

**REGULAR MEETING
OF THE
ARKANSAS STATE BANKING BOARD
October 15, 2020**

A Regular Meeting of the Arkansas State Banking Board was held in the Rockefeller Conference Room located at the Department of Commerce, 1 Commerce Way, Little Rock, Arkansas, at 10:00 a.m. on October 15, 2020. The following Board Members were present: Chairman David Leech, Vice-Chairman D. Scott Miller, George French, Russell Meeks, III. Todd Smith participated via Webex. Randy Scott was not in attendance. Representing the State Bank Department were newly appointed Commissioner Susannah T. Marshall, Deputy Commissioner and Chief Counsel John Ahlen, IT Director Frank Fields, and Secretary to the Board Cynthia Nixon. Cris Brasuell from Bushman Court Reporting was the recording reporter for the applicant. No media representatives were present.

Former 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 September 8, 2020. The notice was also given to the news media in accordance with state law.

COMMISSIONER MARSHALL: Everyone, good morning and welcome. I think the best way I can start today is saying this is a day of firsts in a lot of ways.

First off, I am honored to be participating officially as the Commissioner for my first State Banking Board meeting. I have been going to Bank Board meetings for about 17 years. And now is the opportunity to participate as Commissioner, and I am honored, and I appreciate all the Board's support and your outreach. I have heard from you all during this process, and I am very humbled and look forward to working with you in this new capacity.

The second first is that we are in a pandemic, and we have never had a State Banking Board meeting virtually before. And so we are keeping our fingers crossed that the technology holds, and we are able to conduct our business and everything is as it would be, almost, if we were in person. So I appreciate your willingness to work with us in that area.

Lastly, this is our first State Banking Board meeting in the new building. When we joined the Department of Commerce last year and relocated to this building, we knew that we wanted to be able to have a good place to conduct our hearings and, of course, socially distance. The Department of Commerce let us use this room today, and we have a great view and a good facility. We appreciate all of you being here.

The other first, as I talked to Commissioner Franks this morning, she said this is the first time in 40 years she is not been at a State Banking Board meeting. So it was a little bittersweet for her this morning.

Also, this is a first as we have two new State Banking Board members joining us, and we are excited to have you both. I am going to go ahead and do the introductions briefly, if you do not mind, and then we will go into our normal business routine.

Mr. Russ Meeks is from Little Rock and is a native Arkansan. He has a Juris Doctor from the University of Arkansas, Fayetteville and has served in the military. He currently is in private practice in Little Rock. He has served time in the state government in a legal capacity. He currently serves as the Chairman of the Board and Chairman of the Executive Committee of the Arkansas Travelers Baseball team.

We appreciate you, Mr. Meeks, and are glad for you to be a part of us.

Mr. George French is retired and living in Hot Springs Village. He has a long and successful career in history and education and also has state government experience. He was a distinguished member of our general assembly and served as a state representative. So he understands state government and how that works. He also spent time in the governor's office and has a lot of engagement with coaching, sports, and athletics and certainly has a great understanding of business and Arkansas business in particular.

We are pleased to have you join us as well, and we look forward to you serving on the board.

We will go straight into our agenda this morning. I am going to ask everybody to go around the room and introduce yourself.

We will begin in the room first, and then we will ask the individuals on the call and on the video to introduce themselves as well. So I will start with my right. Go ahead.

MR. AHLN: John Ahlen, Deputy Commissioner, Bank Department.

MR. FIELDS: Frank Fields, Information Technology Director for the Bank Department.

MS. NIXON: Cynthia Nixon, Executive Assistant to the Commissioner and Secretary to the Board.

COMMISSIONER MARSHALL: Todd, I will start with you.

MR. SMITH: Todd Smith, Bank Board member from Farmers Bank and Trust Company in Magnolia, Arkansas.

COMMISSIONER MARSHALL: Go ahead, TJ or Tyler.

MR. ANDERSON: TJ Anderson with Premier Bank of Arkansas, Marion, Arkansas. I am the CFO and sit on the board here.

MR. GINN: Tyler Ginn, Vice President and General Counsel, Premier Bank of Arkansas, Marion, Arkansas.

COMMISSIONER MARSHALL: And let us go ahead, since they cannot see us in person, we will go ahead and announce ourselves.

CHAIRMAN LEECH: I am David Leech. I am Chairman of this Board.

VICE CHAIR MILLER: Scott Miller. I am a Bank Board member and I am with Anstaff Bank, Harrison, Arkansas.

MR. MEEKS: Russ Meeks, Board member.

MR. FRENCH: George French, Board member.

