

**REGULAR MEETING  
OF THE  
ARKANSAS STATE BANKING BOARD  
OCTOBER 16, 2014**

A regular 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 October 16, 2014. The following Board Members were present: Chairman John Freeman, Gary Hudson, Marcus McCain, and Gary Smith. Board Member 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, Certified Bank Senior Examiner Kevin Mosley, and Administrative Analyst Barbara Mahoney. Lynn LaSalle from Bushman Court Reporting was the recording reporter for the applicants.

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. Bob Fegtly and Michael Dennis with DD&F Consulting Group, Meg Johnston with Mitchell Williams Law Firm, Randy Sims, and Bob Birch were in attendance representing Centennial Bank, and Joe Gregory and Judy Lawton were in attendance representing Heartland Bank. She then turned the meeting over to Chairman John Freeman.

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

Next on the agenda was an application by Heartland Bank, Bryant, Arkansas, for the relocation of a main banking facility from 4937 Highway 5 North, Bryant, Saline County, Arkansas, to 5100 Kavanaugh Boulevard, Little Rock, Pulaski County, Arkansas. Mr. Joe Gregory represented and spoke for the application.

Mr. Gregory stated the primary objective was to better align the existence of the Charter with the operation headquartered in Little Rock, with all of the management team, and the focus of the bank. Mr. Gregory stated the location is already an existing branch so there would be no expense particularly and no personnel changes. Chairman Freeman asked if the facilities in Bryant would stay as they are today. Mr. Gregory stated there would be no changes to the operation in Bryant.

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

Next on the agenda was an application by Centennial Bank, Conway, Arkansas, for the merger of Broward Bank of Commerce, Fort Lauderdale, Florida, with and into Centennial Bank, Conway, Arkansas. Mr. Bob Fegtly, with DD&F Consulting Group, represented and spoke for the application.

Mr. Fegtly stated Centennial currently has about \$7 billion in total assets, about \$4.5 billion of loans, and about \$5.5 billion of deposits. Mr. Fegtly stated Centennial has 152 offices and this transaction will add two additional offices in Fort Lauderdale. Mr. Fegtly stated the price is approximately \$33 million, with 90% being paid in common stock of Home Bancshares, Inc., and the balance will be in cash.

Mr. Randy Sims stated this would be their first entry into the East Coast, and it is a small entry; however, they do have a great footprint through Florida, but were absent on the East Coast in some of the affluent areas, especially north. Mr. Sims stated they will continue to look for acquisitions or teams to de novo branch. Mr. Sims stated that Bob Birch will be in charge of this acquisition, as he is for most of central Florida.

Mr. Bob Birch stated the management team and board is one of the things that attracted them to this bank, and the current CEO Keith Costello will continue in a leadership position. Mr. Birch stated they have a very strong and community-active board that includes the Mayor of Fort Lauderdale, as well as some third and fourth

generation community leaders. Mr. Birch stated this is a beachhead for Centennial to get into that Eastern market that is very lucrative in terms of the opportunity to serve the communities.

Chairman John Freeman stated he was impressed with no ORE, no past due loans greater than 30 days, no nonaccrual loans, and sounds like a clean bank.

Mr. Birch stated he participated in loan meetings from an observation stand-point, and the board is very thorough in their role as approving credits.

Chairman Freeman asked if plans were to go forward with the branch approvals or moving of the main office.

Mr. Birch stated approval was received for moving their main office to a location on Davie Boulevard and also to put a branch in a very affluent area on Las Olas Boulevard. Mr. Birch stated a decision was made not to open that branch office, and they will move from the 21<sup>st</sup> floor of a highrise building to the Las Olas location for their corporate offices, which will become a branch in the transaction, and when complete will result in only two offices.

Mr. Marcus McCain asked Mr. Sims how many dollars in assets Centennial would now have in Florida.

Mr. Sims stated 46% of all assets are in Florida, with Arkansas still having the majority of the assets.

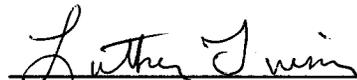
A motion was made by Marcus McCain, seconded by Gary Hudson, to approve the application, the motion carried and the Commissioner concurred.

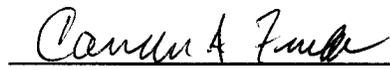
Being no further business, a motion was made by Gary Hudson, seconded by Marcus McCain, to adjourn. Motion carried.

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**JOHN FREEMAN, 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:**

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

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**Date**

*Elizabeth Bowles*  
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**ELIZABETH BOWLES, Vice-Chairman**  
**State Banking Board**

*11-20-2014*  
\_\_\_\_\_  
**Date**

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**MARCUS McCAIN, Member**  
**State Banking Board**

\_\_\_\_\_  
**Date**

*Gary Hudson*  
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**GARY HUDSON, Member**  
**State Banking Board**

*11/20/14*  
\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**CHARLES SMITH, Member**  
**State Banking Board**

\_\_\_\_\_  
**Date**

*Charles Smith*  
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**GARY SMITH, Member**  
**State Banking Board**

*11/20/14*  
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**Date**

