

**SPECIAL MEETING
OF THE
ARKANSAS STATE BANKING BOARD
JUNE 11, 2014**

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 June 11, 2014. The following Board Members were present: Chairman John Freeman, Gary Hudson, Marcus McCain, and Gary Smith. Vice Chairman Elizabeth Bowles 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 Eric Roberts, Certified Examinations Manager John Ashby, Certified Bank Senior Examiner Kevin Mosley, and Administrative Analyst Barbara Mahoney. Lynn LaSalle from Bushman Court Reporting was the recording reporter for the applicants.

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 May 20, 2014. 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; Nathan Gairhan with United Bank, and Joe Edwards and Rod Coleman with Benefit Bank were in attendance at the meeting. She then turned the meeting over to Chairman John Freeman.

Next on the agenda was consideration of the Minutes of the April 17, 2014 Regular Board Meeting. A motion was made by Gary Hudson, seconded by Marcus McCain, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

Next on the agenda was an application by United Bank, Springdale, Arkansas, to convert from a federal savings bank to an Arkansas state-chartered bank to be known as United Bank. Kyle Shadid with DD&F Consulting Group represented and spoke for the application.

Mr. Shadid stated all applications had been filed with the Federal Reserve, including a holding company application, that has been approved, and a membership application. Mr. Shadid stated a notice had been filed, acknowledged, and approved by the OCC. Mr. Nathan Gairhan stated they were grateful for the opportunity to become a state-chartered bank. Mr. Gairhan stated the bank has been located in Springdale for 35 years with the same ownership. Mr. Gairhan stated they looked forward to serving their communities as a state-chartered bank in the future. Chairman John Freeman asked about the bank considering trust powers. Mr. Gairhan stated they don't have trust powers now, but would like to have trust powers available down the road if they choose to exercise them and have a trust department. Chairman Freeman asked about expansion opportunities in the near future. Mr. Gairhan stated they were looking at some opportunities primarily in northwest Arkansas, but plan to grow slowly and not go too fast. Mr. Gary Hudson stated he understood the Board and everything would remain intact. Mr. Gairhan stated no changes were planned for the Board of Directors, nor senior management.

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

Next on the agenda was an application by Benefit Bank, Fort Smith, Arkansas, to convert from a federal savings bank to an Arkansas state-chartered bank to be known as Benefit Bank. Kyle Shadid with DD&F Consulting Group represented and spoke for the application.

Mr. Shadid stated a holding company application has been filed with the Federal Reserve and the bank will not be a Federal Reserve member so their federal regulator will be the FDIC. Mr. Shadid stated a notice had been filed and acknowledged by the OCC. Mr. Joe Edwards stated their ownership and directors appreciated being able to place their application before the Board. Mr. Edwards stated they were a de novo that started in 1999, and were profitable within 13 months. Mr. Edwards stated that 2008 came along and it was a different story. The headlights were just as they had acknowledged, and it was tough. Mr. Edwards stated they have been able to fight through that over the last few years and consider it an honor to be able to place their application and choose their regulator rather than it being chosen for them. Mr. Edwards stated he was impressed with the way the Department accepted the application, moved on it, and he hoped the Department was impressed with the progress they had made. Mr. Edwards stated they know there is room for improvement, will continue to press on, and excited to be under the state-charter.

Chairman John Freeman asked about the location of the Loan Production Office (LPO) and was there any consideration to convert the LPO to a full service branch. Mr. Edwards stated the LPO was in Springdale and they were taking a hard look at the prospect of a full service branch. Chairman Freeman asked if changes were being considered to the Board or management. Mr. Edwards stated no changes were being considered and everybody will be filling the same positions. Mr. Marcus McCain stated good job in what you have done and loan quality is pretty important. Mr. Edwards stated it was good to talk with a banker that understands the battle and what it is like to be in the fight. Mr. Edwards stated you find you are looking at loans a lot different than you were previously.