COMMISSIONER MARSHALL: And, with that, I see a quorum, call a quorum, and turn it over to our Chairman, Mr. Leech.

CHAIRMAN LEECH: Thank you, Susannah. First off, I would just like to say how pleased we are that you have been appointed as Bank Commissioner. I know that everybody on this Board was a hundred percent behind you, and I am so thrilled that the governor and the head of the Department of Commerce saw it like we saw it.

COMMISSIONER MARSHALL: Thank you.

CHAIRMAN LEECH: It is a great situation. We are just so proud that we got somebody with the knowledge and the background and have been with us as long as you have. We just want to welcome you in your new position, and we look forward to working with you.

COMMISSIONER MARSHALL: I appreciate that very much. Thank you.

CHAIRMAN LEECH: At this time, we will look at the consideration of the minutes of the January 16, 2020 regular board meeting. You were mailed those minutes. Do I have a motion that we approve the minutes?

VICE CHAIR MILLER: I would make a motion.

CHAIRMAN LEECH: I have a motion, do I have a second?

MR. FRENCH: Second.

CHAIRMAN LEECH: Any discussion on them? If not, all in favor say aye. (Aye by all members.)

CHAIRMAN LEECH: Those against, same sign.

COMMISSIONER MARSHALL: Commissioner concurs.

CHAIRMAN LEECH: Thank you.

The next item we have to consider is the application and charter amendment for relocation of a bank charter and headquarters of Premier Bank of Arkansas from Marion, Arkansas to Jonesboro, Arkansas. And, before you start, is there a corner left in Jonesboro that does not have a bank on it that this can go on? That is a question I had. But, anyway, I will turn this over to our Commissioner.

COMMISSIONER MARSHALL: I will turn it over to the applicants to present your application to myself and the State Banking Board.

MR. GINN: Thank you. We have introduced ourselves already; but, again, I am Tyler Ginn, Vice President, and General Counsel.

TJ, I think, many of you know already, our CFO.

We filed this application to amend our charter, move the headquarters of the bank from Marion to Jonesboro. And the purpose behind it, our Board and management have determined that our goal is growth. And we think because, in our area of northeast Arkansas, Jonesboro, Jonesboro Metro, is really the fastest growing, if not one of the only growing areas in the area. If we are going to grow, that is going to be the best place to do it to facilitate that.

We have assembled a team in our current Jonesboro branch that are long-standing members of that community with deep ties and a lot of skills and think that, if we are headquartered there, we will be positioned to grow much more quickly than we would be without that amendment or headquarters being there.

We have been working hard. TJ joined us right at a year ago. Since he and the rest of the Jonesboro team have joined us, we have been working hard to get our foundation in place. We feel like it is there, and we are ready to grow now. We are asking that you approve our application and pray for us.

MR. ANDERSON: Absolutely.

MR. GINN: So if you have any questions?

COMMISSIONER MARSHALL: TJ, do you want to add anything?

MR. ANDERSON: We will be glad to answer any questions.

Everybody here is probably pretty familiar with the Jonesboro market. Obviously you know it is heavily banked. We all know that. It is not our goal to come in here and be the biggest bank. But, as you guys know, when bank charters go away -- Susannah, we have talked about that for years. You know, we never really like to lose those charters.

But, unfortunately, banks have to grow, boards age, and the transition of that is what you are seeing here.

I am sure all of you, that have been in banking for a long time, understand this, but, when you have an aging board and you are in a rural market, you have to make that hard decision. Are you going

to stay there and sell out or are you going to go to work and try to get into some growth markets and try to scale your organization?

I think that is the culmination of what you are starting to see here with us.

Like Tyler said, we have a lot of ties in Jonesboro. There are a lot of people here that are familiar with Liberty and the transition to Centennial. I can go on down the list and be telling you stuff that you already know.

But with there not being a headquartered and chartered bank in Jonesboro, we just feel like that is the appropriate thing to do to solidify ourselves in this northeast Arkansas market.

CHAIRMAN LEECH: Okay. Do we have any questions about this proposal?

MR. SMITH: This is Todd Smith. Did I see it correct that you have a guaranteed ten-year lease for your Jonesboro facility that will become the main office?

MR. ANDERSON: Yes, sir. That is correct.

MR. SMITH: Do you believe that is sufficient?

MR. ANDERSON: We have the option to go longer than that in that agreement. But, you know, I think, ultimately, Todd, pre-COVID, our plans were to come in and eventually start looking for property to have that permanent facility.

But with COVID in place and kind of the uncertainty at the moment we have not really stepped out there to go purchase the land.

