

HOME BANCSHARES INC

Form 424B3

August 22, 2017

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**Filed pursuant to Rule 424(b)(3)  
Registration No. 333-217789**

## **MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Home BancShares, Inc. (which we refer to as **HBI**), along with its subsidiary bank, Centennial Bank (which we refer to as **Centennial**), and Stonegate Bank (which we refer to as **SGB**), have entered into an Agreement and Plan of Merger, dated March 27, 2017 (which we refer to sometimes as the **Merger Agreement**), providing for the combination of Centennial and SGB. Under the Merger Agreement, SGB will merge with and into Centennial, with Centennial remaining as the surviving entity (which transaction we refer to as the **merger**). Before we complete the merger, holders of HBI and SGB common stock must approve the Merger Agreement, and with respect to HBI the issuance of HBI common stock contemplated thereby. A special meeting of HBI shareholders will be held on September 25, 2017. A special meeting of SGB shareholders will be held on September 25, 2017.

Under the terms of the Merger Agreement, assuming that 15,301,388 shares of SGB stock are outstanding at closing (which is equal to the number of shares outstanding when the Merger Agreement was signed), the aggregate per share merger consideration payable by HBI to SGB shareholders will be \$749,768,012 consisting of (i) \$50,035,539 in cash and (ii) shares of HBI common stock with a total value of \$699,732,473 based upon the volume-weighted average closing price of HBI common stock ending on the third business day preceding the closing date of the merger and subject to the collar described below. Based upon that aggregate per share merger consideration, each share of SGB common stock would be exchanged for consideration valued at \$49.00 (**Per Share Merger Consideration**), consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73 (**Per Share Stock Consideration**). The number of shares of HBI common stock issuable for each share of SGB common stock will not be determined until the effective time of the merger, and will be based on the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days ending on the third business day prior to the date the merger closes, subject to the collar described below, as set forth in more detail in the Merger Agreement and described in this joint proxy statement/prospectus. We expect the merger to be a tax-free transaction for SGB shareholders, to the extent they receive HBI common stock for their shares of SGB common stock.

The market price of HBI common stock will fluctuate before the merger. You should obtain a current stock price quotation for HBI common stock. HBI common stock is traded on The NASDAQ Global Select Market under the symbol **HOMB**. On March 27, 2017, the last trading day before the merger was announced, the closing price of HBI's common stock as reported on The NASDAQ Global Select Market was \$26.83 per share. On August 16, 2017, the closing price of HBI's common stock as reported on The NASDAQ Global Select Market was \$24.09 per share.

The market price of SGB common stock will fluctuate before the merger. You should obtain a current stock price quotation for SGB common stock. SGB common stock is traded on The NASDAQ Global Select Market under the symbol SGBK. On March 27, 2017, the last trading day before the merger was announced, the closing price of SGB's common stock as reported on The NASDAQ Global Select Market was \$46.10 per share. On August 16, 2017, the closing price of SGB's common stock as reported on The NASDAQ Global Select Market was \$46.87 per share.

The Merger Agreement provides that if the 20-day volume-weighted average closing price of HBI common stock ending three business days prior to the closing date is equal to or greater than \$35.19 or is equal to or below \$22.52 (which we sometimes refer to collectively as the "collar"), then the price used to determine the number of shares of HBI common stock issuable for each share of SGB common stock will be fixed at \$35.19 or \$22.52, respectively (subject to adjustment in the event of a stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or similar transaction). Assuming no adjustments are made to the aggregate merger consideration and that 15,301,388 shares of SGB stock are outstanding at closing (which is equal to the number of shares outstanding when the Merger Agreement was signed), if the 20-day volume-weighted average closing price of the HBI common stock three business days prior to the closing date of the merger is equal to or greater than \$35.19, the number of shares of HBI common stock to be issued to SGB shareholders in connection with the merger will be approximately 19,884,153 shares. If the 20-day volume-weighted average closing price of HBI common stock three business days prior to the closing date of the merger is equal to or below \$22.52, the number of shares of HBI common stock to be issued to SGB shareholders in connection with the merger will be approximately 31,070,998 shares.

**Because of the collar restriction and the potential issuance of shares upon the termination or exercise of SGB stock options, the final aggregate Per Share Merger Consideration will not be determined until after the date of the special meeting of SGB shareholders. Therefore, at the time of the special meeting, SGB shareholders will not know the precise amount of cash or number of shares of HBI common stock they may receive upon the completion of the merger.**

HBI's board of directors has determined that the combination of SGB and Centennial is in the best interests of HBI shareholders based upon its analysis, investigation and deliberation, and HBI's board of directors recommends that the HBI shareholders vote **FOR** the approval of the Merger Agreement and the issuance of HBI common stock in the merger as contemplated thereby and **FOR** the approval of the other HBI proposal described in this joint proxy statement/prospectus.

SGB's board of directors has determined that the combination of SGB and HBI is in the best interests of SGB shareholders based upon its analysis, investigation and deliberation, and SGB's board of directors recommends that the SGB shareholders vote **FOR** the approval of the Merger Agreement and **FOR** the approval of the other SGB proposals described in this joint proxy statement/prospectus.

**You should read this entire joint proxy statement/prospectus, including the appendices and the documents incorporated by reference into the document, carefully because it contains important information about the merger and the related transactions. In particular, you should read carefully the information under the section entitled Risk Factors beginning on page 33.**

**The shares of HBI common stock to be issued to SGB shareholders in the merger are not deposits or savings accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger described in this joint proxy statement/prospectus or the HBI common stock to be issued in the merger, or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**This joint proxy statement/prospectus is dated August 21, 2017 and is first being mailed or otherwise delivered to HBI and SGB shareholders on or about August 23, 2017.**

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**HOME BANCSHARES, INC.**

**719 HARKRIDER STREET, SUITE 100**

**CONWAY, ARKANSAS 72032**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON SEPTEMBER 25, 2017**

NOTICE IS HEREBY GIVEN that a special meeting of shareholders of Home BancShares, Inc. ( **HBI** ) will be held at 719 Harkrider St., Suite 100, Conway, AR 72032, at 10:00 a.m., Central Time, on September 25, 2017, for the following purposes:

1. To approve the Agreement and Plan of Merger (the **Merger Agreement** ) dated as of March 27, 2017, by and among Home BancShares, Inc., Centennial Bank, and Stonegate Bank, including the issuance of HBI common stock in the merger as contemplated by the Merger Agreement (the **Share Issuance Proposal** ).
2. To approve one or more adjournments of the HBI special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the Share Issuance Proposal (the **HBI Adjournment Proposal** ).

HBI will transact no other business at the special meeting.

The Share Issuance Proposal is described in more detail in the attached joint proxy statement/prospectus, which you should read carefully in its entirety before you vote. A copy of the Merger Agreement is attached as **Appendix A** to the joint proxy statement/prospectus.

HBI's board of directors has set August 16, 2017, as the record date for the HBI special meeting. All holders of record of HBI common stock at the close of business on the record date will be notified of the special meeting. Only holders of record of HBI common stock at the close of business on August 16, 2017, will be entitled to vote at the HBI special meeting and any adjournments or postponements thereof. Any shareholder entitled to attend and vote at the HBI special meeting is entitled to appoint a proxy to attend and vote on such shareholder's behalf. Such proxy need not be a holder of HBI common stock.

Your vote is very important. To ensure your representation at the HBI special meeting, please complete and return the enclosed proxy card. Please vote promptly whether or not you expect to attend the HBI special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the HBI special meeting.

HBI's board of directors has adopted and approved the Merger Agreement and the transactions contemplated thereby and recommends that you vote **FOR** the Share Issuance Proposal and **FOR** the HBI Adjournment Proposal.

By Order of the Board of Directors

*/s/ C. Randall Sims*

C. Randall Sims

Chief Executive Officer and President

August 21, 2017

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

TO BE HELD ON SEPTEMBER 25, 2017

To the stockholders of Stonegate Bank:

You are cordially invited to attend a Special Meeting of Shareholders of Stonegate Bank ( SGB ) to be held at Stonegate Bank, 400 North Federal Highway, Pompano Beach, FL 33062 on September 25, 2017 at 2:00 p.m., Eastern Time (the SGB Special Meeting ).

At the SGB Special Meeting, you will be asked to consider and vote upon the following matters:

1. a proposal to approve the Agreement and Plan of Merger (the Merger Agreement ), dated March 27, 2017 (a copy of which is attached as **Appendix A** to the accompanying joint proxy statement/prospectus), as it may be amended from time to time, by and among SGB, Home BancShares, Inc. and its wholly-owned bank subsidiary, Centennial Bank, an Arkansas bank, pursuant to which SGB will merge with and into Centennial Bank, with Centennial Bank as the surviving bank, as more fully described in the attached joint proxy statement/prospectus (the Merger Proposal );
2. a proposal to approve, on an advisory (non-binding) basis, the compensation that certain executive officers of SGB may receive in connection with the Merger Proposal pursuant to existing agreements or arrangements with SGB (the Compensation Proposal ); and
3. a proposal for adjournment of the SGB Special Meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the SGB Special Meeting to approve the Merger Proposal (the SGB Adjournment Proposal ).

The record date for the SGB Special Meeting is August 16, 2017. Only SGB shareholders of record as of the close of business on August 16, 2017 are entitled to notice of, and to vote at, the SGB Special Meeting. All shareholders of record as of that date are cordially invited to attend the SGB Special Meeting in person. Approval of the Merger Proposal requires the affirmative vote of the holders of at least a majority of the outstanding shares of SGB common stock entitled to vote thereon. Approval of the Compensation Proposal requires the affirmative vote of the holders of a majority of shares of SGB common stock present in person or represented by proxy and entitled to vote thereon;

however, such vote is advisory (non-binding) only. The approval of the SGB Adjournment Proposal requires the affirmative vote of the holders of a majority of shares of SGB common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present.

Holders of SGB common stock are entitled to assert dissenters' rights pursuant to the Florida Statutes Section 658.44 (a copy of which is attached as **Appendix D** to the accompanying joint proxy statement/prospectus) in connection with the approval of the Merger Agreement. The dissenters' rights law provides that, if the merger is consummated, a dissenting shareholder will be entitled to payment in cash of the value of only those shares held by the shareholder (i) which at the SGB Special Meeting are voted **AGAINST** approval of the Merger Proposal, or (ii) with respect to which the shareholder has given written notice to SGB, at or prior to the SGB Special Meeting, that such shareholder dissents from the Merger Proposal and which shares are not voted **FOR** approval of the Merger Proposal.

SGB's board of directors has approved the Merger Agreement, has determined that the merger is in the best interests of SGB and its shareholders, and has recommended that SGB's shareholders approve the Merger Agreement and the business combination and related transactions contemplated thereby by voting **FOR** the Merger Proposal, **FOR** the Compensation Proposal and **FOR** the SGB Adjournment Proposal. In considering the recommendation of the board of directors of SGB, you should be aware that certain directors and executive

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officers of SGB will have interests in the merger that may be different from, or in addition to, the interests of SGB shareholders generally. See the section entitled "The Directors and Officers of SGB Have Financial Interests in the Merger" beginning on page 113 of the accompanying joint proxy statement/prospectus.

Your vote is very important, regardless of the number of shares of SGB common stock that you own. We cannot complete the merger unless SGB's shareholders approve the Merger Proposal.

**Whether or not you plan to attend the SGB Special Meeting, please vote as soon as possible. You may vote by telephone, over the Internet or by mail. Instructions on voting are contained in the accompanying joint proxy statement/prospectus and the enclosed Proxy Card.** Giving a proxy will not prevent you from attending the SGB Special Meeting and voting in person if you wish to do so. If you hold your shares in "street name" through a bank, brokerage firm or other nominee, you should follow the procedures provided by your bank, brokerage firm or other nominee to vote your shares. If you fail to submit a proxy or to attend the SGB Special Meeting in person or do not provide your bank, brokerage firm or other nominee with instructions as to how to vote your shares, as applicable, your shares of SGB common stock will not be counted for purposes of determining whether a quorum is present at the SGB Special Meeting and will have the same effect as a vote **AGAINST** the Merger Proposal.

The enclosed joint proxy statement/prospectus provides a detailed description of the SGB Special Meeting, the merger, the documents related to the merger, and other related matters. **We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its appendices carefully and in their entirety.**

By Order of the Board of Directors

Very truly yours,

*/s/ David Seleski*

David Seleski  
President and Chief Executive Officer

Stonegate Bank

Pompano Beach, Florida

August 21, 2017



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**WHERE YOU CAN FIND MORE INFORMATION**

HBI files annual, quarterly and special reports, proxy statements and other business and financial information with the Securities and Exchange Commission (the "SEC"). You may read and copy any materials that HBI files with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the SEC at (800) SEC-0330 ((800) 732-0330) for further information on the public reference room. In addition, HBI files reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at [www.sec.gov](http://www.sec.gov) containing this information. You will also be able to obtain these documents, free of charge, from HBI by accessing HBI's website at [www.homebancshares.com](http://www.homebancshares.com) under the heading Investor Relations. Copies can also be obtained, free of charge, by directing a written request to Home BancShares, Inc., Attention: Corporate Secretary, 719 Harkrider Street, Suite 100, Conway, Arkansas 72032.

SBG files annual, quarterly and special reports, proxy statements and other business and financial information with the Federal Deposit Insurance Corporation (the "FDIC"). You may also read and copy any reports that SGB files with the FDIC by contacting the FDIC in writing at FDIC, Accounting and Securities Disclosure Section, 550 17th Street, NW, Washington, DC 20429, or by email at [PublicBankReports@FDIC.gov](mailto:PublicBankReports@FDIC.gov). All filings made electronically with the FDIC may be accessed at <https://efr.fdic.gov/fcxweb/efr/index.html>. You will also be able to obtain these documents, free of charge, from SGB by accessing SGB's website at [www.stonegatebank.com](http://www.stonegatebank.com) under the heading Investor Relations. Copies can also be obtained, free of charge, by directing a written request to Stonegate Bank, Attention: Kori Smith, 400 North Federal Highway, Pompano Beach, Florida 33062.

HBI has filed a registration statement on Form S-4 to register with the SEC up to 33,228,612 shares of HBI common stock (the number of shares has been calculated based on a volume-weighted average closing price of HBI common stock of \$22.52 (which is the lowest stock price listed on the chart on page 40)). This joint proxy statement/prospectus is a part of that registration statement. As permitted by SEC rules, this joint proxy statement/prospectus does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits at the addresses set forth below. Statements contained in this joint proxy statement/prospectus as to the contents of any contract or other documents referred to in this joint proxy statement/prospectus are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This joint proxy statement/prospectus incorporates important business and financial information about HBI and SGB that is not included in or delivered with this joint proxy statement/prospectus, including incorporating by reference documents that HBI has previously filed with the SEC and that SGB has previously filed with the FDIC. These documents contain important information about HBI and SGB and their financial condition. See "Documents Incorporated by Reference" on page 118. These documents are available without charge to you upon written or oral request to the appropriate company at its principal executive offices. The address and telephone number of each such principal executive office is listed below:

Home BancShares, Inc.  
719 Harkrider Street, Suite 100  
Conway, Arkansas 72032  
Attention: Corporate Secretary

Stonegate Bank  
400 North Federal Highway  
Pompano Beach, Florida 33062  
Attention: Kori Smith

(501) 339-2929

(954) 315-5500

**To obtain timely delivery of these documents, you must request them no later than five business days before the date of your meeting. This means you must request the information no later than September 18, 2017, in order to receive them before SGB's special meeting of shareholders and no later than September 18, 2017, in order to receive them before HBI's special meeting of shareholders.**

HBI common stock and SGB common stock are traded on The NASDAQ Global Select Market under the symbols HOMB and SGBK, respectively.

