairman for 2013. The motion passed unanimously and the Commissioner concurred. Marcus McCain then presided over the meeting.

Next was approval of expenses for the Board for 2013. A motion was made by John Freeman, seconded by Gary Hudson, to approve the Board's expenses. Motion carried and the Commissioner concurred.

Next on the agenda was consideration of the Minutes of the December 13, 2012, special Board meeting. A motion was made by Gary Hudson, seconded by Rodney Parks, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

Next on the agenda was an application for the merger of Arvest Trust Company, National Association, Rogers, Arkansas, with and into Arvest Bank, Fayetteville, Arkansas. Mr. Randy Dennis represented and spoke for the applicant.

Mr. Dennis stated this application represents a process of continuing consolidation by Arvest. Mr. Dennis stated that while the trust company only owes \$2.7 Million in assets, it services or has assets under management of about \$2 Billion. Mr. Dennis further stated approval has been received from the FDIC to merge a noninsured, as a trust company is not insured, into an insured institution, and approval has also been received from the Federal Reserve on the transaction. Mr. Dennis also stated the merger would have minimal impact on the bank's Tier 1 capital, and Arvest has about \$13.6 Billion in assets.

Ms. Karla Payne, Executive Vice-President with Arvest Bank stated that about 60 people were employed by Arvest Trust Company. Ms. Payne stated the sole purpose of the merger is to streamline their structure, that the client advisors of the trust company are embedded in their banks. Customers for Arvest Trust come from their banks and there will be no change in how they internally operate. Ms. Payne also stated the trust company's revenue, less expenses, is about \$6.5 Million net revenue, and reflected on the bank's books today.

Ms. Payne stated again the reason for the merger was from a streamline perspective and one they have been considering for quite a while as they look at their structure.

Vice-Chairman John Freeman noted that one regulatory agency would be eliminated. Ms. Payne stated they enjoyed a good relationship with the OCC over the years and the examinations were very short and usually lasts only a couple of weeks. She also stated that it was not the reason for the merger, but yes, it will help them by eliminating the separate examination.

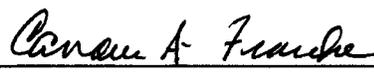
A motion was made by John Freeman, seconded by Gary Hudson, to approve the application, the motion carried and the Commissioner concurred.

Being no further business, a motion was made by Gary Hudson, seconded by Rodney Parks, to adjourn. Motion carried.

  
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MARCUS J. McCAIN, Chairman  
State Banking Board

ATTEST:

  
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LUTHER GUINN, Secretary  
State Banking Board

  
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CANDACE A. FRANKS  
Bank Commissioner

**Board Members in Attendance:**



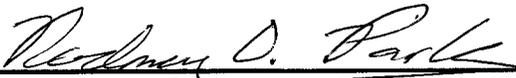
**MARCUS J. MCCAIN, Chairman  
State Banking Board**

4/18/13

**Date**

**JOHN FREEMAN, Vice-Chairman  
State Banking Board**

**Date**



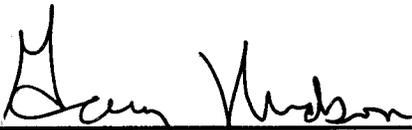
**RODNEY PARKS, Member  
State Banking Board**

4-18-13

**Date**

**CHARLES SMITH, Member  
State Banking Board**

**Date**



**GARY HUDSON, Member  
State Banking Board**

4/18/13

**Date**



**ELIZABETH BOWLES, Member  
State Banking Board**

4/18/2013

**Date**