And, to your point, there is a bank on every corner. You never know what tomorrow brings. So, a location could open up that may become that main facility down the road.

But, currently, we do not really need any more space, so it would be wrong of us to move ahead to that at the moment.

MR. SMITH: That answers several questions and shows that you are choosing flexibility over certainty in one location.

MR. ANDERSON: Yes, sir.

COMMISSIONER MARSHALL: As I read, I believe that you all certainly are protected in the event that you had to make a move, you would not be forced into a move without being able to obtain the proper approvals and protocols. Is that correct?

MR. ANDERSON: That is correct. Yes, ma'am.

CHAIRMAN LEECH: Any other questions or comments?

VICE CHAIR MILLER: I just have a comment, Mr. Chair. I commend the bold move, to continue on and forge on and go to a market where you can be a community bank. I just have those positive comments about what you are doing.

MR. GINN: We appreciate that.

MR. ANDERSON: Thank you.

MR. SMITH: I move to approve.

CHAIRMAN LEECH: Todd Smith approves and makes the motion we approve the proposal. Do I have a second?

MR. MEEKS: Second.

CHAIRMAN LEECH: I have a second. Okay. Is there any more discussion of it? If not, all in favor say aye. (Aye by all members.)

CHAIRMAN LEECH: Opposed, same sign. Do you need a roll call vote on that since we are on Zoom?

COMMISSIONER MARSHALL: Yes sir.

CHAIRMAN LEECH: Could we have a roll call vote then?

COMMISSIONER MARSHALL: Cynthia, I will let you roll call for a vote.

MS. NIXON: Mr. French.

MR. FRENCH: Aye.

MS. NIXON: Mr. Meeks.

MR. MEEKS: Aye.

MS. NIXON: Mr. Miller.

VICE CHAIR MILLER: Aye.

MS. NIXON: Mr. Leech.

CHAIRMAN LEECH: Aye.

MS. NIXON: Mr. Smith.

MR. SMITH: Aye.

MS. NIXON: All approve.

COMMISSIONER MARSHALL: Commissioner concurs

CHAIRMAN LEECH: Thank you.

COMMISSIONER MARSHALL: Congratulations.

MR. ANDERSON: Thank you.

MR. GINN: Thank you.

COMMISSIONER MARSHALL: We are so proud. I will tell you, as I was telling a gentleman this morning that called and they were asking what transaction is going before the State Banking Board, I said we are going to have the headquarters of a state-chartered bank in Jonesboro for the first time in several years.

When I started with the Bank Department, over 25 years ago, I started in the Jonesboro office, and we had at least six charters. So, it has been a long time coming to get back to having one, and I am very proud for you all and think that is wonderful.

Please pass that along to Donnie and others on your board. It is exciting that you all will have that recognition of having the charter in northeast Arkansas.

MR. ANDERSON: Thank you.

MR. GINN: Thank you.

CHAIRMAN LEECH: Is there any other business that you would like to bring before this board today?

COMMISSIONER MARSHALL: Mr. Chairman, I would like to present or ask the board to consider two resolutions. And I have provided those resolutions to you.

I would like to ask the Board to consider a resolution for the service of Mr. Ronald Mobley who was previously a State Banking Board member, and a resolution for Commissioner Candace Franks and her service to the Bank Department and the State Banking Board. Mr. Leech, if you do not mind.

CHAIRMAN LEECH: The first resolution is for Ronald Mobley.

WHEREAS, Ronald F. Mobley, has served faithfully as a member of the Arkansas State Banking Board; and

WHEREAS, he unselfishly devoted his energies through his judgment and decision making during this period of time to the improvement of the banking industry for the citizens of the state; and

WHEREAS, his contributions to the duties and responsibilities of the State Banking Board have been most valuable; and

WHEREAS, his service to the State of Arkansas and especially to banking should be recognized.

NOW, therefore be it resolved, that the State Banking Board adopts this resolution of appreciation to Ronald F. Mobley on the 15th day of October 2020.

COMMISSIONER MARSHALL: Thank you. Mr. Mobley's resolution has been previously executed for the Board's review and acceptance.

CHAIRMAN LEECH: The second one I have is for Candace Franks whom retired from the Arkansas State Bank Department in September of 2020.

