

**SPECIAL MEETING
OF THE
ARKANSAS STATE BANKING BOARD
June 27, 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 June 27, 2019. The following Board Members were present: Randy Scott, David Leech, D. Scott Miller, and Todd Smith. Board Member Ronald Mobley participated via phone. Board Member Lana Hampton was not available to participate in the meeting. 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, Certified Bank Senior Examiner Kevin Mosley, Secretary to the Board Cynthia Nixon, Administrative Analyst Lisa Smith and Lynn LaSalle from Bushman Court Reporting was the recording reporter for the applicants. No media representatives 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 May 21, 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 asked the visitors and guests to stand and introduce themselves and state who they represent. Representing Fidelity National Bank, West Memphis, Arkansas were: Randy Dennis and Joshua Dennis with DD&F Consulting and Charles Horton, President and CEO of Fidelity National Bank.

CHAIRMAN SCOTT: Consideration of the Minutes of the May 2, 2019 Special Board Meeting. A motion was made by D. Scott Miller, seconded by Todd Smith, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

CHAIRMAN SCOTT: On the agenda is the application for the conversion of Fidelity National Bank, West Memphis, Arkansas to become a state-chartered bank to be known as Fidelity Bank, West Memphis, Arkansas.

MR. RANDY DENNIS: Thank you very much, Board and Commissioner, for permitting Fidelity National to file this application. Under Section 23-48-504 of the Arkansas statutes, the Commissioner and you, as the State Banking Board, have the authority to approve this application. The code requires that the applicant must be a national bank or savings association, home office must be in Arkansas, it must have qualified officers and directors, and they must follow the procedures set forth to file these applications.

Fidelity National is a \$385 million national bank, well-capitalized, whose home office is in West Memphis. It operates three additional branches, one additional one in West Memphis and two in Marion. We have followed the procedures for filing the application, and it includes the timely filing. It was filed on April 26, 2019 and it included a certificate signed by the chief executive officer stating that all actions are in compliance with the provisions of the law, of applicable law; a Board Resolution dated April 24, 2019 authorizing the conversion and filing; Articles of Incorporation which have been unanimously approved by Carlson Bancshares, the bank's sole stockholder, as of April 24, 2019. It included capital calculations and financials that demonstrated that the bank met all the required capital standards, and information that demonstrated that the bank's officers and directors met the experience and character qualities as required under Arkansas law. We also filed a Fed membership application on May 15, 2019, which was approved on May 29, 2019.

This hearing has been duly called. Proper notice has been given of the hearing, and we are here to answer any questions that you may have. I would like to introduce Charles Horton. He might have a few words about his excitement about becoming a state bank.

MR. HORTON: Well, I want to thank you for having me today. I have talked to the Commissioner and Susannah for twenty-three years now, trying to get this done, and it has finally come to fruition, I am glad that it has. I have been with a previous state-chartered bank before at another institution, and I have strived to get this done, and we are glad that it is going to happen. Thank you.

COMMISSIONER FRANKS: Thank you.

CHAIRMAN SCOTT: Anyone have any questions for Mr. Horton or Randy Dennis?

MR. MILLER: Mr. Chair, I have been real impressed with the long, successful history of Fidelity Bank and their good reputation and the talent that is working there and the good succession plan and everything. Do you plan on any difference in your plans going forward as far as being a state-chartered bank? Anything different about the way you are going to run things?

MR. HORTON: We have got things going pretty good right now, and I do not see any reason to change what we are doing. We do not have any immediate plans for any expansion or anything, but that might be down the road.

CHAIRMAN SCOTT: Any other questions, comments?

MR. SMITH: I move to approve.

CHAIRMAN SCOTT: We have a motion to approve.

VICE-CHAIRMAN LEECH: Second.

CHAIRMAN SCOTT: Motion and second. All those in favor, signify by saying "aye."

BOARD MEMBERS: Aye.

CHAIRMAN SCOTT: Anyone opposed?

COMMISSIONER FRANKS: The Commissioner concurs.

MR. HORTON: Thank you.

COMMISSIONER FRANKS: Congratulations.

CHAIRMAN SCOTT: As you said before, you have been associated with a state charter before, so you know. It will be a nice change.

CHAIRMAN SCOTT: We do have another item of business that was not included in the original packet, but timing-wise, it is a good time to do it, since we are all here. I think each one of you have a resolution to an application for amendment to the Articles of Incorporation for Bank of Gravett in Gravette, Arkansas. They submitted a charter amendment to amend the first article of their Articles of Agreement and Incorporation to read as follows.

"First: The name of said corporation should be Bank of Gravette."

From what I understand, their name was Bank of Gravett, G-r-a-v-e-t-t, and they are in the city of Gravette, G-r-a-v-e-t-t-e. So they are literally just asking to add an "E" to their name of their corporation.

MR. SMITH: So moved.

CHAIRMAN SCOTT: We have a motion.

MR. MILLER: Second.

CHAIRMAN SCOTT: Any further discussion on it?

If not, each one of you has the certificate to sign approving this charter amendment.

COMMISSIONER FRANKS: Commissioner concurs with the approval of the charter amendment.

Being no further business, a motion was made by Todd Smith, seconded by David Leech, to adjourn the meeting. Motion carried. Commissioner concurred.

Randy Scott
RANDY SCOTT, Chairman
State Banking Board

8-22-19
Date

ATTEST:

Cynthia Nixon
CYNTHIA NIXON, Secretary
State Banking Board


Candace A. Franks
CANDACE A. FRANKS
Bank Commissioner

Board Members in Attendance:



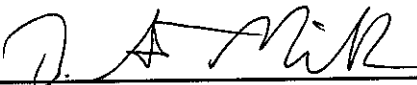
RANDY SCOTT, Chairman
State Banking Board

8-22-19
Date




DAVID LEECH, Vice-Chairman
State Banking Board

8-22-19
Date



D. SCOTT MILLER, Member
State Banking Board

8-22-19
Date



RONALD MOBLEY, Member
State Banking Board
(Via Phone)

8-22-19
Date



TODD SMITH, Member
State Banking Board

8-22-19
Date

BOARD MEMBERS NOT IN ATTENDANCE:

LANA HAMPTON, Member
State Banking Board

Date