

**REGULAR MEETING
OF THE
ARKANSAS STATE BANKING BOARD**

January 16, 2020

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 January 16, 2020. The following Board Members were present: Randy Scott, David Leech, D. Scott Miller, and Ronald Mobley. Todd Smith attended the meeting via telephone. Lana Hampton was not in attendance. Representing the State Bank Department were Commissioner Candace A. Franks, Deputy Commissioner Susannah Marshall, Deputy Commissioner and Chief Counsel John Ahlen, Certified Bank Manager John Ashby, Certified Bank Senior Examiner Kevin Mosley, Secretary to the Board Cynthia Nixon, Administrative Analyst Lisa Smith. Lynn LaSalle from Bushman Court Reporting was the recording reporter for the applicant. No media representatives were present.

Bank Commissioner, Candace A. Franks, called this Regular Meeting of the State Banking Board. Notice of the Regular Meeting was sent by regular mail to each member of the State Banking Board on December 10, 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 Simmons Bank, Pine Bluff, Arkansas: Chairman, CEO, President Marty Casteel, General Counsel Patrick Burrow, George Makris, Jr. and George Makris, III.

The first item on the agenda was the election of a new Chairman and Vice-Chairman for 2020. Board Member Randy Scott made a motion to nominate David Leech as Chairman. The motion was seconded by Todd Smith, motion carried and the Commissioner concurred. David Leech was elected Chairman of the Board for 2020. Ronald Mobley made a motion to nominate D. Scott Miller as Vice-Chairman seconded by Randy Scott. Motion carried and the Commissioner concurred. Mr. Miller was elected Vice-Chairman of the Board for 2020.

CHAIRMAN LEECH: Next on the agenda was consideration of Board member expenses for 2020. A motion was made by Ronald Mobley to approve the expenses and seconded by D. Scott Miller, motion carried and the Commissioner concurred.

CHAIRMAN LEECH: The next item on the agenda was consideration of the Minutes of the October 17, 2019 Regular Board Meeting. A motion was made by Todd Smith, seconded by Ronald Mobley, to approve the Minutes as presented. Motion carried and the Commissioner concurred.

CHAIRMAN LEECH: Next we have an application by Simmons Bank, Pine Bluff, Jefferson County, Arkansas to merge Landmark Bank, Columbia, Boone County, Missouri, with and into Simmons Bank, Pine Bluff, Jefferson County, Arkansas.

MR. BURROW: Thank you, Your Honor, Board. The matter before the Board today is our application, as you mentioned, for the merger of Landmark Bank into Simmons Bank, with Simmons as the surviving bank. I would like to provide some background on our affiliation with Landmark Bank. On July 30, 2019, Simmons First National Corporation, our holding company, and the Landrum Company, Landmark Bank's holding company, entered into an agreement and plan of merger where Landrum would merge with and into Simmons First National Corporation. That merger was completed on October 31, 2019. On November 1, 2019, we filed an application to merge the bank, Landmark Bank, into Simmons Bank, filed applications with the State Bank Department on November 6, 2019 and with the Federal Reserve Bank of St. Louis on December 6, 2019. The Federal Reserve Bank of St. Louis approved the merger on January 9, 2020, so we have their approval in hand. The bank merger being considered today will be the final corporate step in combining their bank into ours. We expect the merger to be effective on Friday, February 14, 2020. The systems conversion will occur over the long President's Day weekend, and on February 18, 2020 the 33 offices of Landmark Bank will open as Simmons offices in Missouri, Oklahoma, and Texas. Turning back to the application, we believe that the applicable statutory standards regarding the 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 are satisfied, and the merger of Landmark Bank into Simmons Bank should be approved. We would be glad to respond to any questions from the staff or the Board on this matter.

MR. SCOTT: Who do you use for your core processor?

MR. BURROW: Jack Henry.

MR. SCOTT: I know you have done a lot of conversions and I am sure that is a big task, with all the different systems. Has that been a challenge at all?

MR. CASTEEL: Always.

MR. MAKRIS: Always a challenge. We have practiced that before.

MR. CASTEEL: But no, no issues.

MR. SCOTT: And Landmark, are they Jack Henry as well?

