

**SPECIAL MEETING
OF THE
ARKANSAS STATE BANKING BOARD
MARCH 31, 2016**

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 March 31, 2016. The following Board Members were present: Chairman Gary Hudson, Vice-Chairman Gary Smith, and John Freeman. Board Members Zach McClendon and Lana Hampton 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, Certified Examinations Manager John Ashby, and Administrative Analyst Barbara Mahoney. Carlton Saffa from the Governor's office was also in attendance. 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 February 24, 2016. 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. In attendance were Marty Casteel, George Makris, Jr., George Makris, III, Barry Ledbetter, and Patrick Burrow, all representing Simmons Bank. She then turned the meeting over to Chairman Gary Hudson.

First on the agenda was consideration of the Minutes of the February 25, 2016 Special Board Meeting. A motion was made by John Freeman, seconded by Gary Smith, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

Next on the agenda was an application by Simmons First National Bank, Pine Bluff, Arkansas, to convert to a state-chartered bank to be known as Simmons Bank. Patrick Burrow represented and spoke for the application.

Mr. Burrow stated the application to convert to a state bank was filed on January 15th and yesterday, March 30, 2016, the Federal Reserve informed them their FED membership application had been accepted. Mr. Burrow stated several things had changed since the application was filed in that the bank has added ten new independent directors from the holding company, which brings the bank board to 22 directors. Mr. Burrow stated one current holding company director, who plans to retire at the annual meeting, did not go on the bank board, and George Makris, Chairman and CEO of the holding company, did not go on the bank board, which leaves Marty Casteel as the sole inside member on the bank board.

Mr. Burrow stated the second item was last week they filed with the OCC to close ten branches, preliminary branch closing application, three in Arkansas, three in Tennessee, and four in Missouri, and these closings will be completed with the Federal Reserve and State Bank Department.

Mr. Burrow stated the final item is the merger of Trust Company of Ozarks and Simmons First National Trust. Mr. Burrow stated when they had eight separate banks, the trust business was moved into a subsidiary, but now those eight banks are combined back in, and a new trust company was acquired. Mr. Burrow stated applications have been approved and the merger was completed on February 19, 2016, and it is now all within the bank as a separate trust department.

Mr. Marty Casteel thanked Commissioner Franks and the Department for the opportunity for the bank to appear to consider their application to convert to a state-charter. Mr. Casteel stated the conversion represented a major milestone in the bank's 113 year history that included a legacy of dedicated directors and bankers, and the support of many loyal customers. Mr. Casteel stated they appreciated the opportunity

they have had in these 113 years to serve and support their communities in the tradition of community banking.

Mr. Casteel stated Simmons had been fortunate in years to achieve growth in their assets and their footprint. They have locations in four states with over 1,900 associates providing community banking services in over 100 communities. Mr. Casteel stated banking is a people business and asset quality and regulatory compliance are table stakes for a successful bank, and as Simmons prepares for their future in their growth, they have an appreciation for the level of additional regulatory oversight that accompanies growth. They are investing in people and systems to manage the complexity and risks that are now present in their environment.

Mr. Casteel stated that Commissioner Franks knows the Simmons organization has also enjoyed a long history with the Department, and previously had seven state-chartered banks prior to consolidating their charters, and have always respected the professionalism in working with the Department. Mr. Casteel stated one of their former state bank CEO's, Barry Ledbetter, is in attendance today.

Mr. Casteel stated they believe the conversion to a state-charter is advantageous as they continue to focus on community banking and will better align their bank with regulators who have expertise and experience in community banking.

Mr. Casteel thanked Commissioner Franks and staff for the responsiveness and professionalism demonstrated in the pre-conversion examination process.

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

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

GARY HUDSON, CHAIRMAN
State Banking Board

ATTEST:



LUTHER GUINN, Secretary
State Banking Board



CANDACE A. FRANKS
Bank Commissioner

Board Members in Attendance:

GARY HUDSON, Chairman
State Banking Board

Date



GARY SMITH, Vice-Chairman
State Banking Board




Date

Zach McClendon
Attended and voted by phone
Approved minutes by phone

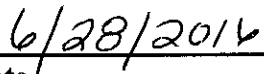
ZACH McCLENDON, Member
State Banking Board

03/31/2016

Date



ELIZABETH BOWLES, Member
State Banking Board



Date

Lana Hampton
Attended and voted by phone
Approved minutes by phone

LANA HAMPTON, Member
State Banking Board

03/31/2016

Date

JOHN FREEMAN, Member
State Banking Board

Date