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**Appendix D** Florida Statutes Section 658.44, regarding Dissenters' Rights

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**QUESTIONS AND ANSWERS**

*The following questions and answers briefly address some commonly asked questions about the merger and the special meetings of HBI shareholders and SGB shareholders. They may not include all the information that is important to the shareholders of HBI and SGB. Shareholders of HBI and SGB should read this entire joint proxy statement/prospectus carefully, including the appendices and other documents referred to in this joint proxy statement/prospectus.*

**Q: Why am I receiving these materials?**

**A:** HBI is sending these materials to the holders of its common stock (which we sometimes refer to as HBI shareholders ) to help them decide how to vote their shares of HBI common stock with respect to the Merger Proposal and the issuance of HBI common stock as contemplated thereby and the other matter to be considered at the HBI special meeting described below. Because HBI may issue shares of common stock in the merger in an amount in excess of 20% of HBI's total outstanding shares, shareholder approval for the issuance of such shares is required under applicable NASDAQ Listing Rules.

SGB is sending these materials to the holders of its common stock (which we sometimes refer to as SGB shareholders ) to help them decide how to vote their shares of SGB common stock with respect to the proposed merger and the other matters to be considered at the SGB special meeting described below.

The merger cannot be completed unless SGB shareholders approve the Merger Proposal and HBI shareholders approve the Share Issuance Proposal. SGB is holding a special meeting of shareholders to vote on the Merger Proposal as described in SGB Special Meeting of Shareholders. HBI is holding a special meeting of shareholders to vote on the Share Issuance Proposal as described in HBI Special Meeting of Shareholders. Information about these special meetings and the merger is contained in this joint proxy statement/prospectus.

This joint proxy statement/prospectus constitutes a proxy statement and prospectus of HBI and a proxy statement of SGB. It is a joint proxy statement because the boards of directors of both companies are soliciting proxies from their respective shareholders. It is a prospectus because HBI will issue shares of its common stock in exchange for shares of SGB common stock in the merger.

**Q: What will SGB shareholders receive in the merger?**

**A:** Under the terms of the Merger Agreement, SGB shareholders will receive their pro rata share of the total consideration of \$749,768,012. The aggregate consideration consists of (i) cash equal to \$50,035,539 and (ii) shares of HBI common stock with a total value of \$699,732,473 valued at the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days ending on the third business day immediately prior to the date the merger closes. The calculation of the amount of the aggregate Per Share Merger Consideration assumes that the value of HBI common stock to be issued in the merger is not less than \$22.52 nor more than \$35.19, based upon the volume-weighted average closing price of HBI common stock described above. To the extent that the value of the HBI common stock issued in the merger is greater than or less than the range described in the previous sentence, the value of the

merger consideration to be issued by HBI would change accordingly. See The Merger Terms of the Merger beginning on page 39 for a more detailed discussion of the calculation of the Per Share Merger Consideration.

**Q: What will an SGB shareholder receive for each share of SGB common stock?**

**A:** Assuming that the SGB outstanding shares do not exceed the sum of 15,301,388 shares plus any shares issued upon exercise of SGB stock options after execution of the Merger Agreement, each share of SGB common stock will be exchanged for the Per Share Merger Consideration of \$49.00, consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73.

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The number of shares of HBI common stock issuable for each share of SGB common stock will not be determined until the effective time of the merger, and will be based on the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days ending on the third business day immediately prior to the date the merger closes, as set forth in more detail in the Merger Agreement and described in this joint proxy statement/prospectus. See The Merger Terms of the Merger beginning on page 39 for a more detailed discussion of the Per Share Merger Consideration.

**Q: How are outstanding SGB stock options addressed in the Merger Agreement?**

**A:** At or prior to the closing of the merger, each outstanding and unexercised SGB stock option will be terminated by SGB and shall entitle the holder to a cash payment at the effective time of the merger equal to the positive difference, if any, between \$49.00 and the option exercise price.

**Q: When do HBI and SGB expect to complete the merger?**

**A:** HBI and SGB expect to complete the merger after all conditions to the merger in the Merger Agreement are satisfied or waived, including after shareholder approvals are received at the special meetings of SGB shareholders and HBI shareholders, and all required regulatory approvals are received. HBI and SGB currently expect to complete the merger in the third quarter of 2017. It is possible, however, that as a result of factors outside of either company's control, the merger may be completed at a later time or may not be completed at all.

**Q: How will the merger consideration received by SGB shareholders affect HBI shareholders?**

**A:** As a result of HBI's issuance of new shares to SGB shareholders, current HBI shareholders will experience dilution in terms of percentage of ownership. Following the closing of the merger, current HBI shareholders will own approximately 83.6% of the outstanding common stock of HBI, and current SGB shareholders will own approximately 16.4% of the outstanding common stock of HBI. These percentages assume an issuance of 28,090,546 shares based on an HBI common stock price of \$24.94 (the HBI Average Closing Price as of August 9, 2017). The percentages will fluctuate based on the HBI common stock price as described in more detail in the chart on page 40, as well as any exercise of SGB options prior to closing.

**Q: What am I being asked to vote on?**

**A:** HBI shareholders are being asked to vote on the following proposals:

1. To approve the Merger Agreement and the issuance of HBI common stock in the merger contemplated by the Merger Agreement (the Share Issuance Proposal); and

2. To approve one or more adjournments of the HBI special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the Share Issuance Proposal (the HBI Adjournment Proposal ).

SGB shareholders are being asked to vote on the following proposals:

1. A proposal to approve the Merger Agreement, as it may be amended from time to time (the Merger Proposal );
2. A proposal to approve, on an advisory (non-binding) basis, the compensation that certain executive officers of SGB may receive in connection with the Merger Proposal pursuant to existing agreements or arrangements with SGB (the Compensation Proposal ); and



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3. A proposal for adjournment of the SGB special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the SGB special meeting to approve the Merger Proposal (the SGB Adjournment Proposal ).

### **Q: How do the board of directors of HBI and SGB recommend that I vote?**

**A:** HBI's board of directors recommends that HBI shareholders vote **FOR** the HBI proposals described in this joint proxy statement/prospectus.

SGB's board of directors recommends that SGB shareholders vote **FOR** the SGB proposals described in this joint proxy statement/prospectus.

For a discussion of interests of SGB's directors and officers in the merger that may be different from, or in addition to, the interests of SGB shareholders generally, see The Directors and Officers of SGB Have Financial Interests in the Merger, beginning on page 113.

### **Q: What do I need to do now?**

**A:** After carefully reading and considering the information contained in this joint proxy statement/prospectus, HBI shareholders should vote by telephone or on the Internet, or complete, sign and date the enclosed proxy card and return it in the enclosed envelope as soon as possible so that their shares will be represented at the HBI special meeting.

After carefully reading and considering the information contained in this joint proxy statement/prospectus, SGB shareholders should vote by telephone or on the Internet, or complete, sign and date the enclosed proxy card and return it in the enclosed envelope as soon as possible so that their shares will be represented at the SGB special meeting.

Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

### **Q: How do I cast my vote?**

**A:** If you are a shareholder of record of HBI as of the record date for the HBI special meeting, you may cast your vote by:

Accessing the internet website specified on your proxy card;

Calling the toll-free number specified on your proxy card; or

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Signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You may also cast your vote in person at the HBI special meeting.

If you are a shareholder of record of SGB as of the record date for the SGB special meeting, you may vote by:

Accessing the internet website specified on your proxy card;

Calling the toll-free number specified on your proxy card; or

Signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You may also cast your vote in person at the SGB special meeting.

If your shares are held in street name through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Holders in street name who wish to vote in person at the applicable shareholders special meeting will need to obtain a proxy form from the institution that holds their shares.

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**Q: When and where are the HBI special meeting and the SGB special meeting?**

**A:** The HBI special meeting will be held at HBI's principal executive offices located at 719 Harkrider Street, Suite 100, Conway, Arkansas 72032 at 10:00 a.m., Central Time, on September 25, 2017. All shareholders of HBI as of the record date, or their duly appointed proxies, may attend the HBI special meeting.

The SGB special meeting will be held at Stonegate Bank, 400 North Federal Highway, Pompano Beach, FL 33062 at 2:00 p.m., Eastern Time, on September 25, 2017. All shareholders of SGB as of the record date, or their duly appointed proxies, may attend the SGB special meeting.

**Q: If my HBI or SGB shares are held in street name by a broker or other nominee, will my broker or nominee vote my shares for me?**

**A:** If your shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to HBI or SGB or by voting in person at a special meeting unless you provide a legal proxy, which you must obtain from your bank or broker.

Brokers or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers or other nominees are not allowed to exercise their voting discretion on matters that are determined to be non-routine without specific instructions from the beneficial owner. Broker non-votes are shares held by a broker or other nominee that are represented at the applicable special meeting but with respect to which the broker or other nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the broker or other nominee does not have discretionary voting power on such proposal.

If you are an HBI shareholder and you do not instruct your broker or other nominee on how to vote your shares, your broker or other nominee may not vote your shares on the Share Issuance Proposal or the HBI Adjournment Proposal, which broker non-votes will have no effect on these proposals.

If you are an SGB shareholder and you do not instruct your broker or other nominee on how to vote your shares, your broker or other nominee may not vote your shares resulting in broker non-votes. Such broker non-votes will have the same effect as a vote **AGAINST** the Merger Proposal (but will not constitute a vote against the approval of the Merger Agreement and the merger for purposes of exercising dissenters' rights); but will have no effect on the Compensation Proposal or the SGB Adjournment Proposal.

**Q: What vote is required to approve each proposal to be considered at the HBI special meeting?**

**A:** Approval of the Share Issuance Proposal requires the affirmative vote of at least a majority of the shares of HBI voting on such proposal, provided that a quorum is present at the HBI special meeting. Abstentions and broker non-votes are not considered votes cast, but are included in determining whether there is a quorum present. Approval of the HBI Adjournment Proposal requires the affirmative vote of at least a majority of shares of HBI

voting on such proposal, whether or not a quorum is present.

**Q: What vote is required to approve each proposal to be considered at the SGB special meeting?**

**A:** Approval of the Merger Proposal requires the affirmative vote of the holders of at least a majority of the outstanding shares of SGB common stock entitled to vote thereon. Approval of the Compensation Proposal requires the affirmative vote of the holders of a majority of shares of SGB common stock present in person or represented by proxy and entitled to vote thereon; however, such vote is advisory (non-binding) only. Approval of the SGB Adjournment Proposal requires the affirmative vote of the holders of a majority of shares of SGB common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present.

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The directors and certain officers of SGB entered into voting agreements with HBI pursuant to which they agreed to vote 1,126,325 total shares in favor of the merger, subject to certain exceptions. As of the date of the Merger Agreement, these shares represented approximately 7.36% of the SGB common stock entitled to vote at the SGB special meeting (excluding any shares issued upon exercise of SGB options).

### **Q: What if I abstain from voting or do not vote?**

A: For the purposes of the HBI special meeting, an abstention, which occurs when an HBI shareholder attends the HBI special meeting, either in person or by proxy, but abstains from voting, will have no effect on the Share Issuance Proposal or the HBI Adjournment Proposal.

For the purposes of the SGB special meeting, an abstention, which occurs when an SGB shareholder attends the SGB special meeting, either in person or by proxy, but abstains from voting, will have the same effect as a vote **AGAINST** the Merger Proposal (but will not constitute a vote against the approval of the Merger Agreement and the merger for purposes of exercising dissenters' rights); but it will have no effect on the Compensation Proposal or the SGB Adjournment Proposal.

### **Q: What if I hold stock of both HBI and SGB?**

A: If you hold shares of both HBI and SGB, you will receive two separate packages of proxy materials. A vote as an SGB shareholder for the Merger Proposal or the other proposals to be considered at the SGB special meeting will not constitute a vote as an HBI shareholder for the Share Issuance Proposal or the other proposal to be considered at the HBI special meeting, and vice versa. Therefore, please sign, date and return all proxy cards that you receive, whether from HBI or SGB, or submit separate proxies as both an HBI shareholder and an SGB shareholder.

### **Q: May I change my vote or revoke my proxy after I have delivered my proxy or voting instruction card?**

A: Yes. You may change your vote at any time before your proxy is voted at the applicable special meeting:

by sending written notice of revocation to the corporate secretary of HBI or SGB, as applicable;

by sending a completed proxy card bearing a later date than your original proxy card; or

by attending the applicable special meeting and voting in person, if you so request and if your shares are registered in your name rather than in the name of a broker, bank or other nominee; however, your attendance alone will not revoke any proxy.

If you choose either of the first two methods, HBI or SGB, as applicable, must receive your written notice of revocation or later dated proxy card no later than five days prior the applicable special meeting.

If your shares are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

**Q: What happens if I sell my shares after the record date but before the special meeting?**

**A:** The applicable record dates for the SGB special meeting and the HBI special meeting are earlier than the dates of those meetings and the date that the merger may be completed. If you transfer your SGB or HBI common stock after the applicable record date but before the date of the applicable special meeting, you will retain your right to vote at that special meeting (provided that such shares remain outstanding on the date of the special meeting). However, SGB shareholders will not have the right to receive any merger consideration for the transferred SGB shares. SGB shareholders will only be entitled to receive the merger consideration for SGB shares that they own at the effective time of the merger.

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**Q: What do I do if I receive more than one joint proxy statement/prospectus or set of voting instructions?**

**A:** If you hold shares directly as a record holder and also in street name or otherwise through a nominee, you may receive more than one joint proxy statement/prospectus and/or set of voting instructions relating to the special meeting. These should each be voted or returned separately to ensure that all of your shares are voted.

**Q: What are the federal income tax consequences of the merger?**

**A:** Gain (but not loss), if any, will be recognized by SGB shareholders in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash (excluding any cash received in lieu of a fractional share) and the fair market value of the HBI common stock received pursuant to the merger over the adjusted tax basis in the SGB common stock surrendered), and (2) the amount of cash received by such holder of SGB common stock (excluding any cash received in lieu of a fractional share). The consequences of the merger to any particular SGB shareholder will depend on that shareholder's particular facts and circumstances.

Accordingly, you are urged to consult your tax advisor to determine your tax consequences from the merger. No gain or loss will be recognized by HBI or SGB as a result of merger. The obligation of HBI and SGB to complete the merger is conditioned upon the receipt of a legal opinions to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code ).

For a more detailed discussion of the material United States federal income tax consequences of the transaction, see Material United States Federal Income Tax Consequences of the Merger beginning on page 87.

**Q: Do I have appraisal or dissenters' rights?**

**A:** SGB shareholders are entitled to dissenters' rights under the Florida Statutes Section 658.44., a copy of which is attached as **Appendix D** to this joint proxy statement/prospectus. If you wish to assert dissenters' rights, you (i) must vote **AGAINST** the Merger Proposal at the SGB special meeting or (ii) must deliver to SGB, at or prior to the SGB special meeting, written notice of your intent to demand payment for your shares if the merger is consummated and you must not vote **FOR** approval of the Merger Proposal. The procedure for dissenting is described in more detail in The Merger Dissenters' Rights beginning on page 41.

HBI shareholders are not entitled to any appraisal or dissenters' rights.

**Q: Should I send in my SGB stock certificates now?**

**A:** No. Please **do not send** your stock certificates with your SGB proxy card. If you are a holder of SGB common stock, you will receive written instructions from Computershare Trust Company, N.A., after the merger is completed on how to exchange your stock certificates for HBI common stock.

**Q: What if I have lost my SGB stock certificate?**

**A:** At the closing of the merger, the exchange agent will provide a letter of transmittal to SGB shareholders that will provide instructions for SGB shareholders who have lost their stock certificates. If you would like to obtain a replacement certificate prior to the closing of the merger, please contact Stonegate Bank, Attn: Kori Smith, 400 North Federal Highway, Pompano Beach, Florida 33062, telephone number (954) 315-5500. An indemnity and surety bond will be required.



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**Q: Does SGB expect to pay any dividends to the SGB shareholders before the merger?**

**A:** SGB expects to continue to pay its quarterly dividend until closing. In addition, in the event that the closing has not occurred by November 28, 2017, SGB has the right to declare and pay monthly special dividends equal to 85% of earnings after such date.