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

Next on the agenda was a Resolution in recognition of Rodney Parks for his service to the State Banking Board (see copy of appendices to these minutes).

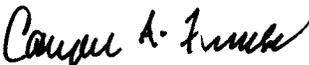
A motion was made by Gary Hudson, seconded by Marcus McCain, to adopt the Resolution, the motion carried and the Commissioner concurred.

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

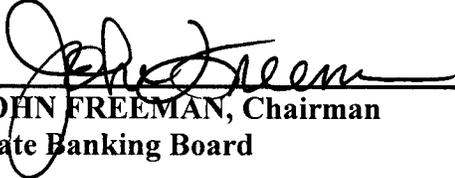

JOHN FREEMAN, CHAIRMAN
State Banking Board

ATTEST:


LUTHER GUINN, Secretary
State Banking Board


CANDACE A. FRANKS
Bank Commissioner

Board Members in Attendance:



JOHN FREEMAN, Chairman
State Banking Board

7-17-2014

Date



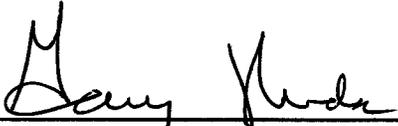
ELIZABETH BOWLES, Vice-Chairman
State Banking Board

7-17-2014

Date

MARCUS McCAIN, Member
State Banking Board

Date



GARY HUDSON, Member
State Banking Board

7-17-2014

Date

CHARLES SMITH, Member
State Banking Board

Date



GARY SMITH, Member
State Banking Board

7/17/14

Date



RESOLUTION

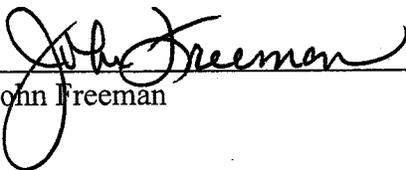
WHEREAS, Rodney Parks served faithfully for 5 years as a member of the Arkansas State Banking Board; and

WHEREAS, he unselfishly devoted his energies through his judgment and decision-making during this period of time to the improvement of the banking industry for the citizens of this state; and

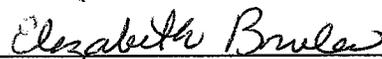
WHEREAS, his contributions to the duties and responsibilities of the State Banking Board have been most valuable; and

WHEREAS, his service to the State of Arkansas and especially to banking should be recognized.

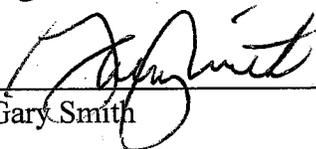
NOW THEREFORE BE IT RESOLVED; That the State Banking Board adopts this resolution of appreciation to Rodney Parks on this Eleventh day of June, Two Thousand Fourteen.



John Freeman



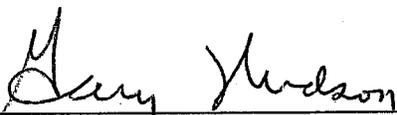
Elizabeth Bowles



Gary Smith

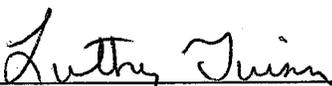


Mark McCain

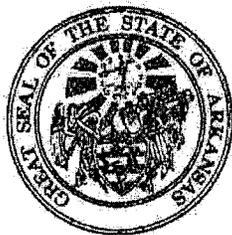


Gary Hudson

Charles Smith



Luther Guinn, Secretary



STATE OF ARKANSAS
MIKE BEEBE
GOVERNOR

OFFICIAL APPOINTMENT

Date: April 16, 2014

TO THE SECRETARY OF STATE:

Under the provisions of Arkansas Code Annotated § 23-46-301,

I have, on this date, appointed Gary Smith,

whose address is 2525 North Fillmore Street, Little Rock, AR 72207, Pulaski
County,

and whose telephone number is w: 501-455-1324, c: 501-690-1230

as a member of the State Banking Board

for the term which expires December 31, 2018.

Replaces: Rodney Parks


Mike Beebe, Governor