

**SPECIAL MEETING
OF THE
ARKANSAS STATE BANKING BOARD
AUGUST 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 August 28, 2013. The following Board Members were present: Chairman Marcus McCain, Vice-Chairman John Freeman, Gary Hudson, and Elizabeth Bowles. Board Members Rodney Parks and Charles Smith were 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, and Administrative Analyst Barbara Mahoney. Lynn LaSalle 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 July 23, 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 Joshua Dennis with DD&F Consulting Group were in attendance representing the application. Wallace Fowler, Mark Fowler, and Lloyd McCracken were in attendance and represented Liberty Bank of Arkansas. Randy Sims and Bob Birch were in attendance and represented Centennial Bank. Brad Chambliss with The Farmers and Merchants Bank, Stuttgart, was also in attendance. She then turned the meeting over to Chairman Marcus McCain.

Next on the agenda was consideration of the Minutes of the April 18, 2013, Regular Board Meeting. A motion was made by John Freeman, seconded by Elizabeth Bowles, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

Next on the agenda was an application by Centennial Bank, Conway, Arkansas, to merge Liberty Bank of Arkansas, Jonesboro, Arkansas, with and into Centennial Bank, Conway, Arkansas. Vice-Chairman John Freeman requested and received permission to be recused from voting on the application.

Mr. Randy Dennis represented and spoke for the application. Mr. Dennis stated this is a historic transaction and is a major step in Arkansas to bring forth a banking entity that will be able to compete against banks anywhere in the United States. Mr. Dennis stated the merger of the two entities would create a \$7 billion organization with \$4.5 billion in loans, combined equity of about 8 percent, and end up with 156 branches spread from Arkansas all the way down to Key West, Florida. Mr. Dennis stated the application had been approved by the Federal Reserve, passed all of the Justice Department waiting periods, and was hoping to have an effective date very soon from the SEC. Mr. Dennis also stated that the purchase price was \$280 million, \$30 million in cash and the remaining \$250 million in Home Bancshares stock.

Mr. Randy Sims stated the organizations were on the same system, do a lot of things alike, grew up about the same time, and in areas where they overlap, in Morrilton and Searcy, they would become even stronger. Mr. Sims stated when the SEC process is completed, shareholder notices will go out and shareholders meetings should take place the second or third week in October, then they will be able to sign and close the transaction. The conversion date has been set for December 6, 2013.

Mr. Wallace Fowler stated he was excited about the partnership and that he and Johnny Allison had been friends since 1963 when he moved to Jonesboro.

Mr. Gary Hudson stated he was pleased to see the two organizations come together and remain an all Arkansas deal.

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

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



MARCUS McCAIN, CHAIRMAN
State Banking Board

ATTEST:



LUTHER GUINN, Secretary
State Banking Board



CANDACE A. FRANKS
Bank Commissioner

Board Members in Attendance:



**MARCUS McCAIN, Chairman
State Banking Board**

11/21/13

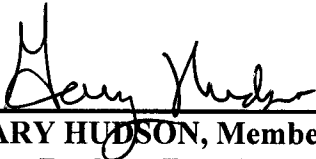
Date



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

11-20-2013

Date



**GARY HUDSON, Member
State Banking Board**

11-20-2013


Date

**ELIZABETH BOWLES, Member
State Banking Board**

Date

**CHARLES SMITH, Member
State Banking Board**

Date



**RODNEY PARKS, Member
State Banking Board**

11-20-13

Date