**Q: Whom should I contact if I have any questions about the proxy materials or the special meeting?**

**A:** If you have any questions about the merger or any of the proposals to be considered at the special meeting, need assistance in submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact either HBI or SGB as follows:

Home BancShares, Inc.  
719 Harkrider Street, Suite 100  
Conway, Arkansas 72032  
Attention: Investor Relations Officer  
(501) 339-2929

Stonegate Bank  
400 North Federal Highway  
Pompano Beach, Florida 33062  
Attention: Kori Smith  
(954) 315-5500

**Table of Contents****SUMMARY**

*This summary highlights selected information from this joint proxy statement/prospectus. It may not contain all of the information that is important to you. We urge you to carefully read the entire document and the other documents to which we refer you in order to fully understand the merger and the related transactions. See **Where You Can Find More Information** included elsewhere in this joint proxy statement/prospectus. Each item in this summary refers to the page of this joint proxy statement/prospectus on which that subject is discussed in more detail.*

**The Companies (page 110)**

**HBI.** HBI is a Conway, Arkansas headquartered bank holding company registered under the federal Bank Holding Company Act of 1956. HBI is primarily engaged in providing a broad range of commercial and retail banking and related financial services to businesses, real estate developers and investors, individuals and municipalities through its wholly owned community bank subsidiary, Centennial Bank. Centennial Bank has locations in Arkansas, Florida, South Alabama and New York.

HBI's total assets, total deposits, total revenue and net income for each of the past three years are as follows:

	<b>As of or for the Years Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
	<b>(In thousands)</b>		
Total assets	\$ 9,808,465	\$ 9,289,122	\$ 7,403,272
Total deposits	6,942,427	6,438,509	5,423,971
Total revenue (interest income plus non-interest income)	523,588	442,934	380,650
Net income available to all stockholders	177,146	138,199	113,063

HBI common stock is traded on The NASDAQ Global Select Market under the symbol **HOMB**.

HBI's principal executive office is located at 719 Harkrider, Suite 100, Conway, Arkansas, 72032 and its telephone number is (501) 339-2929. HBI's internet address is [www.homebancshares.com](http://www.homebancshares.com). Additional information about HBI is included under **Certain Information Concerning HBI** and **Where You Can Find More Information** included elsewhere in this joint proxy statement/prospectus.

**SGB.** SGB was incorporated under Florida law in 2005 as a Florida state chartered bank regulated by the FDIC and the Florida Division of Financial Institutions. SGB is headquartered in Pompano Beach, Florida, a community situated between West Palm Beach and Miami, Florida, and has a total of 24 branches in Florida (Boca Raton, Cooper City, Coral Gables, Coral Springs, Dania, Davie, Doral, Fort Lauderdale (3), Fort Myers, Englewood, Hollywood, Jupiter, Naples, West Palm Beach, Plantation, Pompano Beach, Sarasota (2), St. James City, Tampa, Venice and Weston), and a presence in Cuba. Its deposits are insured by the FDIC up to applicable federal deposit insurance limits.

SGB provides a full range of commercial and consumer banking services. The banking products offered by SGB include checking and savings accounts, consumer loans, residential mortgage loans, business checking accounts, time deposits, money market accounts, real estate commercial and business loans. SGB also offers internet banking services, bill payment, remote deposit capture, retirement account services, CDARS deposits, credit card services, association lock box services, wealth management services and cash management services.



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At June 30, 2017, SGB had total assets of \$3.1 billion, total deposits of \$2.6 billion, and total stockholders' equity of \$417.8 million. SGB is a publicly held company, and, as of the record date, had approximately 666 holders of record of its common stock. SGB common stock is traded on The NASDAQ Global Select Market under the symbol SBGK.

SGB's principal executive offices are located at 400 North Federal Highway, Pompano Beach, Florida 33062, and its telephone number is (954) 315-5500. SGB's internet website is [www.stonegatebank.com](http://www.stonegatebank.com). SGB's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, including any amendments to those reports filed or furnished pursuant to section 13(a) or 15(d), and reports filed pursuant to Section 16, 13(d), and 13(g) of the Securities Exchange Act of 1934 ( "Exchange Act" ) are available free of charge through SGB's website. You may also read and copy any reports that SGB files with the FDIC by contacting the FDIC in writing at FDIC, Accounting and Securities Disclosure Section, 550 17th Street, NW, Washington, DC 20429, or by email at [PublicBankReports@FDIC.gov](mailto:PublicBankReports@FDIC.gov). All filings made electronically with the FDIC may be accessed at <https://efr.fdic.gov/fcxweb/efr/index.html>. Additional information about SGB is included under "Certain Information Concerning SGB" included elsewhere in this joint proxy statement/prospectus.

## **The Merger (page 39)**

The Merger Agreement, which is to be construed under Delaware law, provides that, subject to its terms and conditions, SGB will merge with and into Centennial, with Centennial being the surviving corporation in the merger. This transaction is referred to in this joint proxy statement/prospectus as the "merger."

Under the terms of the Merger Agreement, based on 15,301,388 shares outstanding at closing (equal to the number of shares outstanding at the time the Merger Agreement was signed), SGB shareholders will receive aggregate Per Share Merger Consideration of \$749,768,012. Each SGB shareholder therefore will receive a pro rata share of the aggregate Per Share Merger Consideration, which consists of (i) \$50,035,539 in cash payable at closing, and (ii) shares of HBI common stock with a total value of \$699,732,473 based on the volume-weighted average closing price of HBI common stock for the 20 trading days ending three business days prior to the date the merger closes subject to the collar (the "HBI Average Closing Price"). In the event that options are exercised in exchange for shares of SGB common stock prior to closing, the Per Share Merger Consideration does not change but the aggregate Per Share Merger Consideration will increase. Based on 16,363,938 shares outstanding at closing (equal to the number of shares and options outstanding at the time the Merger Agreement was signed), SGB shareholders would receive a pro rata share of aggregate Per Share Merger Consideration of \$801,832,962, made up of \$53,510,077 in cash payable at closing and shares of HBI common stock valued at \$748,322,885, based on the HBI Average Closing Price. This increase in aggregate Per Share Merger Consideration will be offset on the SGB balance sheet at closing by the reduction in the amount SGB is required to pay to terminate options at closing. In either case, SGB shareholders will receive, in exchange for each share of SGB common stock, Per Share Merger Consideration valued at \$49.00, consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73 based upon the HBI Average Closing Price (which will be not less than \$22.52 nor more than \$35.19).

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The number of shares of HBI common stock comprising the portion of the Per Share Merger Consideration to be paid in shares of HBI common stock will vary based on the HBI Average Closing Price. The following table illustrates, for a range of potentially applicable HBI Average Closing Prices, the number of shares of HBI common stock that would be exchanged for each share of SGB common stock based on Per Share Merger Consideration of \$49.00. The HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.

<b>Per Share Stock Consideration(a) if the applicable HBI Average Closing Price is:</b>		<b>Exchange Ratio</b>
\$	22.52(b)	2.0306
\$	23.00	1.9883
\$	24.00	1.9054
\$	24.94(c)	1.8336
\$	25.00	1.8292
\$	26.00	1.7588
\$	26.83(b)	1.7044
\$	27.00	1.6937
\$	28.00	1.6332
\$	29.00	1.5769
\$	30.00	1.5243
\$	31.00	1.4752
\$	32.00	1.4291
\$	33.00	1.3858
\$	34.00	1.3450
\$	35.00	1.3066
\$	35.19(b)	1.2995

- (a) The Per Share Stock Consideration to be paid to each SGB shareholder will be based on the actual HBI Average Closing Price, which will be computed at the time of the merger; the HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.
- (b) On March 27, 2017, the date the Merger Agreement was signed, the closing price of a share of HBI common stock was \$26.83. The Merger Agreement provides that if the HBI Average Closing Price is equal to or greater than \$35.19, then the HBI Average Closing Price will be deemed to be \$35.19. Additionally, if the HBI Average Closing Price is equal to or below \$22.52, then the HBI Average Closing Price will be deemed to be \$22.52.
- (c) The HBI Average Closing Price would have been \$24.94 if calculated on August 9, 2017 (the last practicable trading day prior to the mailing of this joint proxy statement/prospectus to make such calculation). Unless otherwise indicated, illustrations given in this joint proxy statement/prospectus use \$24.94 as the HBI Average Closing Price and are based on other information current as of August 9, 2017.

For illustrative purposes only, assuming the HBI Average Closing Price is \$24.94, an SGB shareholder holding 100 shares of SGB common stock will receive \$327 in cash for the cash portion of the merger consideration, 183 shares of HBI common stock, and \$8.98 in cash in lieu of the resulting fractional share.

Assuming that 28,090,546 shares of HBI common stock will be issued to SGB shareholders (based on 15,319,888 SGB shares outstanding, 142,971,132 HBI shares outstanding, a \$24.94 HBI Average Closing Price (all as of August 9, 2017) and no cash in lieu of fractional shares paid), SGB shareholders would own approximately 16.4% of HBI common stock after the merger is completed, excluding any shares of HBI common stock they may already own.

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No gain or loss will be recognized by HBI or SGB as a result of merger. The obligation of HBI and SGB to complete the merger is conditioned upon the receipt of legal opinions to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

For a more detailed discussion of the material United States federal income tax consequences of the transaction, see Material United States Federal Income Tax Consequences of the Merger beginning on page 87.

### **Recommendation of HBI's Board of Directors (page 57)**

HBI's board of directors recommends that holders of HBI common stock vote **FOR** the Share Issuance Proposal, and **FOR** the HBI Adjournment Proposal.

For further discussion of HBI's reasons for the merger and the recommendations of HBI's board of directors, see The Merger Background of the Merger and The Merger Recommendation of HBI's Board of Directors and Reasons for the Merger.

### **Recommendation of SGB's Board of Directors (page 47)**

SGB's board of directors recommends that holders of SGB common stock vote **FOR** the Merger Proposal, **FOR** the Compensation Proposal and **FOR** the SGB Adjournment Proposal.

For further discussion of SGB's reasons for the merger and the recommendations of SGB's board of directors, see The Merger Background of the Merger and The Merger Recommendation of SGB's Board of Directors and Reasons for the Merger.

### **Opinion of RBC Capital Markets, LLC, Financial Advisor to HBI (page 57)**

HBI retained RBC Capital Markets, LLC ( RBCCM ) to provide its opinion as to the fairness, from a financial point of view, to HBI of the Per Share Merger Consideration. HBI selected RBCCM to act as its financial advisor based on its qualifications, expertise, reputation and knowledge of HBI's business and affairs and its experience with community bank holding companies and the industry in which HBI operates. RBCCM has delivered a written opinion to the HBI board of directors to the effect that, as of March 27, 2017, based on and subject to the assumptions, qualifications and other matters set forth therein, the Per Share Merger Consideration of the proposed Merger Agreement was fair, from a financial point of view, to HBI.

**RBCCM's opinion was provided for the information and assistance of the HBI board of directors in connection with its consideration of the merger. RBCCM's opinion did not address the merits of HBI's underlying decision to engage in the merger or the relative merits of the merger compared to any alternative business strategy or transaction in which HBI might engage. RBCCM's opinion does not constitute a recommendation to any holder of HBI common stock as to how such holder should vote with respect to the adoption of the proposed Merger Agreement or any other proposal to be voted upon by them in connection with the merger.**

The full text of RBCCM's written opinion, dated March 27, 2017, is attached to this joint proxy statement/prospectus as **Appendix B**, and constitutes part of this joint proxy statement/prospectus. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by RBCCM in rendering its opinion.

For a further discussion of RBCCM's opinion, HBI's relationship with RBCCM and the terms of RBCCM's engagement, see The Merger Opinion of RBC Capital Markets, LLC, Financial Advisor to HBI beginning on page 57 of this joint proxy statement/prospectus.



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### **Opinion of Hovde Group, LLC, Financial Advisor to SGB (page 49)**

On March 26, 2017, Hovde Group, LLC ( Hovde ), one of SGB's financial advisors in connection with the merger, provided the SGB board of directors with an overview of its analyses performed as of the date of the meeting and advised the board that its analyses were as of such date and based upon and subject to various qualifications and assumptions described in the meeting. Hovde delivered its opinion to the board on March 26, 2017, that, as of such date and subject to and based upon the qualifications and assumptions set forth in its written opinion, the Per Share Merger Consideration was fair, from a financial point of view, to the shareholders of SGB.

The full text of Hovde's opinion, dated March 26, 2017, is attached as **Appendix C** to this joint proxy statement/prospectus. You should read the opinion in its entirety for a discussion of, among other things, the assumptions made, procedures followed, matters considered and any limitations on the review undertaken by Hovde in rendering its opinion.

Hovde's opinion is addressed to SGB's board of directors and addresses only the fairness of the Per Share Merger Consideration to be received by SGB shareholders from a financial point of view and does not address the merits of the underlying decision by SGB to enter into the Merger Agreement, the merits to the merger as compared to other alternatives potentially available to SGB or the relative effects of any alternative transaction in which SGB might engage. Hovde will be paid a fee for its services in connection with the delivery of its opinion, and will be reimbursed by SGB for certain of its expenses.

### **Interests of SGB Directors and Officers in the Merger (page 113)**

Certain of SGB's directors and officers may have interests in the merger as individuals in addition to, or different from, their interests as shareholders of SGB, including, but not limited to, (i) share issuances or cash payments in connection with the termination of their stock options; (ii) cash payments in connection with the termination of their employment agreements and separation pay plans; (iii) obligations to vote in favor of the merger; (iv) continuation of employment with Centennial; and (v) continuation of indemnification after the merger. As of August 9, 2017, the directors and executive officers of SGB and their affiliates beneficially owned and were entitled to vote approximately 1,128,578 shares of SGB common stock (excluding shares underlying options) representing approximately 7.37% of the shares of SGB common stock outstanding on that date, and a majority vote of the common stock outstanding is required to approve the Merger Proposal. See the section entitled Interests of SGB's Directors and Executive Officers in the Merger beginning on page 113 of this joint proxy statement/prospectus for a more detailed description of these interests.

HBI has agreed to indemnify present and former directors and officers of SGB and its subsidiaries against certain costs, damages or liabilities incurred in connection with claims, investigations and other actions arising out of or pertaining to matters existing or occurring at or prior to the effective time of the merger, and to provide them with director's and officer's liability insurance coverage for a period of six years following the merger, subject to a cap on the expense related to such insurance.

### **Dissenters' Rights (page 41)**

SGB shareholders are entitled to appraisal rights under the Florida Statutes Section 658.44, a copy of which is attached as **Appendix D** to this joint proxy statement/prospectus. Those rights, if properly exercised, will allow a shareholder who does not wish to accept the consideration provided for by the Merger Agreement instead to obtain payment in cash of the fair value of the shareholder's shares of SGB common stock. If you wish to assert dissenters' rights, you (i) must vote against the approval of the Merger Proposal or (ii) must deliver to SGB, at or prior to the

SGB special meeting, written notice of your intent to demand payment for your shares if

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the proposed merger is consummated and you must not vote for approval of the Merger Proposal. The procedure for dissenting is described in more detail in The Merger section under the heading Dissenters' Rights.

HBI shareholders are not entitled to any appraisal or dissenters' rights.

## **Regulatory Matters (page 42)**

Each of HBI and SGB has agreed to use its reasonable best efforts to obtain all regulatory approvals or make all regulatory notifications required to complete the merger and the other transactions contemplated by the Merger Agreement. These approvals and notifications include approval from or notifications to the Federal Reserve Board, the Arkansas State Bank Department, the FDIC and the Florida Division of Banking, among others. HBI and SGB have filed, or are in the process of filing, applications and notifications to obtain the required regulatory approvals. There can be no assurances that any such approvals will be received on a timely basis, or as to the ability of HBI and SGB to obtain the approvals on satisfactory terms or the absence of litigation challenging such approvals. See The Merger Regulatory Approvals and Notifications.

## **Conditions to Completion of the Merger (page 84)**

Currently, HBI and SGB expect to complete the merger in the third quarter of 2017. As more fully described in this joint proxy statement/prospectus and in the Merger Agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party.