WHEREAS, Candace A. Franks began working for the Arkansas State Bank Department in 1980 as general counsel and served in this role until 1997 when she was appointed Deputy Commissioner; and

WHEREAS, in 2007 Candace A. Franks was appointed as Arkansas' twenty-first Bank Commissioner and was the first career regulator and female to hold this position; and

WHEREAS, Candace A. Franks went on to be appointed to four terms as Bank Commissioner thereby becoming the longest serving Bank Commissioner in the state's history; and

WHEREAS, Candace A. Franks also served as the chair of the Conference of State Bank Supervisors and the chair of the Arkansas Public Employees Retirement System and also served as a board member of the Arkansas Teacher Retirement System and the State Board of Finance; and

WHEREAS, Candace A. Franks was an outstanding regulator and advocate for the banking industry whose contributions cannot be overstated; and

WHEREAS, after over forty years of service with the State of Arkansas, Candace A. Franks retired from the Arkansas State Bank Department in September 2020.

NOW THEREFORE BE IT RESOLVED, that the State Banking Board adopts this Resolution of Appreciation to Candace A. Franks in recognition of her exemplary career and forty years of service to the State of Arkansas and the banking industry on this 15th day of October 2020.

Do I have a motion?

MR. MEEKS: Mr. Chairman, I move for the adoption of both resolutions.

CHAIRMAN LEECH: Thank you, sir.

VICE CHAIR MILLER: I second.

CHAIRMAN LEECH: We have a motion and a second. All in favor say aye. (Aye by all members.)

CHAIRMAN LEECH: Thank you very much.

COMMISSIONER MARSHALL: And the Commissioner definitely concurs.

CHAIRMAN LEECH: If there is no other business, I would like to welcome George and Russ to our board. I am so glad that you will give your time to serve on this board.

I think both of you know that we have the best banking system in the United States. There is no question about it. And you have seen the growth we have had the last few years. I think there are there eight national banks left in the state?

COMMISSIONER MARSHALL: Ten.

CHAIRMAN LEECH: Ten now?

COMMISSIONER MARSHALL: Yes, sir.

CHAIRMAN LEECH: There is only ten left. That shows just how well thought of the State Bank Department is and what a great job they have done in regulating our banks.


We have got things in front of us that are going to be pre-pandemic and post-pandemic. A lot of the people that were having problems before this happened, will definitely have problems.

Strong banks will do fine. Because of what the department has done in the past, I think you are going to see that our banks are going to be stronger than anybody in the nation.

So I do welcome you to our board.

At this time, I would take as a motion to adjourn. If you would like to see the new banking offices, which are downstairs, we would be glad to do that at this time.

Being no further business, a motion was made by Russ Meeks, seconded by George French, to adjourn the meeting. Motion carried. Commissioner concurred.




DAVID LEECH, Chairman
State Banking Board


4-13-21

Date

ATTEST:

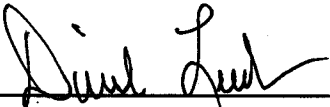


CYNTHIA NIXON, Secretary
State Banking Board



SUSANNAH T. MARSHALL
Bank Commissioner


Board Members in Attendance:



DAVID LEECH, Chairman
State Banking Board

4-13-21

Date



D. SCOTT MILLER, Vice-Chairman
State Banking Board

4-13-21

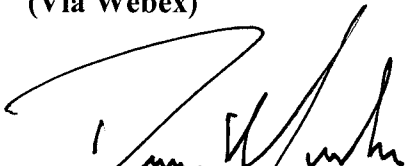
Date



TODD SMITH, Member
State Banking Board
(Via Webex)

4-13-21

Date



RUSSELL MEEKS, III, Member
State Banking Board

4-13-21

Date



GEORGE FRENCH, Member
State Banking Board

4-13-21

Date

Members not in attendance

RANDY SCOTT, Member
State Banking Board

Date

Resolution

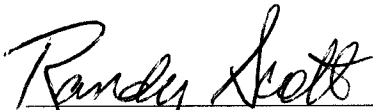
WHEREAS, Ronald F. Mobley has served faithfully as a member of the Arkansas State Banking Board; and

WHEREAS, he unselfishly devoted his energies through his judgment and decision-making during this period of time to the improvement of the banking industry for the citizens of this state; and

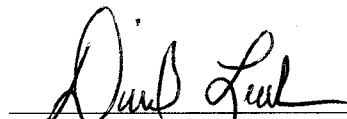
WHEREAS, his contributions to the duties and responsibilities of the State Banking Board have been most valuable; and

WHEREAS, his service to the State of Arkansas and especially to banking should be recognized.

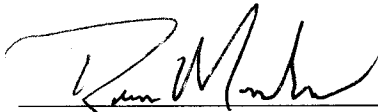
NOW THEREFORE BE IT RESOLVED; That the State Banking Board adopts this Resolution of Appreciation to Ronald F. Mobley on this 15 day of October, Two Thousand Twenty.



