

**SPECIAL MEETING  
OF THE  
ARKANSAS STATE BANKING BOARD  
February 28, 2019**

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, 2019. The following Board Members were present: Randy Scott, David Leech, Gary Hudson, Ronald Mobley and Todd Smith. Representing the State Bank Department were Commissioner Candace A. Franks, Deputy Commissioner Susannah Marshall, Deputy Commissioner and Chief Counsel John Ahlen, Certified Examinations Manager John Ashby, Secretary to the Board Cynthia Nixon, Research Analyst Barbara Mahoney, Research Analyst Antwanette Pettigrew-House and Lynn LaSalle from Bushman Court Reporting was the recording reporter for the applicants. Sam Walker with AETN was in attendance live-streaming the meeting. No other representatives from the media were present.

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 15, 2019. The notice was also given to the news media in accordance with state law.

Commissioner Franks opened the meeting and declared a quorum was present. Commissioner Franks recognized Todd Smith as a newly appointed board member. Scott Miller was also present as an observer of the meeting. Mr. Miller has been appointed to the board but as of this time has not received official documents from the Governor's Office. Commissioner Franks then asked the visitors and guests to stand and introduce themselves and state who they represent. Representing Simmons Bank of Pine Bluff, Arkansas: Marty Casteel, General Counsel Patrick Burrow, George Makris, Jr. and George Makris, III. Randy Dennis, Bob Fetgley, Josh Dennis, and Kyle Shadid representing DD&F Consulting. Representing Generations Bank, Hampton, Arkansas: Chairman Jon Harrell and Chief Financial Officer Jason Trenery. Audience

members from the Arkansas State Bank Department: J. D. Sonnier, Bank Examiner, Richard Puloma, Bank Examiner, Derek Harvey, Bank Examiner, Gary Bush, Certified Examination Manager. Additional audience members: Sheila Harrell and Charles Venus. The Commissioner turned the meeting over to Acting Chairman Randy Scott.

The first item on the agenda was the election of a new Chairman and Vice-Chairman for 2019.

Board Member David Leech made a motion to nominate Randy Scott as Chairman. The motion was seconded by Todd Smith, motion carried and the Commissioner concurred. Randy Scott was elected Chairman of the Board for 2019. Randy Scott made a motion to nominate David Leech as Vice-Chairman seconded by Ronald Mobley. Motion carried and the Commissioner concurred. Mr. Leech was elected Vice-Chairman of the Board for 2019.

**CHAIRMAN SCOTT:** Next on the agenda was consideration of Board member expenses for 2019. A motion was made by David Leech to approve the expenses and seconded by Gary Hudson, motion carried and the Commissioner concurred.

**CHAIRMAN SCOTT:** The next item on the agenda was consideration of the Minutes of the October 18, 2018 Regular Board Meeting. A motion was made by Gary Hudson, seconded by David Leech, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

**CHAIRMAN SCOTT:** Our first application for consideration today is Simmons Bank, Pine Bluff, Arkansas to merge Reliance Bank, Des Peres, Missouri, with and into Simmons Bank of Pine Bluff, Arkansas.

**MR. BURROW:** Let me provide a little background on the transaction. On November 13, 2018, Simmons First National Corporation, Pine Bluff, Arkansas and Reliance Bancshares, Des Peres, Missouri entered into an agreement to a plan of merger which would have Reliance Bancshares merge into Simmons First National Corporation. Also on that date we entered into an agreement to a plan of merger between the respective banks, Reliance Bank and Simmons Bank. The management of the institutions decided that the holding company merger and bank merger

would be consummated simultaneously. And in doing so, they applied for a waiver to the Federal Reserve Bank from having to file the holding company merger application. Applications were filed with the Bank Department on December 7, 2018 for the bank merger, and with the Federal Reserve Bank on December 28, 2018. A request for the waiver for the filing of the holding company merger was made on January 10, 2019 and the Federal Reserve Bank approved the waiver of the holding company application on February 4, 2019. The Federal Reserve Bank also approved the bank merger application on February 4, 2019.

This really would be the final corporate piece, the approval today, to combine both the holding companies and the two banks together into Simmons Bank and Simmons First National Corporation as its holding company. We expect the merger to be effective on April 12, 2019. Over that weekend, there would be the systems conversion, branches of Reliance Bank would open as branches of Simmons Bank on April 15, 2019. Turning back to the application, we believe that the statutory standards regarding absence of a de novo charter, adequacy of the capital structure of the bank, fairness of the terms of the merger, satisfaction of the public interest, adequacy of the provision for dissenters' rights, and compliance with all applicable state and federal laws have been satisfied, and the merger with Reliance Bank with and into Simmons Bank should be approved. We have several representatives from Simmons here if you have any questions or if the Department has any questions.