## **Termination of the Merger Agreement (page 85)**

The Merger Agreement can be terminated at any time prior to completion of the merger by the following parties in the following circumstances:

by either party if the merger is not completed by the first anniversary of the date of the Merger Agreement, provided that this termination right is not available to a party whose failure to fulfill any obligation under the Merger Agreement shall have caused the failure of the closing date to occur on or prior to such first anniversary date;

by either party in the event of a material breach by the other party of a representation or warranty or obligation contained in the Merger Agreement, which breach cannot be or has not been cured within 45 days after the giving of written notice to the breaching party of such breach, and which breach or breaches would result in a failure to satisfy any applicable closing condition;

by either party if final action has been taken by a regulatory agency whose approval is required for the merger, which final action has become final and non-appealable and does not approve the merger, or a governmental authority enacts a law or judgment which would make the merger illegal;

by HBI if the SGB board fails to make recommendation to SGB shareholders to approve the Merger Agreement, or SGB has materially breached its covenant not to solicit alternative acquisition proposals;

by SGB if the HBI board fails to make recommendation to HBI shareholders to approve the Merger Agreement, including the issuance of HBI common stock, or HBI has materially breached an obligation in respect of the HBI shareholder meeting;

by either party if (i) the SGB shareholders fail to approve the Merger Agreement or (ii) if the HBI shareholders fail to approve the Merger Agreement, including the issuance of HBI common stock, provided that this termination right is not available to a party whose failure to fulfill any obligation under the Merger Agreement shall have caused the failure to obtain such approval;

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by either party if the volume-weighted average per share closing price of HBI common stock as reported on Nasdaq for any 20 consecutive trading days between June 30, 2017, and the trading day three business days prior to the closing date is below \$21.11, provided that a party's right to terminate the Merger Agreement based on such stock price is exercisable only within ten days of the date of any occasion on which such termination right arises; or

by HBI if fifteen percent or more of the outstanding shares of Stonegate common stock are appraisal shares.

### **Expenses and Termination Fees (page 85)**

Except for the registration fee and other fees paid to the SEC in connection with the merger, which will be paid by HBI, and any termination fees, all fees and expenses incurred in connection with the merger (including the costs and expense of printing and mailing this joint proxy statement/prospectus) will be paid by the party incurring such fees or expenses.

SGB is required to pay HBI a termination fee of \$36 million if the Merger Agreement is terminated by HBI because (i) the board of directors of SGB failed to recommend the merger to its shareholders or has withdrawn, qualified or modified such recommendation or proposed to withdraw, qualify or modify such recommendation; or (ii) SGB materially breached any of the provisions of the Merger Agreement with respect to obtaining shareholder approval of the merger or soliciting acquisition proposals.

### **Matters to Be Considered at the HBI Special Meeting (page 101)**

HBI shareholders will be asked to vote on the following proposals:

the Share Issuance Proposal and

the HBI Adjournment Proposal.

Approval of the Share Issuance Proposal is required for the completion of the merger. HBI's board of directors recommends that HBI shareholders vote **FOR** the proposals set forth above. For further discussion of the HBI special meeting, see HBI Special Meeting of Shareholders.

Approval of the Share Issuance Proposal requires an affirmative vote by the holders of at least a majority of the outstanding shares of common stock of HBI represented at the meeting.

### **Matters to Be Considered at the SGB Special Meeting (page 105)**

SGB shareholders will be asked to vote on the following proposals:

the Merger Proposal;

the Compensation Proposal; and

the SGB Adjournment Proposal

Approval of the Merger Proposal is required for the completion of the merger. SGB's board of directors recommends that SGB shareholders vote **FOR** the proposals set forth above. For further discussion of the SGB special meeting, see SGB Special Meeting of Shareholders.

Approval of the Merger Proposal requires an affirmative vote by the holders of at least a majority of the outstanding shares of common stock of SGB outstanding and entitled to vote thereon. Certain directors and officers have entered into voting agreements pursuant to which they agreed to vote 1,126,325 shares, and any shares received upon exercise of options, in favor of the merger, subject to certain exceptions.

## **Table of Contents**

These shares represent approximately 7.36% of the SGB common stock entitled to vote at the SGB special meeting (based on the number of shares of SGB common stock outstanding on the date the Merger Agreement was signed).

### **Rights of SGB Shareholders Will Change as a Result of the Merger (page 93)**

The rights of SGB shareholders are governed by Florida law and by SGB's articles of incorporation and bylaws. Upon the completion of the merger, SGB shareholders will no longer have any direct interest in SGB. Those SGB shareholders receiving shares of HBI common stock as merger consideration will only participate in the combined company's future earnings and potential growth through their ownership of HBI common stock. All of the other incidents of direct stock ownership in SGB will be extinguished upon completion of the merger. The rights of former SGB shareholders that become HBI shareholders will be governed by Arkansas law and HBI's articles of incorporation and bylaws. Therefore, SGB shareholders that receive HBI common stock in the merger will have different rights once they become HBI shareholders. See [Comparison of Rights of Holders of HBI and SGB Common Stock](#) beginning on page 93.

### **Litigation Relating to the Merger (page 70)**

On July 11, 2017, a putative class action was filed in an Arkansas state court on behalf of HBI's stockholders, naming HBI and its directors as defendants and alleging a breach of a fiduciary duty of candor. The plaintiffs seek, among other things, an order enjoining completion of the merger, and an award of costs and attorneys' fees. For more information, see [The Merger](#) [Litigation Relating to the Merger](#).

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL DATA OF SGB**

Set forth below are highlights from SGB's consolidated financial data as of and for the three and six months ended June 30, 2017 and 2016 and as of and for the years ended December 31, 2012 through 2016. The results of operations for the three and six months ended June 30, 2017 and June 30, 2016 are not necessarily indicative of the results of operations for the full year or any other interim period. SGB management prepared the unaudited information on the same basis as it prepared SGB's audited consolidated financial statements. In the opinion of SGB management, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. You should read this information in conjunction with SGB's consolidated financial statements and related notes included in its Annual Report on Form 10-K for the year ended December 31, 2016 and its Quarterly Report on Form 10-Q for the six months ended June 30, 2017, each of which is incorporated herein by reference in this document and from which this information is derived. See "Where You Can Find More Information" in the forepart of this registration statement and "Documents Incorporated by Reference" on page 118.

**Summary Consolidated Financial Data**

	<b>As of or for the Three Months Ended June 30,</b>		<b>As of or for the Six Months Ended June 30,</b>		<b>As of or for the Years Ended December 31,</b>				
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>(Dollars and shares in thousands, except per share data)</b>									
<b>Income statement data:</b>									
Total interest income	\$ 30,553	\$ 24,076	\$ 59,934	\$ 47,114	\$ 101,720	\$ 93,887	\$ 62,469	\$ 42,816	\$ 43,016
Total interest expense	3,789	2,488	7,283	4,889	10,835	8,439	7,261	6,672	7,437
Net interest income	26,764	21,588	52,651	42,225	90,885	85,448	55,208	36,144	35,579
Provision for loan losses	600		1,200	193	193	1,693	(1,050)	2,444	4,378
Net interest income after provision for loan losses	26,164	21,588	51,451	42,032	90,692	83,755	56,258	33,700	31,201
Non-interest income	2,918	1,745	4,995	4,029	8,590	7,304	4,720	5,311	6,501
Non-interest expense	16,325	12,800	31,443	25,336	56,022	51,538	41,363	24,404	23,154
Income before	12,757	10,533	25,003	20,725	43,260	39,521	19,615	14,607	14,548



income taxes									
Provision for income taxes	4,433	3,616	8,685	6,915	14,325	14,362	6,833	5,290	5,466
Net income	8,324	6,917	16,318	13,810	28,935	25,159	12,782	9,317	9,082
Preferred stock dividend						58	128		
Net income available to common shareholders	\$ 8,324	\$ 6,917	\$ 16,318	\$ 13,810	\$ 28,935	\$ 25,101	\$ 12,654	\$ 9,317	\$ 9,082
<b>Per share data:</b>									
Basic earnings per common share	\$ 0.54	\$ 0.54	\$ 1.09	\$ 1.08	\$ 2.19	\$ 1.99	\$ 1.26	\$ 1.13	\$ 1.10
Diluted earnings per common share	0.53	0.52	1.06	1.05	2.14	1.94	1.22	1.10	1.08
Book value per common share	27.27	23.09	27.27	23.09	24.89	22.16	19.61	15.96	15.38
<b>Selected Operating Ratios:</b>									
Return on average assets	1.07%	1.11%	1.07%	1.12%	1.12%	1.10%	0.76%	0.87%	0.99%
Return on average stockholder s equity	8.03	9.14	8.33	9.26	9.29	9.17	6.64	7.22	7.38
Net interest margin <sup>(1)</sup>	3.84	3.97	3.87	3.94	3.86	4.15	3.64	3.71	4.29

(1) Fully tax equivalent

**Table of Contents****Summary Consolidated Financial Data    Continued**

	<b>As of or for the Three Months Ended June 30,</b>		<b>As of or for the Six Months Ended June 30,</b>		<b>As of or for the Years Ended December 31,</b>			
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>(Dollars and shares in thousands, except per share data)</b>								
<b>Asset</b>								
<b>a,</b>								
<b>Asset</b>								
<b>ios:</b>								
s	13.34%	12.35%	13.34%	12.35%	12.24%	11.87%	11.67%	11.74%
le assets	10.74	10.41	10.74	10.41	10.24	9.86	10.74	11.65
ing								
oans	0.45	0.21	0.45	0.21	0.38	0.36	0.30	0.82
ing								
assets	0.49	0.20	0.49	0.20	0.39	0.34	0.23	0.78
or loan								
performing	176.44	453.54	176.44	453.54	220.76	273.56	454.74	261.12
offs								
/average								
	0.01	(0.01)	0.01	(0.01)	(0.03)	0.01	(0.03)	0.14
y-out	14.73	15.38	15.01	15.33	14.95	10.52	12.73	14.15
<b>et data (period end):</b>								
	\$ 3,133,188	\$ 2,404,139	\$ 3,133,188	\$ 2,404,139	\$ 2,901,602	\$ 2,380,438	\$ 1,723,294	\$ 1,119,984
ets	3,042,061	2,351,977	3,042,061	2,351,977	2,836,964	2,327,454	1,705,430	1,118,883
	2,460,365	1,964,112	2,460,365	1,964,112	2,274,936	1,857,570	1,309,322	812,009
or loan								
	19,848	18,595	19,848	18,595	18,888	18,149	16,630	17,307
eld to								
	108,803	108,139	108,803	108,139	116,529	106,619	81,627	71,639
available								
nd other								
assets	91,127	52,162	91,127	52,162	64,638	52,984	17,864	1,101
	2,623,067	2,034,212	2,623,067	2,034,212	2,447,826	2,024,367	1,452,194	935,477
bearing								
	609,656	424,706	609,656	424,706	506,795	392,230	234,981	181,281
s equity	417,825	296,961	417,825	296,961	355,113	282,564	201,115	131,462
ckholders								
	326,698	244,799	326,698	244,799	290,475	229,580	183,251	130,361
<b>os:</b>								
io	10.68%	10.37%	10.68%	10.37%	9.98%	9.99%	10.96%	11.93%

uity								
l	11.53	11.13	11.53	11.13	11.09	11.00	NA	NA
ased								
	11.53	11.13	11.53	11.13	11.09	11.00	13.03	15.25
ased								
	12.53	11.96	12.53	11.96	12.13	11.86	14.20	16.51

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL DATA OF HBI**

Set forth below are highlights from HBI's consolidated financial data as of and for the three and six months ended June 30, 2017 and 2016 and as of and for the years ended December 31, 2012 through 2016. The results of operations for the three and six months ended June 30, 2017 and June 30, 2016 are not necessarily indicative of the results of operations for the full year or any other interim period. HBI management prepared the unaudited information on the same basis as it prepared HBI's audited consolidated financial statements. In the opinion of HBI management, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. You should read this information in conjunction with HBI's consolidated financial statements and related notes included in its Annual Report on Form 10-K for the year ended December 31, 2016 and its Quarterly Report on Form 10-Q for the six months ended June 30, 2017, each of which is incorporated herein by reference in this document and from which this information is derived. See "Where You Can Find More Information" in the forepart of this registration statement and "Documents Incorporated by Reference" on page 118.

**Summary Consolidated Financial Data**

	<b>As of or for the Three Months Ended June 30,</b>		<b>As of or for the Six Months Ended June 30,</b>		<b>As of or for the Years Ended December 31,</b>				
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>(Dollars and shares in thousands, except per share data)</b>									
<b>Income Statement Data:</b>									
Total interest income	\$ 122,863	\$ 108,490	\$ 237,357	\$ 213,774	\$ 436,537	\$ 377,436	\$ 335,888	\$ 217,126	\$ 177,135
Total interest expense	15,511	7,449	25,190	14,676	30,579	21,724	18,870	14,531	21,535
Net interest income	107,352	101,041	212,167	199,098	405,958	355,712	317,018	202,595	155,600
Provision for loan losses	387	5,692	4,301	11,369	18,608	25,164	22,664	5,180	2,750
Net interest income after provision for loan losses	106,965	95,349	207,866	187,729	387,350	330,548	294,354	197,415	152,850
Non-interest income	24,417	21,772	50,887	41,209	87,051	65,498	44,762	40,365	47,969
Non-interest expense	51,003	47,587	106,144	93,235	191,755	177,555	161,943	133,307	102,368
Income before income taxes	80,379	69,534	152,609	135,703	282,646	218,491	177,173	104,473	98,451
Provision for income taxes	30,282	26,025	55,656	50,767	105,500	80,292	64,110	37,953	35,429

Net income	\$ 50,097	\$ 43,509	\$ 96,953	\$ 84,936	\$ 177,146	\$ 138,199	\$ 113,063	\$ 66,520	\$ 63,022
<b>Per share data:</b>									
Basic earnings per common share	\$ 0.35	\$ 0.31	\$ 0.68	\$ 0.61	\$ 1.26	\$ 1.01	\$ 0.86	\$ 0.58	\$ 0.56
Diluted earnings per common share	0.35	0.31	0.68	0.60	1.26	1.01	0.85	0.57	0.56
Book value per common share	10.32	9.01	10.32	9.01	9.45	8.55	7.51	6.46	4.59
Dividends per common share	0.0900	0.0875	0.1800	0.1625	0.3425	0.275	0.175	0.145	0.145
Average common shares outstanding	143,282	140,382	142,538	140,386	140,418	136,615	131,902	115,816	112,548
Average diluted shares outstanding	144,116	140,608	143,270	140,667	140,713	137,130	132,662	116,504	113,260
<b>Performance ratios:</b>									
Return on average assets	1.86%	1.83%	1.86%	1.81%	1.85%	1.68%	1.63%	1.43%	1.58%
Return on average common equity	13.83	14.11	13.84	13.94	14.08	12.77	12.34	11.27	12.75
Net interest margin <sup>(1)</sup>	4.50	4.83	4.60	4.82	4.81	4.98	5.37	5.19	4.70
Efficiency ratio <sup>(2)</sup>	37.48	37.52	39.12	37.51	37.65	40.44	42.67	52.44	47.88
<b>Asset quality:</b>									
Non-performing assets to total assets	0.60%	0.81%	0.60%	0.81%	0.81%	0.89%	1.18%	1.84%	3.55%
Non-performing loans to total loans	0.60	0.85	0.60	0.85	0.85	0.96	1.23	1.66	3.61
Allowance for loan losses to non-performing loans	170.99	124.61	170.99	124.61	126.74	109.00	88.65	59.12	51.59
Net charge-offs to average total loans	0.03	0.21	0.11	0.18	0.11	0.22	0.22	0.51	0.41



**Table of Contents****Summary Consolidated Financial Data    Continued**

	As of or for the Three Months Ended June 30,		As of or for the Six Months Ended June 30,		As of or for the Years Ended December 31,			
	2017	2016	2017	2016	2016	2015	2014	2013
	(Dollars and shares in thousands, except per share data)							
Net income	\$ 10,872,228	\$ 9,582,126	\$ 10,872,228	\$ 9,582,126	\$ 9,808,465	\$ 9,289,122	\$ 7,403,272	\$ 6,811,861
Net sales	1,400,431	1,221,778	1,400,431	1,221,778	1,072,920	1,206,580	1,067,287	1,175,484
Net interest income	254,161	287,725	254,161	287,725	284,176	309,042	356,790	114,621
Net interest expense	7,834,475	7,022,156	7,834,475	7,022,156	7,387,699	6,641,571	5,057,502	4,476,953
Net interest income before provision for loan losses	80,138	74,341	80,138	74,341	80,002	69,224	55,011	43,815
Net interest income after provision for loan losses	441,960	397,818	441,960	397,818	396,294	399,426	346,348	324,034
Net income before income taxes	1,957,677	1,645,472	1,957,677	1,645,472	1,695,184	1,456,624	1,203,306	991,161
Net income after income taxes	7,767,388	6,712,948	7,767,388	6,712,948	6,942,427	6,438,509	5,423,971	5,393,046
Net income (loss) attributable to common stockholders (including non-cumulative preferred stock)	357,838	60,826	357,838	60,826	60,826	60,826	60,826	60,826
Net income (loss) attributable to common stockholders (excluding non-cumulative preferred stock)	1,476,032	1,264,915	1,476,032	1,264,915	1,327,490	1,199,757	1,015,292	840,955
Return on assets	13.58%	13.20%	13.58%	13.20%	13.53%	12.92%	13.71%	12.35%
Return on equity	11.79	10.57	11.79	10.57	11.30	10.50		
Return on capital	10.54	10.07	10.54	10.07	10.63	9.91	10.31	9.38
Return on assets (excluding non-cumulative preferred stock)	12.47	11.29	12.47	11.29	12.01	11.26	12.55	10.88
Return on equity (excluding non-cumulative preferred stock)	16.78	12.20	16.78	12.20	12.97	12.16	13.51	11.75
Return on assets (excluding non-cumulative preferred stock and non-interest income)	25.75	28.23	26.37	26.87	27.15	27.19	20.49	25.51

(1) Fully taxable equivalent (assuming an income tax rate of 39.225%).