Randy Scott



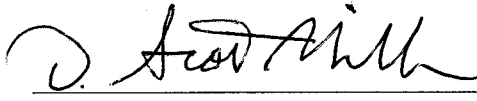
David Leech



Russ Meeks



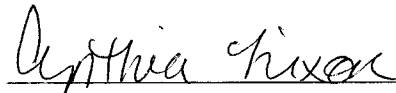
Todd Smith



D. Scott Miller



George French



Cynthia Nixon, Secretary

RESOLUTION

WHEREAS, Candace A. Franks began working for the Arkansas State Bank Department in 1980 as general counsel and served in this role until 1997 when she was appointed Deputy Commissioner; and

WHEREAS, in 2007 Candace A. Franks was appointed as Arkansas' twenty-first Bank Commissioner and was the first career regulator and female to hold this position; and

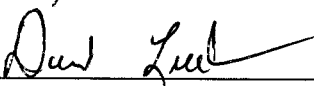
WHEREAS, Candace A. Franks went on to be appointed to four terms as Bank Commissioner thereby becoming the longest serving Bank Commissioner in the state's history; and

WHEREAS, Candace A. Franks also served as the chair of the Conference of State Bank Supervisors and the chair of the Arkansas Public Employees Retirement System and also served as a board member of the Arkansas Teacher Retirement System and the State Board of Finance; and

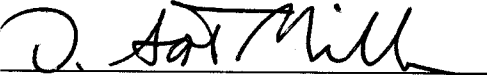
WHEREAS, Candace A. Franks was an outstanding regulator and advocate for the banking industry whose contributions cannot be overstated; and

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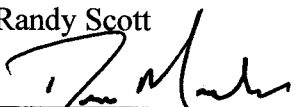
NOW THEREFORE BE IT RESOLVED, that the State Banking Board adopts this Resolution of Appreciation to Candace A. Franks in recognition of her exemplary career and forty years of service to the State of Arkansas and the banking industry on this 15th day of October, Two Thousand and Twenty.



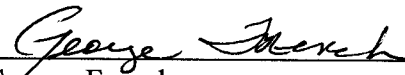
David Leech



D. Scott Miller

Randy Scott


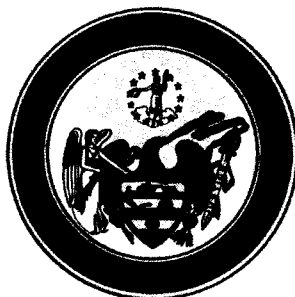
Russell Meeks, III

Todd Smith


George French



Cynthia Nixon, Secretary





To All Who Shall See These Presents, Greeting:

Know Ye, that I, the Governor of the State of Arkansas, in the name and by the authority of the people of this State, as vested in me by the Constitution and Laws of the State of Arkansas, reposing special recognition and trust, do hereby appoint:

Todd Smith

to the

State Banking Board

and do authorize and empower this person to execute and fulfill the duties of that office according to law, and to have and to hold the same for said term with all the rights, privileges and prerequisites appertaining thereunto.

In Testimony Whereof, I have hereunto set my hand this
8th day of March in the Year of

Our Lord, Two Thousand and twenty one.

Term expires: December 31, 2024

A. C. Hutchinson
Governor



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

OFFICIAL APPOINTMENT

Date: February 20, 2019

TO THE SECRETARY OF STATE:

Under the provisions of Arkansas Code Annotated § 23-46-301,

I have, on this date, appointed Russell Meeks III,

whose address is Post Office Box 34193, Little Rock, Arkansas, 72203, Pulaski County,

and whose telephone number is 501-372-0401,

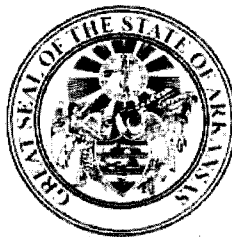
as a member of the State Banking Board,

for a term to expire on December 31, 2023.

Replaces: Ronald F. Mobley

A handwritten signature in black ink that reads "Asa Hutchinson".

Asa Hutchinson, Governor



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

OFFICIAL APPOINTMENT

Date: February 20, 2019

TO THE SECRETARY OF STATE:

Under the provisions of Arkansas Code Annotated § 23-46-301,

I have, on this date, appointed George French,

whose address is 4 Vereda Lane, Hot Springs Village, Arkansas, 71909, Saline County,

and whose telephone number is 501-267-1283,

as a member of the State Banking Board,

for a term to expire on December 31, 2023.

Replaces: Lana Hampton

A handwritten signature in black ink, reading "Asa Hutchinson", written over a horizontal line.

Asa Hutchinson, Governor