**CHAIRMAN SCOTT:** Board members, does anyone have questions?

**VICE-CHAIRMAN LEECH:** I just wish you could get us more information before we get here.

**CHAIRMAN SCOTT:** I did notice that on the report there is a large commercial real estate portfolio, like 70 percent. Is that pretty much in the St. Louis metropolitan area, or is that national CRE portfolio?

**MR. MAKRIS:** It is primarily in the St. Louis market area, Mr. Chairman, or customer relationships that reside in the St. Louis market.

**CHAIRMAN SCOTT:** Looks like a very clean loan portfolio.

**MR. MAKRIS:** It is a clean bank.

**MR. HUDSON:** It is.

**CHAIRMAN SCOTT:** Any other questions? If not, I'd entertain a motion to approve this application.

**MR. HUDSON:** I make that motion.

**CHAIRMAN SCOTT:** We have a motion. Second?

**VICE-CHAIRMAN LEECH:** Second.

**CHAIRMAN SCOTT:** Any other discussion? All those in favor, signify by saying "aye."

**BOARD MEMBERS:** Aye.

**CHAIRMAN SCOTT:** Anyone opposed?

**BOARD MEMBERS:** (No response.)

**CHAIRMAN SCOTT:** Application is approved.

**COMMISSIONER FRANKS:** And the Commissioner concurs.

Congratulations, gentlemen.

**CHAIRMAN SCOTT:** Next is the application by Generations Bank, Hampton, Arkansas, to relocate its main office from Hampton, Arkansas to Rogers, Arkansas.

**MR. SHADID:** Good morning. The application for Generations Bank, to relocate from Hampton, Arkansas to Rogers, Arkansas to an existing branch in Rogers, Arkansas has been approved by the FDIC effective January 30, 2019. The office in Hampton, Arkansas will remain as a branch of the bank.

**MR. HARRELL:** First of all, I would like to thank the Board for the consideration of this proposal. We have been chartered in Calhoun County, Arkansas, since 1907, but our world has changed. The banking landscape is changing. And it makes sense currently, based on demographics and the majority of where our banking assets are located in Rogers, Arkansas and the Northwest Arkansas area, me and our board requests this move at this time.

**CHAIRMAN SCOTT:** Are there any other banks headquartered in Rogers now?

**MR. HARRELL:** No. We would be the only bank headquartered in Rogers, Arkansas.

**COMMISSIONER FRANKS:** There are two banks located in Benton County.

**MR. HARRELL:** Arvest actually is out of Fayetteville. It is amazing the changes and how quickly that has occurred. There are a lot of banks there.

**CHAIRMAN SCOTT:** Any other questions from the Board?

**VICE-CHAIRMAN LEECH:** What is the square footage of your bank facility in Rogers?

**MR. TRENER:** It's over 5000 square feet.

**VICE-CHAIRMAN LEECH:** Thank you.

**MR. TRENER:** And then we have an additional 1000 square feet separate, so about 6000 square feet total occupying space.

**CHAIRMAN SCOTT:** Any other questions from the Board? If not, I'd entertain a motion to approve this application.

**MR. SMITH:** So moved.

**CHAIRMAN SCOTT:** We have a motion made. Second?

**MR. HUDSON:** Second.

**CHAIRMAN SCOTT:** Any further discussion? If not, all those in favor signify by saying "aye."

**BOARD MEMBERS:** Aye.

**CHAIRMAN SCOTT:** Anyone opposed?

**BOARD MEMBERS:** (No response.)

**COMMISSIONER FRANKS:** And the Commissioner concurs.

**MR. HARRELL:** Thank you.

COMMISSIONER FRANKS: Congratulations.

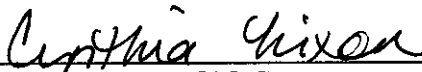
Being no further business, a motion was made by Gary Hudson, seconded by Ronald Mobley, to adjourn the meeting. Motion carried. Commissioner concurred.



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RANDY SCOTT, CHAIRMAN  
State Banking Board

5-2-19  
Date

ATTEST:


  
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CYNTHIA NIXON, Secretary  
State Banking Board

  
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CANDACE A. FRANKS  
Bank Commissioner

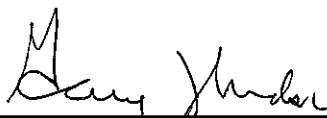
**Board Members in Attendance:**

  
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**RANDY SCOTT, Member**  
**State Banking Board, Chairman**

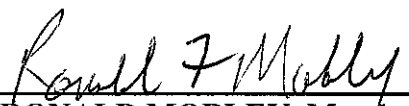
5-2-19  
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**Date**

  
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**DAVID LEECH, Vice Chairman**  
**State Banking Board**

5-2-19  
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**Date**

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

5-2-19  
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**Date**

  
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**RONALD MOBLEY, Member**  
**State Banking Board**

5-2-19  
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**Date**

  
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**TODD SMITH, Member**  
**State Banking Board**

6-27-19  
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**Date**

**Board Members not in Attendance**

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**LANA HAMPTON**  
**State Banking Board**

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**Date**