(2) The efficiency ratio is calculated by dividing non-interest expense less amortization of core deposit intangibles by the sum of net interest income on a tax equivalent basis and non-interest income.

- (3) Leverage ratio is Tier 1 capital to quarterly average total assets less intangible assets and gross unrealized gains/losses on available-for-sale investment securities.



**Table of Contents****UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL INFORMATION**

The following unaudited pro forma combined consolidated financial information and explanatory notes present how the combined financial statements of HBI and SGB may have appeared had the businesses actually been combined. The unaudited pro forma combined consolidated financial information shows the impact of the merger of HBI and SGB on the companies' respective historical financial positions and results of operations under the acquisition method of accounting with HBI treated as the acquiror. Under this method of accounting, the assets and liabilities of SGB will be recorded by HBI at their estimated fair values as of the date the merger is completed. The unaudited pro forma combined consolidated balance sheet gives effect to the merger as if the transaction had occurred on June 30, 2017. The unaudited pro forma combined consolidated statements of income for the six months ended June 30, 2017 and for the year ended December 31, 2016 give effect to the merger as if these transactions had been completed on January 1, 2016. The unaudited pro forma combined selected financial data is derived from such balance sheets and statements of income.

According to the terms of the Merger Agreement which was announced on March 27, 2017, the SGB shareholders will receive approximately \$699.7 million of HBI common stock plus approximately \$50.0 million in cash assuming that 15,301,388 shares of SGB stock are outstanding at closing (which is equal to the number of shares outstanding when the Merger Agreement was signed). Based upon that number of shares of SGB common stock outstanding at closing, the Per Share Merger Consideration will be valued at \$49.00 per share, consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73. The number of shares of HBI common stock issuable for each share of SGB common stock will be based on the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days ending on the third business day prior to the date the merger closes, subject to the following collar. If the 20-day volume-weighted average closing price of HBI common stock ending three business days prior to the closing date is equal to or greater than \$35.19 or is equal to or below \$22.52, then the price used to determine the number of shares of HBI common stock issuable for each share of SGB common stock will be fixed at \$35.19 or \$22.52, respectively. The unaudited pro forma combined consolidated financial information set forth below and the explanatory notes that follow are based upon assumptions that 15,319,888 shares of SGB common stock (the number of shares outstanding as of August 9, 2017) are outstanding on the closing date of the merger and that the HBI Average Closing Price is equal to \$24.94 per share (the HBI Average Closing Price as of August 9, 2017).

The unaudited pro forma combined consolidated financial information has been derived from and should be read in conjunction with the historical consolidated financial statements and the related notes of both HBI and SGB which are incorporated by reference in this joint proxy statement/prospectus as of and for the periods indicated. See **Where You Can Find More Information** in the forepart of this document and **Documents Incorporated By Reference** on page 118.

The unaudited pro forma combined consolidated financial information is presented for illustrative purposes only and does not indicate the financial results of the combined company had the companies actually been combined at the beginning of the period presented and had the impact of possible revenue enhancements and expense efficiencies, among other factors, been considered and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during this period. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma combined consolidated financial information, the preliminary determination of fair values of SGB's assets acquired and liabilities assumed reflected in the pro forma combined consolidated financial information are subject to adjustment and may vary from the actual fair values assigned that will be recorded upon completion of the merger. Subsequent to the completion of the merger, HBI will finalize its determination of the fair values of the acquired assets and assumed liabilities, which could significantly change both the amount and the composition of these estimated purchase accounting adjustments.



**Table of Contents****Unaudited Pro Forma Combined Consolidated Balance Sheet****As of June 30, 2017**

	<b>Home BancShares, Inc.</b>	<b>Stonegate Bank</b>	<b>Pro Forma Adjustments (In thousands)</b>	<b>Pro Forma Combined</b>
<b>Assets</b>				
Cash and due from banks	\$ 147,041	\$ 125,998	\$ (50,036)(a)	\$ 223,003
Interest-bearing deposits with other banks	313,447	199,316		512,763
Cash and cash equivalents	460,488	325,314	(50,036)	735,766
Federal funds sold		30,000		30,000
Investment securities available for sale	1,400,431		109,132(b)	1,509,563
Investment securities held to maturity	254,161	108,803	(108,803)(b)	254,161
Loans receivable	7,834,475	2,460,365	(73,811)(c)	10,221,029
Allowance for loan losses	(80,138)	(19,848)	19,848(d)	(80,138)
Loans receivable, net	7,754,337	2,440,517	(53,963)	10,140,891
Bank premises and equipment, net	207,071	39,505		246,576
Foreclosed assets held for sale	18,789	4,211	(1,263)(e)	21,737
Cash value of life insurance	97,684	47,729		145,413
Accrued interest receivable	32,445	5,312		37,757
Deferred tax asset, net	68,368	26,655	27,308(f)	122,331
Goodwill	420,941	80,074	384,700(g)	885,715
Core deposit and other intangibles	21,019	11,053	13,291(h)	45,363
Other assets	136,494	14,015		150,509
<b>Total assets</b>	<b>\$ 10,872,228</b>	<b>\$ 3,133,188</b>	<b>\$ 320,366</b>	<b>\$ 14,325,782</b>
<b>Liabilities and Stockholders Equity</b>				
<b>Liabilities</b>				
Deposits:				
Demand and non-interest-bearing	\$ 1,957,677	\$ 609,656	\$	\$ 2,567,333
Savings and interest-bearing transaction accounts	4,335,456	1,824,730		6,160,186
Time deposits	1,474,255	188,681		1,662,936
Total deposits	7,767,388	2,623,067	(i)	10,390,455
Securities sold under agreements to repurchase	133,741	32,429		166,170
FHLB borrowed funds	1,099,478	35,717	500(j)	1,135,695
Accrued interest payable and other liabilities	37,751	15,861	37,959(k)	91,571
Subordinated debentures	357,838	8,289		366,127
<b>Total liabilities</b>	<b>9,396,196</b>	<b>2,715,363</b>	<b>38,459</b>	<b>12,150,018</b>

**Stockholders equity**

Preferred stock				
Common stock	1,431	76,613	281(a)	1,712
			(76,613)(l)	
Capital surplus	940,821	230,389	699,451(a)	1,640,272
			(230,389)(l)	
Retained earnings	527,338	111,682	(111,682)(l)	527,338
Accumulated other comprehensive income (loss)	6,442	(846)	846(l)	6,442
Less: Treasury stock		(13)	13(l)	
<b>Total stockholders equity</b>	<b>1,476,032</b>	<b>417,825</b>	<b>281,907</b>	<b>2,175,764</b>

<b>Total liabilities and stockholders equity</b>	<b>\$ 10,872,228</b>	<b>\$ 3,133,188</b>	<b>\$ 320,366</b>	<b>\$ 14,325,782</b>
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(See accompanying notes to Unaudited Pro Forma Combined Consolidated Financial Statements)

**Table of Contents****Unaudited Pro Forma Combined Consolidated Income Statement****For the Six Months Ended June 30, 2017**

<b>(In thousands, except per share data)</b>	<b>Home BancShares, Inc.</b>	<b>Stonegate Bank</b>	<b>Pro Forma Adjustments</b>	<b>Pro Forma Combined</b>
<b>Interest income</b>				
Loans	\$ 218,494	\$ 57,634	\$ 5,260(m)	\$ 281,388
Investment securities	17,822	868		18,690
Deposits other banks	1,035	1,179		2,214
Federal funds sold	6	158		164
Total interest income	237,357	59,839	5,260	302,456
<b>Interest expense</b>				
Interest on deposits	12,296	6,427		18,723
Federal funds purchased		3		3
FHLB borrowed funds	7,299	368		7,667
Securities sold under agreements to repurchase	361	188		549
Subordinated debentures	5,234	297		5,531
Total interest expense	25,190	7,283		32,473
<b>Net interest income</b>	212,167	52,556	5,260	269,983
Provision for loan losses	4,301	1,200		5,501
<b>Net interest income after provision for loan losses</b>	207,866	51,356	5,260	264,482
<b>Non-interest income</b>				
Service charges on deposit accounts	11,948	1,632		13,580
Other service charges and fees	17,493	1,236		18,729
Trust fees	765			765
Mortgage lending income	6,541	369		6,910
Insurance commissions	1,010			1,010
Increase in cash value of life insurance	773	607		1,380
Dividends from FHLB, FRB, bankers bank & other	1,621	95		1,716
Gain on acquisitions	3,807			3,807
Gain on sale of SBA loans	575			575
Gain (loss) on sale of branches, equipment and other assets, net	375	169		544
Gain (loss) on OREO, net	514	(39)		475
Gain (loss) on securities, net	803			803
FDIC indemnification accretion/(amortization), net				
Other income	4,662	1,021		5,683

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Total non-interest income	50,887	5,090		55,977
<b>Non-interest expense</b>				
Salaries and employee benefits	55,455	17,181		72,636
Occupancy and equipment	13,715	4,733		18,448
Data processing expense	5,586	1,403		6,989
Other operating expenses	29,718	7,088		36,806
Core deposit intangible amortization	1,670	1,038	(373)(n)	2,335
Total non-interest expense	106,144	31,443	(373)	137,214
<b>Income before income taxes</b>	152,609	25,003	5,633	183,245
Income tax expense	55,656	8,685	2,210(o)	66,551
<b>Net income</b>	\$ 96,953	\$ 16,318	\$ 3,423	\$ 116,694
<b>Basic earnings per common share</b>	\$ 0.68	\$ 1.09		\$ 0.68
<b>Diluted earnings per common share</b>	\$ 0.68	\$ 1.06		\$ 0.68
Average common shares outstanding	142,538		28,091(p)	170,629
Average diluted shares outstanding	143,270		28,091(p)	171,361
(See accompanying notes to Unaudited Pro Forma Combined Consolidated Financial Statements)				

**Table of Contents****Unaudited Pro Forma Combined Consolidated Income Statement****For the Year Ended December 31, 2016**

	<b>Home BancShares, Inc.</b>	<b>Stonegate Bank</b>	<b>Pro Forma Adjustments</b>	<b>Pro Forma Combined</b>
<b>(In thousands, except per share data)</b>				
<b>Interest income</b>				
Loans	\$ 403,394	\$ 98,635	\$ 10,520(m)	\$ 512,549
Investment securities	32,663	1,772		34,435
Deposits other banks	471	951		1,422
Federal funds sold	9	362		371
 Total interest income	 436,537	 101,720	 10,520	 548,777
<b>Interest expense</b>				
Interest on deposits	15,926	9,776		25,702
Federal funds purchased	2			2
FHLB borrowed funds	12,484	543		13,027
Securities sold under agreements to repurchase	574	362		936
Subordinated debentures	1,593	154		1,747
 Total interest expense	 30,579	 10,835		 41,414
 <b>Net interest income</b>	 405,958	 90,885	 10,520	 507,363
Provision for loan losses	18,608	193		18,801
 <b>Net interest income after provision for loan losses</b>	 387,350	 90,692	 10,520	 488,562
<b>Non-interest income</b>				
Service charges on deposit accounts	25,049	2,901		27,950
Other service charges and fees	30,200	1,463		31,663
Trust fees	1,457			1,457
Mortgage lending income	14,399	556		14,955
Insurance commissions	2,296			2,296
Increase in cash value of life insurance	1,412	1,157		2,569
Dividends from FHLB, FRB, bankers bank & other	3,091			3,091
Gain on acquisitions				
Gain on sale of SBA loans	1,088			1,088
Gain (loss) on sale of premises & equip, net	700			700
Gain (loss) on OREO, net	(554)	303		(251)
Gain (loss) on securities, net	669			669
FDIC indemnification accretion/(amortization), net	(772)			(772)
Other income	8,016	2,210		10,226

Total non-interest income	87,051	8,590		95,641
<b>Non-interest expense</b>				
Salaries and employee benefits	101,962	30,299		132,261
Occupancy and equipment	26,129	8,903		35,032
Data processing expense	10,499	3,177		13,676
Other operating expenses	50,033	11,924		61,957
Core deposit intangible amortization	3,132	1,719	729(n)	5,580
Total non-interest expense	191,755	56,022	729	248,506
<b>Income before income taxes</b>	282,646	43,260	9,791	335,697
Income tax expense	105,500	14,325	3,841(o)	123,666
<b>Net income</b>	177,146	28,935	5,950	212,031
Preferred stock dividends				
<b>Net income available to common shareholders</b>	\$ 177,146	\$ 28,935	\$ 5,950	\$ 212,031
<b>Basic earnings per common share</b>	\$ 1.26	\$ 2.19		\$ 1.26
<b>Diluted earning per common share</b>	\$ 1.26	\$ 2.14		\$ 1.26
<b>Average common shares outstanding</b>	140,418		28,091(p)	168,509
<b>Average diluted shares outstanding</b>	140,713		28,091(p)	168,804

(See accompanying notes to Unaudited Pro Forma Combined Consolidated Financial Statements)



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**Notes to Unaudited Pro Forma Combined Consolidated Financial Statements**

**Note 1. Basis of Presentation**

The unaudited pro forma combined consolidated financial statements and explanatory notes show the impact on the historical financial condition and results of operations of HBI resulting from the SGB acquisition under the acquisition method of accounting. Under the acquisition method of accounting, the assets and liabilities of SGB are recorded by HBI at their respective fair values as of the date the transaction is completed. The unaudited pro forma combined consolidated balance sheets combine the historical financial information of HBI as of June 30, 2017, and assume that the SGB acquisition was completed on that date. The unaudited pro forma combined consolidated statements of income for the six months ended June 30, 2017 and for the year ended December 31, 2016, give effect to the SGB acquisition as if the transactions had been completed on January 1, 2016.

Since the transactions are recorded using the acquisition method of accounting, all loans are recorded at fair value, including adjustments for credit quality, and no allowance for credit losses is carried over to HBI balance sheet. In addition, certain anticipated nonrecurring costs associated with the SGB acquisition such as potential severance, professional fees, legal fees and conversion-related expenditures are not reflected in the pro forma statements of income and will be expensed as incurred.

While the recording of the acquired loans at their fair value will impact the prospective determination of the provision for credit losses and the allowance for credit losses, for purposes of the unaudited pro forma combined consolidated statement of income for the six months ended June 30, 2017 and for the year ended December 31, 2016, HBI assumed no adjustments to the historical amount of SGB's provision for credit losses. If such adjustments were estimated, there could be a significant change to the historical amounts of provision for credit losses presented.

**Note 2. Merger and Acquisition Integration Costs**

The retail branch operations, commercial lending activities, along with all other operations of SGB will be integrated into Centennial. The operation integration and the system conversion for SGB are scheduled for the first quarter of 2018.