MR. CASTEEL: They are FIS.

MR. MAKRIS: It is much easier when we have two Jack Henry banks together.

MR. SCOTT: It looks like a good organization that you are merging into there.

MR. CASTEEL: We think so. We believe that we are not only getting a good bank that has a good footprint that overlays with us, but some really good bankers in this organization. We have been very impressed with the people from top to bottom, and we are excited to have them become part of our bank.

MR. SCOTT: It is good to have them part of an Arkansas bank, as well.

MR. MAKRIS: Yes, it is.

CHAIRMAN LEECH: Any other comments or questions? Commissioner, do you have any questions?

COMMISSIONER FRANKS: No, I do not.

MR. SCOTT: I would like to make a motion to approve the merger.

CHAIRMAN LEECH: We have a motion to approve the merger. Do I have a second?

MR. MOBLEY: I second.

CHAIRMAN LEECH: We have a motion and second. Any discussion before we vote? If not, all in favor say "aye."

BOARD MEMBERS: Aye.

CHAIRMAN LEECH: Thank you. Opposed?

BOARD MEMBERS: (No response.)

COMMISSIONER FRANKS: Commissioner concurs.

CHAIRMAN LEECH: Commissioner concurs. Thank you.

CHAIRMAN LEECH: Any other business before the Board?

COMMISSIONER FRANKS: We do not have any further business before the Board, but I do need to inform you that the next State Banking Board Meeting, scheduled for April, will be held in a different location to be announced. The State Bank Department will be relocating the week of January 29, 2020 to the Verizon Building, which has been renamed the Commerce Building. We anticipate the move will take three days to complete.

CHAIRMAN LEECH: I know you were expanding your staff. Has that been completed?

COMMISSIONER FRANKS: We hired four new examiners a month ago. They are all on board and working.

SUSANNAH MARSHALL: Actually, they were filling vacant positions we already had, so we are just maintaining our normal level.

CHAIRMAN LEECH: Another question. How many state banks do we have now?

SUSANNAH MARSHALL: 76.

CHAIRMAN LEECH: How many national banks do we have left?

SUSANNAH MARSHALL: 10.

COMMISSIONER FRANKS: Do you want to know total assets?

CHAIRMAN LEECH: Yes.

SUSANNAH MARSHALL: Our state banks have over \$105 billion in total assets and the national banks have \$6 billion in total assets.

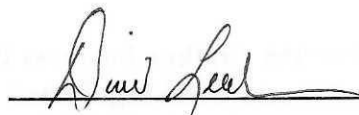
COMMISSIONER FRANKS: The \$6 billion total assets are about the amount of total assets our state chartered banks had when I began working for the Bank Department.

CHAIRMAN LEECH: You are telling a story on yourself.

COMMISSIONER FRANKS: Yes, I am.

CHAIRMAN LEECH: You have done a great job and I am glad to see the state keeps growing. I believe as the state banks continue to grow, it is good for the State of Arkansas.

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



DAVID LEECH, Chairman
State Banking Board

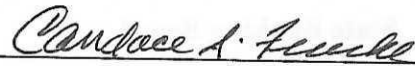
1-16-20
Date

ATTEST:



CYNTHIA NIXON, Secretary

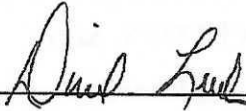
State Banking Board



CANDACE A. FRANKS

Bank Commissioner

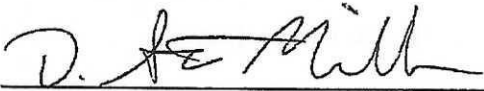
Board Members in Attendance:



DAVID LEECH, Chairman

State Banking Board

1-16-20
Date



D. SCOTT MILLER, Vice-Chairman

State Banking Board

1-16-20
Date



RONALD MOBLEY, Member

State Banking Board

Replaced by Russ Meeks 2-20-19

1-16-20
Date



TODD SMITH, Member

State Banking Board

1-16-20
Date



RANDY SCOTT, Member

State Banking Board

1-16-20
Date

Board Members not in Attendance

LANA HAMPTON, Member

State Banking Board

Replaced by George French 2-20-19

Date