The specific details of the plan to integrate the operations of SGB will continue to be refined over the next several months, and will include assessing personnel, benefit plans, premises, equipment and service contracts to determine where we may take advantage of redundancies. Certain decisions arising from these assessments may involve involuntary termination of employees, vacating leased premises, changing information systems, canceling contracts with certain service providers, and selling or otherwise disposing of certain premises, furniture and equipment. HBI also expects to incur merger-related costs including professional fees, legal fees, system conversion costs and costs related to communications with customers and others. To the extent there are costs associated with these actions, the costs will be recorded based on the nature of the cost and the timing of these integration actions.

**Note 3. Estimated Annual Cost Savings**

HBI expects to realize cost savings and to generate revenue enhancements from the SGB acquisition. Cost savings for SGB are projected at 34% of non-interest expense and are estimated to be \$20.8 million, on a pre-tax basis, and \$12.7 million, net of taxes, resulting in an increase of \$0.07 to basic and diluted earnings per share. These cost savings and revenue enhancements are not reflected in the pro forma combined consolidated financial statements, and there can be no assurance they will be achieved in the amount or manner currently contemplated.



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**Note 4. Pro Forma Adjustments**

The following pro forma adjustments have been reflected in the unaudited pro forma combined consolidated financial statements presented for SGB. All adjustments are based on current assumptions and valuations, which are subject to change. Unless otherwise noted, all adjustments are based on assumptions and valuations as of the merger agreement dates for the respective pending acquisitions and are subject to change.

- (a) This represents the estimated merger consideration of \$749.8 million, consisting of \$699.7 million in common stock of HBI and \$50.0 million in cash. The following unaudited pro forma information assumes an average closing price of HBI Common stock of \$24.94 per share. Accordingly, applying this assumption, each share of Stonegate common stock will be converted into the right to receive HBI common stock plus cash in lieu of fractional shares, resulting in an aggregate of approximately 28 million shares.
- (b) This represents the recording of the mark-to-market adjustment on SGB's held-to-maturity investment portfolio and the reclassification of SGB's held-to-maturity portfolio to HBI's available-for-sale portfolio.
- (c) This adjustment represents HBI's estimate of the necessary write down of SGB's loan portfolio to estimated fair value.
- (d) This adjustment represents the elimination of SGB's allowance for loan losses as part of the purchase accounting adjustments.
- (e) This adjustment represents HBI's estimate of the necessary write down of SGB's foreclosed assets due to the manner in which these assets would be resolved by the acquirer.
- (f) This adjustment is for the current and deferred income tax assets and liabilities recorded to reflect the differences in the carrying values of the acquired assets and assumed liabilities for financial reporting purposes and the cost basis for federal income tax purposes at HBI's statutory federal and state income tax rate of 39.225%.

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- (g) The consideration paid for SGB exceeded the fair value of the assets received; therefore HBI recorded \$464.8 million of goodwill.

	<b>Stonegate Bank</b>
Fair value of common shares issued	\$ 699,732
Cash consideration	50,036
<b>Total pro forma purchase price</b>	<b>\$ 749,768</b>
Fair value of assets acquired:	
Cash and cash equivalents	\$ 125,998
Interest-bearing deposits with other banks	199,316
Federal funds sold	30,000
Investment securities	109,132
Loans receivable, net	2,386,554
Bank premises and equipment, net	39,505
Foreclosed assets held for sale	2,948
Cash value of life insurance	47,729
Accrued interest receivable	5,312
Deferred tax asset, net	53,963
Core deposit and other intangibles	24,344
Other assets	14,015
<b>Total assets</b>	<b>\$ 3,038,816</b>
Fair value of liabilities assumed:	
Deposits	\$ 2,623,067
Securities sold under agreements to repurchase	32,429
FHLB borrowed funds	36,217
Accrued interest payable and other liabilities	53,820
Subordinated debentures	8,289
<b>Total liabilities</b>	<b>\$ 2,753,822</b>
<b>Net assets acquired</b>	<b>\$ 284,994</b>
<b>Preliminary pro forma goodwill</b>	<b>\$ 464,774</b>

- (h) This intangible asset represents the value of the relationships SGB had with its deposit customers. The fair value of this intangible asset was estimated based on a discounted cash flow methodology that gave appropriate consideration to expected customer attrition rates, cost of the deposit base, and the net maintenance cost attributable to customer deposits.
- (i) The fair values used for the demand and savings deposits that comprise the transaction accounts acquired, by definition equal the amount payable on demand at the acquisition date. No fair value adjustment was applied for time deposits because it is estimated the weighted average interest rate of SGB's certificates of deposits were at the current market rates.

- (j) The fair value of FHLB borrowed funds is estimated based on borrowing rates currently available to HBI for borrowings with similar terms and maturities.
- (k) This represents the accrual of certain costs including change in control and stock option agreements which are expected to be incurred in connection with the merger.
- (l) This adjustment represents the elimination of the historical equity of SGB as part of the purchase price adjustment.
- (m) Upon the completion of the merger, the Company will evaluate the acquired loan portfolio to finalize the necessary credit and interest rate fair value adjustments. Subsequently, the interest rate portion of the fair value adjustment will be accreted into earnings as an adjustment to the yield of such acquired

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loans. This adjustment represents the Company's best estimate of the expected accretion that would have been recorded in 2016 and the six month period ended June 30, 2017 assuming the merger closed on January 1, 2016. Subsequent to the closing of the transaction, the amount and timing of the estimated accretion of this purchase accounting adjustment could be revised significantly.

- (n) This represents the expected amortization during 2016 and the six month period ended June 30, 2017 of the core deposit intangible asset expected to be acquired in the merger, assuming the transaction closed on January 1, 2016. The estimated useful life of this intangible asset is estimated to be ten years. This intangible asset will be amortized using the straight-line method of amortization.
- (o) This represents income tax expense on the pro forma adjustments at HBI's statutory federal and state income tax rate of 39.225%.
- (p) Pro forma weighted average common shares outstanding assumes an average closing price of HBI's stock of \$24.94 per share resulting in 28,090,546 common shares issued for SGB.

In accordance with the Merger Agreement, SGB shareholders will receive, in exchange for each share of SGB common stock, Per Share Merger Consideration valued at \$49.00, consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73 based upon the HBI Average Closing Price (which will be not less than \$22.52 nor more than \$35.19). However, the number of shares of HBI common stock comprising the portion of the Per Share Merger Consideration to be paid in shares of HBI common stock will vary based on the HBI Average Closing Price.

The maximum number of HBI common shares to be issued based on HBI Average Closing Price of \$22.52 and 15,319,888 SGB shares outstanding is 31,108,564 shares, which results in a decrease of \$0.01 to pro forma basic and diluted earnings per common share for the six months ended June 30, 2017. The minimum number of HBI common shares to be issued based on HBI Average Closing Price of \$35.19 and 15,319,888 SGB shares outstanding is 19,908,194 shares, which results in an increase of \$0.03 to pro forma basic and diluted earnings per common share for the six months ended June 30, 2017.

**Table of Contents****COMPARATIVE PER-SHARE DATA OF HBI AND SGB (UNAUDITED)**

The following table sets forth for HBI common stock and SGB common stock certain historical, pro forma and pro forma equivalent per-share financial information at December 31, 2016 and June 30, 2017. The pro forma and pro forma equivalent per-share information gives effect to the merger as if the transaction had been effective on the dates presented, in the case of book value data, and as if the transaction had been effective on January 1, 2016 in the case of the earnings and dividend data. The pro forma information in the table assumes that the merger is accounted for under the acquisition method of accounting. The information in the following table is based on the historical financial statements of each of SGB and HBI, and should be read together with the historical financial information that SGB and HBI have presented in prior filings with the FDIC and SEC, respectively. See [Where You Can Find More Information](#) in the forepart of this document and [Documents Incorporated By Reference](#) on page 118.

The pro forma financial information is not necessarily indicative of results that would have occurred had the merger been completed on the dates indicated or that may be obtained in the future.

**As of and for the Six Months Ended June 30, 2017**

	<b>HBI</b>	<b>SGB</b>	<b>Pro forma combined <sup>(1)</sup></b>	<b>Pro forma per equivalent SGB share<sup>(3)</sup></b>
<b>Basic Earnings Per Common Share</b>	\$ 0.68	\$ 1.09	\$ 0.68	\$ 1.25
<b>Diluted Earnings Per Common Share</b>	\$ 0.68	\$ 1.06	\$ 0.68	\$ 1.25
<b>Dividends Declared Per Common Share</b>	\$ 0.18	\$ 0.16	\$ 0.18 <sup>(2)</sup>	\$ 0.33
<b>Book Value Per Common Share (at period end)</b>	\$ 10.32	\$ 27.27	\$ 12.71	\$ 23.31

**As of and for the Year Ended December 31, 2016**

	<b>HBI</b>	<b>SGB</b>	<b>Pro forma combined <sup>(1)</sup></b>	<b>Pro forma per equivalent SGB share</b>
<b>Basic Earnings Per Common Share</b>	\$ 1.26	\$ 2.19	\$ 1.26	\$ 2.31
<b>Diluted Earnings Per Common Share</b>	\$ 1.26	\$ 2.14	\$ 1.26	\$ 2.31
<b>Dividends Declared Per Common Share</b>	\$ 0.343	\$ 0.320	\$ 0.343 <sup>(2)</sup>	\$ 0.63
<b>Book Value Per Common Share (at period end)</b>	\$ 9.45	\$ 24.89	\$ 12.03	\$ 22.06

(1)

Pro forma combined amounts are calculated by adding together the historical amounts reported by HBI and SGB, as adjusted for the estimated purchase accounting adjustments to be recorded in connection with the merger and an estimated 28,090,546 shares of HBI common stock to be issued in connection with the merger based on the terms of the Merger Agreement.

- (2) Pro forma combined dividends are based on HBI's historical amounts.
- (3) The pro forma per equivalent SGB share is computed by multiplying the pro forma combined amounts by an assumed exchange ratio of 1.8336 (which would be the exchange ratio if the HBI Average Closing Price was \$24.94). The actual exchange ratio will be based on among other things, the HBI Average Closing Price, subject to the minimum and maximum amounts stated herein.



**Table of Contents****MARKET PRICE AND DIVIDEND INFORMATION**

HBI's common stock and SGB's common stock are currently listed on The NASDAQ Global Select Market under the symbols HOMB and SGBK, respectively. Set forth below are the high and low sales prices for HBI's common stock and SGB's common stock as reported by The NASDAQ Global Select Market for the two most recently completed fiscal years, the first and second fiscal quarters of the current fiscal year and the period from July 1 through August 16, 2017. Also set forth below are dividends declared per share in each of these periods:

	<b>HBI Common Stock</b>			<b>SGB Common Stock</b>		
	<b>High</b>	<b>Low</b>	<b>Dividend</b>	<b>High</b>	<b>Low</b>	<b>Dividend</b>
<b>2017</b>						
Third Quarter (through August 16, 2017)	\$ 25.86	\$ 23.63	\$ 0.1100	\$ 47.00	\$ 46.05	(1)
Second Quarter	\$ 26.40	\$ 22.82	\$ 0.0900	\$ 47.20	\$ 44.91	\$ 0.0800
First Quarter	\$ 29.45	\$ 25.87	\$ 0.0900	\$ 48.40	\$ 41.00	\$ 0.0800
<b>2016</b>						
Fourth Quarter	\$ 28.46	\$ 19.89	\$ 0.0900	\$ 42.91	\$ 33.60	\$ 0.0800
Third Quarter	\$ 23.50	\$ 18.91	\$ 0.0900	\$ 33.87	\$ 31.10	\$ 0.0800
Second Quarter	\$ 22.30	\$ 18.55	\$ 0.0875	\$ 32.27	\$ 30.31	\$ 0.0800
First Quarter	\$ 21.29	\$ 17.07	\$ 0.0750	\$ 31.95	\$ 28.40	\$ 0.0800
<b>2015</b>						
Fourth Quarter	\$ 23.26	\$ 19.80	\$ 0.0750	\$ 34.00	\$ 31.08	\$ 0.0800
Third Quarter	\$ 20.60	\$ 18.00	\$ 0.0750	\$ 32.26	\$ 29.00	\$ 0.0400
Second Quarter	\$ 18.68	\$ 16.26	\$ 0.0625	\$ 30.75	\$ 27.80	\$ 0.0400
First Quarter	\$ 17.33	\$ 14.33	\$ 0.0625	\$ 30.92	\$ 27.36	\$ 0.0400

(1) Quarterly dividend not yet declared.

The timing and amount of future dividends are at the discretion of HBI's board of directors and will depend upon its consolidated earnings, financial condition, liquidity and capital requirements, the amount of cash dividends paid to HBI by its subsidiaries, applicable government regulations and policies and other factors considered relevant by HBI's board of directors. HBI's board of directors anticipates it will continue to pay quarterly dividends in amounts determined based on the factors discussed above, but dividends may be terminated at any time and in the sole discretion of its board of directors. Capital distributions, including dividends, by HBI's subsidiaries are subject to restrictions tied to such institution's earnings. For a description of these restrictions, see the section of HBI's Annual Report on Form 10-K for the year ended December 31, 2016 entitled "Supervision and Regulation," which is incorporated by reference herein.

As of August 9, 2017, there were 142,971,132 shares of HBI common stock issued and outstanding, which were held by approximately 980 shareholders of record. As of August 9, 2017, there were 15,319,888 shares of SGB common stock outstanding, which were held by approximately 666 shareholders of record. Such numbers of shareholders do not reflect the number of individuals or institutional investors holding stock in nominee name through banks, brokerage firms and others.



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The following table presents the closing prices of SGB common stock and HBI common stock on March 27, 2017, the last trading day before the public announcement of the merger agreement, and August 16, 2017, the last practicable trading day prior to the mailing of this joint proxy statement/prospectus. The table also shows the estimated equivalent value of the Per Share Merger Consideration for each share of SGB common stock on the relevant date.

<b>Date</b>	<b>SGB Closing Price</b>	<b>HBI Closing Price</b>	<b>Exchange Ratio</b>	<b>Estimated Equivalent Per Share Value<sup>(1)</sup></b>
March 27, 2017	\$ 46.10	\$ 26.83	1.8336	52.47
August 16, 2017	46.87	24.09	1.8336	47.44

- (1) The estimated equivalent per share value represents a hypothetical Per Share Merger Consideration value to an SGB shareholder equal to the sum of (a) \$3.27 (the cash portion of the Per Share Merger Consideration) plus (b) the closing share price of HBI common stock on such dates multiplied by an assumed exchange ratio of 1.8336 (which would be the exchange ratio if the HBI Average Closing Price was \$24.94). The actual exchange ratio will be based on, among other things, the HBI Average Closing Price, subject to the minimum and maximum amounts stated herein.

The above table shows only historical comparisons. These comparisons may not provide meaningful information to SGB shareholders in determining whether to approve the Merger Agreement. SGB shareholders are urged to obtain current market quotations for shares of HBI common stock and SGB common stock and to review carefully the other information contained in this joint proxy statement/prospectus or incorporated by reference into this joint proxy statement/prospectus in considering whether to approve the Merger Agreement. The market prices of HBI common stock and SGB common stock will fluctuate between the date of this joint proxy statement/prospectus and the date of completion of the merger. No assurance can be given concerning the market prices of SGB common stock or HBI common stock before or after the effective date of the merger. Changes in the market price of HBI common stock prior to the completion of the merger will affect the market value of the merger consideration that SGB shareholders will receive upon completion of the merger.

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Some of the statements contained in this joint proxy statement/prospectus are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements relate to future events or future financial performance and include statements about the benefits of the merger, including future financial and operating results of HBI, SGB or the combined company following the merger, the combined company's plans, objectives, expectations and intentions, the expected timing of the completion of the merger, and other statements that are not historical facts. Forward-looking statements are not guarantees of performance or results. When words like may, plan, contemplate, anticipate, believe, intend, expect, project, predict, estimate, could, should, would, and similar expressions are used, you should consider identifying forward-looking statements. These forward-looking statements involve risks and uncertainties and are based on beliefs and assumptions, and on the information available at the time that these disclosures were prepared. These forward-looking statements may not be realized due to a variety of factors, including, but not limited to, the following:

the merger may not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received on a timely basis or at all;

HBI's and SGB's stock prices could change before closing of the merger due to, among other things, broader stock market movements and the performance of financial companies and peer group companies;

benefits from the merger may not be fully realized or may take longer to realize than expected, including as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations and their enforcement, and the degree of competition in the geographic and business areas in which SGB operates;

the potential impact of announcement or consummation of the proposed merger on relationships with third parties, including customers, employees, and competitors;

SGB's business may not be integrated into HBI's successfully, or such integration may take longer to accomplish than expected;

the anticipated growth opportunities and cost savings from the merger may not be fully realized or may take longer to realize than expected;

operating costs, customer losses and business disruption following the merger, including adverse developments in relationships with employees, may be greater than expected;

HBI's potential exposure to unknown or contingent liabilities of SGB;

the challenges of integrating, retaining, and hiring key personnel;

management time and effort may be diverted to the resolution of merger-related issues;

the outcome of pending or threatened litigation, or of matters before regulatory agencies, whether currently existing or commencing in the future, including litigation related to the merger;

the availability of and access to capital on terms acceptable to HBI;

changes in interest rates, which may affect HBI's and SGB's net income, prepayment penalty income, mortgage banking income, and other future cash flows, or the market value of HBI's and SGB's assets, including its investment securities;

increased regulatory requirements and supervision that will apply as a result of HBI exceeding \$10 billion in total assets;

legislation and regulation affecting the financial services industry, including as a result of initiatives of the newly elected administration of President Donald J. Trump;

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governmental monetary and fiscal policies;

the effects of terrorism and efforts to combat it;

political instability;

the ability to keep pace with technological changes, including changes regarding cybersecurity;

an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting our bank subsidiary or our customers;

the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market area and elsewhere, including institutions operating regionally, nationally and internationally, together with competitors offering banking products and services by mail, telephone and the Internet;

the effect of changes in accounting policies and practices and auditing requirements, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board, and other accounting standard setters;

higher defaults on HBI's or SGB's loan portfolio than expected; and

the failure of assumptions underlying the establishment of HBI's or SGB's allowance for loan losses or changes in their estimates of the adequacy of HBI's or SGB's allowance for loan losses.

The factors identified in this section are not intended to represent a complete list of all the factors that could adversely affect HBI's and SGB's respective business, operating results, financial condition or cash flows. Other factors not presently known to HBI or SGB or that they currently deem immaterial to their respective companies may also have an adverse effect on their business, operating results, financial condition or cash flows, and the factors they have identified could affect us to a greater extent than they currently anticipate. Many of the important factors that will determine HBI's and SGB's future financial performance and financial condition are beyond their ability to control or predict. You are cautioned not to put undue reliance on any forward-looking statements, which speak only as of the date they are made. See "Risk Factors" below and in HBI's and SGB's respective Annual Reports on Form 10-K for the year ended December 31, 2016, which is hereby incorporated by reference into this joint proxy statement/prospectus, for a more complete discussion of these risks and uncertainties and for other risks and uncertainties. Except as required by applicable law or the rules and regulations of the SEC, HBI and SGB undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in HBI's and SGB's subsequent filings and reports with the SEC or the FDIC, as applicable, should be consulted. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995, and all of the forward-looking statements in this document are expressly qualified in their

entirety by the cautionary statements contained or referenced in this section.

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**RISK FACTORS**

In addition to the other information contained in or incorporated by reference into this joint proxy statement/prospectus, including HBI's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and the matters addressed under the caption "Cautionary Note Regarding Forward-Looking Statements," you should consider the risk factors described below carefully in determining whether to vote to approve the proposal presented in this joint proxy statement/prospectus. You should also consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. Please see the sections entitled "Where You Can Find More Information" in the forepart of this document and "Documents Incorporated By Reference" on page 118.

**Risk Factors Relating to the Merger**

***Because the market price of HBI common stock may fluctuate, SGB shareholders cannot be sure of the value of each share of HBI common stock that they will receive.***

Upon completion of the merger, each share of SGB common stock (other than shares owned by SGB or HBI) will be converted into the right to receive merger consideration consisting of cash and shares of HBI common stock, pursuant to the terms of the Merger Agreement. The value of each share of HBI common stock to be received by SGB shareholders will be based on the volume-weighted average closing price of HBI common stock during the 20 trading day period ending on the date that is three business days before the date the merger closes. This average price may vary from the closing price of HBI common stock on the date that the merger was announced, on the date that this joint proxy statement/prospectus was mailed to HBI and SGB shareholders, on the dates of the respective special meetings of the HBI and SGB shareholders, and on the date the merger is completed.

Stock price changes may result from a variety of factors, including, among other things general market and economic conditions, changes in HBI's business, operating results and prospects, and legislative and regulatory changes, among other things.

Many of these factors are beyond the control of HBI. SGB shareholders should obtain current market quotations for shares of HBI common stock and SGB common stock before voting their shares at the SGB special meeting.

***The number of shares of HBI common stock to be issued to SGB shareholders in connection with the merger is subject to certain collars, which could materially impact the value of the merger consideration payable to SGB shareholders.***

The Merger Agreement provides for a "fixed price" structure, which means that, based upon the HBI Average Closing Price, the number of shares of HBI common stock to be issued to SGB shareholders in connection with the merger will be adjusted so that the Per Share Merger Consideration will be \$49.00 if the shares of HBI common stock are valued at the HBI Average Closing Price. The number of shares of HBI common stock to be issued in connection with the merger, however, is subject to a minimum and maximum amount, which is sometimes referred to as a "collar." Under the Merger Agreement, if the calculation of the HBI Average Closing Price results in a number greater than or equal to \$35.19, the HBI Average Closing Price will be deemed to be \$35.19. Similarly, if the calculation of the HBI Average Closing Price results in a number less than or equal to \$22.52, the HBI Average Closing Price will be deemed to be \$22.52. As a result, if the volume-weighted average closing price of HBI common stock is greater than \$35.19, the Per Share Merger Consideration (valued using the HBI Average Closing Price) will be more than \$49.00, and if the volume-weighted average closing price of HBI common stock is less than \$22.52, the Per Share Merger Consideration (valued using the HBI Average Closing Price) will be less than \$49.00.





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If the volume-weighted average closing price of HBI common stock is less than \$22.52, SGB will continue to be obligated to complete the merger, assuming that all other conditions to closing the merger are satisfied. Even though SGB (and HBI) would have a termination right if the volume-weighted average closing price of HBI common stock for 20 consecutive trading days between June 30, 2017 and the trading day three business days before the closing date of the merger is less than \$21.11, SGB may not choose to exercise such termination right. Therefore, the value of the Per Share Merger Consideration to be received by SGB shareholders may be materially less than \$49.00.

***HBI may fail to realize all of the anticipated benefits of the merger.***

The success of the merger will depend, in part, on HBI's ability to successfully combine the HBI and SGB organizations. If HBI is not able to achieve this objective, the anticipated benefits of the merger may not be realized fully or at all or may take longer than expected to be realized.

HBI and SGB have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process or other factors could result in the loss or departure of key employees, the disruption of the ongoing business of SGB or inconsistencies in standards, controls, procedures and policies. It is also possible that clients, customers, depositors and counterparties of SGB could choose to discontinue their relationships with the combined company post-merger because they prefer doing business with SGB or for any other reason, which would adversely affect the future performance of the combined company. These transition matters could have an adverse effect on each of HBI and SGB during the pre-merger period and for an undetermined time after the completion of the merger.

***The results of operations of HBI and the market price of HBI common stock after the merger may be affected by factors different from those currently affecting the results of operations of HBI and SGB.***

The businesses of HBI and SGB differ in certain respects and, accordingly, the results of operations of the combined company and the market price of HBI's common stock may be affected by factors different from those currently affecting the independent results of operations of HBI and SGB. For a discussion of the businesses of HBI and SGB and certain factors to be considered in connection with HBI's and SGB's businesses, see "Certain Information Concerning HBI," "Certain Information Concerning SGB" and the documents incorporated by reference in this joint proxy statement/prospectus and referred to under "Where You Can Find More Information."

***The unaudited pro forma combined consolidated financial statements included in this document are preliminary and the actual financial condition and results of operations of HBI after the merger may differ materially.***

The unaudited pro forma combined consolidated financial statements in this document are presented for illustrative purposes only and are not necessarily indicative of what HBI's actual financial condition or results of operations would have been had the merger been completed on the dates indicated. The unaudited pro forma combined consolidated financial statements reflect adjustments, which are based upon preliminary estimates, to record the SGB's identifiable assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of SGB as of the date of the completion of the merger. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document. For more information, please see "Unaudited Pro Forma Combined Consolidated Financial Information" beginning on page 20.



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***The Merger Agreement limits SGB's ability to pursue an alternative transaction and requires SGB to pay a termination fee under certain circumstances relating to alternative acquisition proposals.***

The Merger Agreement prohibits SGB from soliciting, initiating, encouraging or knowingly facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the Merger Agreement. The Merger Agreement also provides for the payment by SGB to HBI of a termination fee of \$36 million in the event that the Merger Agreement is terminated in connection with another acquisition proposal or under certain other circumstances. These provisions may discourage a potential competing acquiror that might have an interest in acquiring SGB from considering or proposing such an acquisition. See "The Merger Agreement Termination; Termination Fee" included elsewhere in this joint proxy statement/prospectus.

***The fairness opinions that HBI and SGB have obtained, have not been, and are not expected to be, updated to reflect any changes in circumstances that may have occurred since the signing of the Merger Agreement.***

The fairness opinions issued to HBI and SGB, regarding the fairness, from a financial point of view, of the consideration to be paid in connection with the merger, speak only as of their date of delivery. Changes in the operations and prospects of HBI or SGB, general market and economic conditions and other factors which may be beyond the control of HBI and SGB, and on which each of the fairness opinions was based, may have altered the value of HBI or SGB or the market prices of shares of HBI or SGB as of the date of this joint proxy statement/prospectus, or may alter such values and market prices by the time the merger is completed. The financial advisors who rendered the fairness opinions do not have any obligation to update, revise or reaffirm their respective opinions to reflect subsequent developments, and have not done so. Because HBI and SGB do not currently anticipate asking their financial advisors to update their opinions, the opinions will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The HBI board of directors recommendation that HBI shareholders vote **FOR** the Share Issuance Proposal and the SGB's board of directors recommendation that SGB shareholders vote **FOR** the Merger Proposal are, however, made as of the date of this joint proxy statement/prospectus. For a description of the opinions that HBI and SGB received from their financial advisors, see "Opinion of RBC Capital Markets, LLC, Financial Advisor to HBI" and "Opinion of Hovde Group, LLC Financial Advisor to SGB" included elsewhere in this joint proxy statement/prospectus.

***The unaudited prospective financial information regarding HBI and SGB is based on various assumptions that may not prove to be correct.***

The unaudited prospective financial information set forth in the financial forecasts included under "The Merger Certain Unaudited Prospective Financial Information" is based on assumptions of, and information available to, HBI at the time such information was prepared and provided to HBI's financial advisor. HBI does not know whether the assumptions made will prove correct. Any or all of such information may turn out to be wrong. Such information can be adversely affected by inaccurate assumptions or by known or unknown risks and uncertainties, many of which are beyond HBI's and SGB's control. Many factors mentioned in this joint proxy statement/prospectus, including the risks outlined in "Risk Factors," the events and/or circumstances described under "Cautionary Note Regarding Forward-Looking Statements" and the information with respect to HBI provided in the reports that HBI files with the SEC from time to time, and the information about SGB provided in the reports that SGB files with the FDIC from time to time will be important in determining the future results of HBI or SGB. As a result of these contingencies, actual future results may vary materially from HBI's estimates. In view of these uncertainties, the inclusion of certain HBI and SGB unaudited prospective financial information in this joint proxy statement/prospectus is not and should not be viewed as a representation that the forecasted results will be achieved.

The unaudited prospective financial information presented herein was prepared solely for internal use and not prepared with a view toward public disclosure or toward compliance with published guidelines of any regulatory or professional body. Further, any forward-looking statement speaks only as of the date on which it is

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made. Neither HBI nor SGB undertakes any obligation to update the unaudited prospective financial information herein to reflect events or circumstances after the date such unaudited prospective financial information was prepared or to reflect the occurrence of anticipated or unanticipated events or circumstances.

The unaudited prospective financial information included in this joint proxy statement/prospectus has been prepared by management of HBI. Neither HBI's nor SGB's independent accountants have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. The reports of the independent registered public accountants related to the HBI and SGB financial statements and related notes for the year ended December 31, 2016, which are included in HBI's and SGB's respective Annual Reports on Form 10-K for the year ended December 31, 2016 that are incorporated herein by reference, relate to the historical financial information of HBI and SGB. They do not extend to the unaudited prospective financial information and should not be read to do so. See *The Merger* Certain Unaudited Prospective Financial Information for more information.

***The merger is subject to the receipt of consents and approvals from governmental entities that may impose conditions that could have an adverse effect on the combined company following the merger.***

Before the merger may be completed, various approvals and consents must be obtained from the Federal Reserve Board and, the Arkansas State Bank Department and various other securities, antitrust, and regulatory authorities. These governmental entities may impose conditions on the granting of such approvals and consents. Although HBI and SGB do not currently expect that any such material conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs or limiting the revenues of the combined company following the merger, any of which might have an adverse effect on the combined company following the merger. In addition, if there is an adverse development in either company's regulatory standing, HBI may be required to withdraw some or all of the applications for approval of the proposed merger and, if possible, resubmit them after the applicable supervisory concerns have been resolved. See *The Merger* Regulatory Approvals and Notifications. Finally, each of HBI and SGB has agreed to use its commercially reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to consummate the merger. Such actions may entail costs and may adversely affect HBI, SGB, or the combined company following the merger.

***The merger is subject to certain closing conditions that, if not satisfied or waived, will result in the merger not being completed, which may adversely affect SGB and HBI.***

The merger is subject to customary conditions to closing, including the receipt of required regulatory approvals and approval of the SGB shareholders. If any condition to the merger is not satisfied or waived, to the extent permitted by law, the merger will not be completed. In addition, HBI and SGB may terminate the Merger Agreement under certain circumstances even if the Merger Agreement is approved by SGB shareholders and the Merger Agreement and share issuance is approved by the HBI shareholders. If HBI and SGB do not complete the merger, neither company would realize any of the expected benefits of having completed the merger. In addition, the market price of SGB's or HBI's common stock could decline to the extent that the current market prices reflect a market assumption that the merger will be completed. If the merger is not completed and SGB's board of directors seeks another merger or business combination, SGB shareholders cannot be certain that SGB will be able to find a party willing to offer equivalent or more attractive consideration than the consideration HBI has agreed to provide in the merger. If the merger is not completed, additional risks could materialize, which could materially and adversely affect the business, financial condition and results of SGB and HBI. For more information on closing conditions to the Merger Agreement, see *The Merger Agreement* Conditions to the Merger included elsewhere in this joint proxy statement/prospectus.



**Table of Contents*****The combined company expects to incur substantial expenses related to the merger.***

The combined company expects to incur substantial expenses in connection with completing the merger and combining the business, operations, networks, systems, technologies, policies and procedures of the two companies. Although HBI and SGB have assumed that a certain level of transaction and combination expenses would be incurred, there are a number of factors beyond their control that could affect the total amount or the timing of their combination expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. Due to these factors, the transaction and combination expenses associated with the merger could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the combination of the businesses following the completion of the merger. As a result of these expenses, both HBI and SGB expect to take charges against their earnings before and after the completion of the merger. The charges taken in connection with the merger are expected to be significant, although the aggregate amount and timing of such charges are uncertain at present.

***Shares of HBI common stock to be received by SGB shareholders as a result of the merger will have rights different from the shares of SGB common stock.***

Upon completion of the merger, the rights of former SGB shareholders who receive HBI common stock in the merger and thereby become HBI shareholders will be governed by the articles of incorporation and bylaws of HBI and by Arkansas law. The rights associated with SGB common stock are different from the rights associated with HBI common stock. See **Comparison of Rights of Holders of HBI and SGB Common Stock** beginning on page 93 for a discussion of the different rights associated with HBI common stock.

***Holders of SGB and HBI common stock will have a reduced ownership and voting interest in the combined company after the merger and will exercise less influence over management.***

Holders of SGB and HBI common stock currently have the right to vote in the election of the board of directors and on other matters affecting SGB and HBI, respectively. Upon completion of the merger, each SGB common shareholder who receives shares of HBI common stock will become a stockholder of HBI, with a percentage ownership of HBI that is smaller than the shareholder's percentage ownership of SGB. Based on the number of shares outstanding on August 9, 2017 and the shares expected to be issued in the merger assuming the HBI Average Closing Price is \$24.94, the former shareholders of SGB as a group will receive shares in the merger constituting approximately 16.4% of the outstanding shares of HBI common stock immediately after the merger. As a result, current stockholders of HBI as a group will own approximately 83.6% of the outstanding shares of HBI common stock immediately after the merger. Because of this, SGB common shareholders may have less influence on the management and policies of HBI than they now have on the management and policies of SGB, and current HBI shareholders may have less influence than they now have on the management and policies of HBI.

***If an SGB shareholder exercises statutory dissenters' rights, the value such shareholder receives could be less than the value of the merger consideration such shareholder would otherwise receive pursuant to the Merger Agreement.***

Pursuant to Section 658.44 of the Florida Statutes, an SGB shareholder who perfects dissenters' rights as provided in such section is entitled to receive payment in cash of the value of each share of SGB common stock held by such shareholder. The value of the share of SGB common stock, as determined in accordance with the Florida Statutes, may be less than the value of a share of the SGB common stock such shareholder would otherwise receive pursuant to the Merger Agreement. See **The Merger Dissenters' Rights**.





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***Certain SGB directors and officers may have interests in the merger different from the interests of SGB shareholders.***

In considering the recommendations of the board of directors of SGB, SGB shareholders should be aware that certain directors and officers of SGB have interests in the merger that may differ from, or may be in addition to, the interests of SGB shareholders generally. The board of directors of SGB was aware of these interests and considered them, among other matters, when it adopted the Merger Agreement and in making its recommendations that the SGB shareholders approve the Merger Proposal. These interests include:

Certain SGB directors and officers may receive cash payments in connection with the termination of their stock options;

Certain SGB officers are parties to employment agreements that provide severance and other benefits upon or following a change in control of SGB in connection with a qualifying termination of employment;

SGB directors and officers are entitled to indemnification and insurance coverage under the Merger Agreement; and

Certain SGB officers will be offered continued employment with Centennial at salaries agreed upon by the officer and Centennial.

For a more complete description of the interests of SGB directors and officers in the merger, see *The Merger* Golden Parachute Compensation and Termination of Stock Options and *The Directors and Officers of SGB Have Financial Interests in the Merger*.

***Pending litigation against HBI could result in an injunction preventing completion of the merger.***

On July 11, 2017, a putative class action was filed in an Arkansas state court on behalf of HBI's stockholders, naming HBI and its directors as defendants and alleging a breach of a fiduciary duty of candor. The plaintiffs seek, among other things, an order enjoining completion of the merger, and an award of costs and attorneys' fees. One of the conditions to the closing of the merger is that no court or judicial authority to which a party is subject shall have issued an injunction or order (whether temporary, preliminary or permanent) which has the effect of preventing or prohibiting the consummation of the transactions contemplated by the Merger Agreement. As such, if the plaintiffs are successful in obtaining an injunction prohibiting the completion of the merger on the agreed-upon terms, then such injunction may prevent the merger from being completed, or from being completed within the expected timeframe. Additionally, the defense or settlement of any lawsuit or claim that remains unresolved at the time the merger is completed may adversely affect HBI's business, financial condition, results of operations, and cash flows. For more information, see *The Merger* Litigation Relating to the Merger.

**Table of Contents****THE MERGER**

*The following is a discussion of the merger and the material terms of the Merger Agreement among HBI, Centennial and SGB. You are urged to read carefully the Merger Agreement in its entirety, a copy of which is attached as **Appendix A** to this joint proxy statement/prospectus and incorporated by reference herein. This summary may not contain all of the information about the Merger Agreement that is important to you. Factual information about HBI and SGB can be found elsewhere in this joint proxy statement/prospectus. Additional factual information about HBI can be found in the public filings HBI makes with the SEC, as described in the section entitled *Where You Can Find More Information*.*

**Terms of the Merger**

**Transaction Structure.** HBI's and SGB's boards of directors have each approved the Merger Agreement. The Merger Agreement provides for the acquisition of SGB by HBI through the direct merger of SGB with and into HBI's subsidiary Centennial, with Centennial continuing as the surviving corporation.

**Merger Consideration.** In the merger, based on 15,301,388 shares outstanding at closing (equal to the number of shares outstanding at the time the Merger Agreement was signed), SGB shareholders will have the right, with respect to each of their shares of SGB common stock, to receive, as described below, their pro rata share of a combination of cash and shares of HBI common stock valued in the aggregate at \$749,768,012. Each SGB shareholder therefore will receive a pro rata share of the total merger consideration, which consists of (i) \$50,035,539 in cash payable at closing, and (ii) shares of HBI common stock with a total value of \$699,732,473. Under the terms of the Merger Agreement, in the event that options are exercised in exchange for shares of SGB common stock prior to closing, the aggregate Per Share Merger Consideration will increase. Based on 16,363,938 shares outstanding at closing (equal to the number of shares and options outstanding at the time the Merger Agreement was signed), SGB shareholders would receive a pro rata share of aggregate Per Share Merger Consideration of \$801,832,962, made up of \$53,510,077 in cash payable at closing and shares of HBI common stock valued at \$748,322,885, based on the HBI Average Closing Price. This increase in aggregate Per Share Merger Consideration will be offset on the SGB balance sheet at closing by the reduction in the amount SGB is required to pay to terminate options at closing. In either case, SGB shareholders will receive, in exchange for each share of SGB common stock, Per Share Merger Consideration valued at \$49.00, consisting of a combination of (i) cash payable at closing in the amount of \$3.27, and (ii) HBI common stock with a value of approximately \$45.73 based upon the HBI Average Closing Price (which will be not less than \$22.52 nor more than \$35.19).

The number of shares of HBI common stock comprising the portion of the Per Share Merger Consideration to be paid in shares of HBI common stock will be determined by the HBI Average Closing Price, provided that (i) if the calculation of the HBI Average Closing Price yields an amount greater than or equal to \$35.19, the HBI Average Closing Price shall be deemed to be \$35.19 and (ii) if the calculation of the HBI Average Closing Price yields an amount less than or equal to \$22.52, the HBI Average Closing Price shall be deemed to be \$22.52. The following table illustrates, for a range of potentially applicable HBI Average Closing Prices, the number of shares of HBI common stock that would be exchanged for each share of SGB common stock. The HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.

**Table of Contents****Per Share Stock Consideration(a)**

<b>If the applicable HBI Average Closing Price is:</b>	<b>Exchange Ratio</b>
\$ 22.52(b)	2.0306
\$ 23.00	1.9883
\$ 24.00	1.9054
\$ 24.94(c)	1.8336
\$ 25.00	1.8292
\$ 26.00	1.7588
\$ 26.83(b)	1.7044
\$ 27.00	1.6937
\$ 28.00	1.6332
\$ 29.00	1.5769
\$ 30.00	1.5243
\$ 31.00	1.4752
\$ 32.00	1.4291
\$ 33.00	1.3858
\$ 34.00	1.3450
\$ 35.00	1.3066
\$ 35.19(b)	1.2995

- (a) The Per Share Stock Consideration to be paid to each SGB shareholder will be based on the actual HBI Average Closing Price, which will be computed at the time of the merger; the HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.
- (b) On March 27, 2017, the date the Merger Agreement was signed, the closing price of a share of HBI common stock was \$26.83. The Merger Agreement provides that if the HBI Average Closing Price is equal to or greater than \$35.19, then the HBI Average Closing Price will be deemed to be \$35.19. Additionally, if the HBI Average Closing Price is equal to or below \$22.52, then the HBI Average Closing Price will be deemed to be \$22.52.
- (c) The HBI Average Closing Price would have been \$24.94 if calculated on August 9, 2017 (the last practicable trading day prior to the mailing of this joint proxy statement/prospectus to make such calculation). Unless otherwise indicated, illustrations given in this joint proxy statement/prospectus use \$24.94 as the HBI Average Closing Price and are based on other information current as of August 9, 2017.

For illustrative purposes only, assuming the HBI Average Closing Price is \$24.94, an SGB shareholder holding 100 shares of SGB common stock will receive \$327 in cash for the cash portion of the merger consideration, 183 shares of HBI common stock, and \$8.98 in cash in lieu of the resulting fractional share.

Assuming that 28,090,546 shares of HBI common stock will be issued to SGB shareholders (based on 15,319,888 SGB shares outstanding, 142,971,132 HBI shares outstanding, a \$24.94 HBI Average Closing Price (all as of August 9, 2017) and no cash in lieu of fractional shares paid), SGB shareholders would own approximately 16.4% of HBI common stock after the merger is completed, excluding any shares of HBI common stock they may already own.

**Letters of Transmittal**

Promptly upon the completion of the merger, the exchange agent will send a letter of transmittal and instructions for surrendering certificates or book-entry shares in exchange for the Per Share Merger Consideration and/or any cash in lieu of fractional shares of HBI common stock (as described below) to each holder of record of certificates or book-entry shares which, immediately prior to the completion of the merger, represented shares of SGB common stock, whose shares were converted into the right to receive the Per Share Merger Consideration.

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**Cash in Lieu of Fractional Shares**

No fractional shares of HBI common stock will be issued upon the surrender of certificates or book-entry shares of SGB common stock for exchange, and no dividend or distribution with respect to HBI common stock will be payable on or with respect to any fractional share, and such fractional share interests will not entitle the owner thereof to vote or to any other rights of a shareholder of HBI. In lieu of the issuance of any such fractional share, HBI will pay to each former shareholder of SGB who otherwise would be entitled to receive such fractional share an amount in cash (rounded to the nearest cent) determined by multiplying (i) the HBI Average Closing Price by (ii) the fraction of a share (after taking into account all shares of SGB common stock held by such holder at the effective time of the merger and rounded to the nearest thousandth when expressed in decimal form) of HBI common stock which such holder would otherwise be entitled to receive.

**Lost, Stolen or Destroyed Stock Certificates**

If a certificate for SGB common stock has been lost, stolen or destroyed, the exchange agent will issue the consideration properly payable under the Merger Agreement upon receipt of an affidavit as to that loss, theft or destruction and, if requested by the exchange agent, the posting of a bond to indemnify the exchange agent against any claim that may be made against it with respect to such certificate. If an SGB shareholder would like to replace his, her or its stock certificate prior to the closing of the merger, please contact Stonegate Bank, Attn: Kori Smith, 400 North Federal Highway, Pompano Beach, Florida 33062.

**Dividends and Distributions of HBI**

Until certificates or book-entry shares representing shares of SGB common stock are surrendered for exchange, any dividends or other distributions of HBI with a record date after the effective time of the merger with respect to HBI common stock into which such shares of SGB common stock may have been converted will not be paid. Following surrender of any such certificates or book-entry shares, the record holder thereof will be entitled to receive, without interest, any HBI dividends or other distributions with a record date after the effective time of the merger payable with respect to the whole shares of HBI common stock represented by such certificates or book-entry shares and paid prior to the surrender date, and at the appropriate payment date, the amount of dividends or other distributions payable with respect to shares of HBI common stock represented by such certificates or book-entry shares with a record date after the effective time of the merger but before the surrender date and with a payment date after the issuance of HBI common stock issuable with respect to such certificates or book-entry shares.

After the effective time of the merger, there will be no transfers on the stock transfer books of SGB of any shares of SGB common stock, other than to settle transfers that occurred prior to the effective time of the merger. If certificates representing such shares are presented for transfer after the completion of the merger, they will be cancelled and exchanged for the Per Share Merger Consideration into which the shares represented by that certificate have been converted.

**Dissenters Rights**

Notwithstanding any other provisions of this joint proxy statement/prospectus, shares of SGB common stock issued and outstanding at the effective time of the merger which are held by an SGB shareholder who perfected his or her dissenters rights in accordance with Section 658.44 of the Florida Statutes ( Dissenting Shares ) shall not be converted into or represent the right to receive the consideration payable thereon, and any such holder shall be entitled only to such rights of appraisal as are granted by Section 658.44 of the Florida Statutes ( Dissenter Provisions ), unless and until such holder fails to perfect or effectively withdraws or otherwise loses his or her right to appraisal; provided,

however, that no payment in connection with Dissenting Shares shall be made to any dissenting stockholder unless and until such dissenting stockholder has complied with the applicable provisions of the Dissenter Provisions and surrendered to HBI the certificate or certificates

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representing the Dissenting Shares for which payment is being made. If after the effective time of the merger any such dissenting stockholder fails to perfect or effectively withdraws or loses his or her right to appraisal, such shares of common stock shall be treated as if they had been converted at the effective time of the merger into the right to receive the consideration payable thereon. SGB shall give HBI prompt notice upon receipt by SGB of any written objection to the merger and such written demands for payment for shares of common stock under the Dissenter Provisions, and the withdrawals of such demands, and any other instruments provided to SGB pursuant to the Dissenter Provisions (any stockholder duly making such demand being hereinafter called a Dissenting Stockholder). Each Dissenting Stockholder that becomes entitled, pursuant to the Dissenter Provisions, to payment for any shares of common stock held by such Dissenting Stockholder shall receive payment therefor from HBI (but only after the amount thereof shall have been agreed upon or at the times and in the amounts required by the Dissenter Provisions). The value of the SGB share of common stock, as determined in accordance with the Florida Banking Code, may be less than the value of a share of the SGB common stock such shareholder would otherwise receive pursuant to the Merger Agreement.

### **TO THE SHAREHOLDERS OF SGB:**

**YOU ARE HEREBY NOTIFIED THAT YOU MAY BE ENTITLED TO ASSERT DISSENTERS' RIGHTS PURSUANT TO FLORIDA STATUTES SECTION 658.44, A COPY OF WHICH IS ATTACHED IN ITS ENTIRETY AS APPENDIX D TO THIS JOINT PROXY STATEMENT/PROSPECTUS.**

Any SGB shareholder desiring to assert dissenters' rights (1) must vote **AGAINST** the Merger Proposal at the SGB special meeting or (2) must deliver to SGB *at or prior to the SGB special meeting* written notice of the shareholder's intent to demand payment for the shares of SGB common stock if the Merger Proposal is approved, and must not vote **FOR** the Merger Proposal. On or promptly after the time that the merger is completed, HBI may fix an amount which it considers to be not more than the fair market value of the shares of SGB common stock and which it will pay to the holders of dissenting shares of SGB, and if it fixes such amount, will offer to pay such amount to the holders of all dissenting shares of SGB. The owners of Dissenting Shares who have accepted such offer will be entitled to receive the amount so offered for such shares in cash upon surrendering the stock certificates representing such shares at any time within 30 days after the time that the merger is completed.

This is not a complete statement of all applicable requirements and is qualified in its entirety by reference to Florida Statutes Section 658.44, which is reproduced in its entirety as **Appendix D** to this joint proxy statement/prospectus.

**BECAUSE OF THE COMPLEXITY OF THE PROVISIONS OF THE FLORIDA STATUTES RELATING TO DISSENTERS' RIGHTS, SGB SHAREHOLDERS WHO ARE CONSIDERING EXERCISING DISSENTERS' RIGHTS ARE URGED TO CONSULT THEIR OWN LEGAL ADVISERS.**

### **Regulatory Approvals and Notifications**

Each of HBI and SGB has agreed to use its reasonable best efforts to obtain all regulatory approvals required to complete the merger and the other transactions contemplated by the Merger Agreement. These approvals include approval from the Federal Reserve Board and the Arkansas State Bank Department, among others. HBI and SGB have filed, or are in the process of filing, applications and notifications to obtain these regulatory approvals.

*Federal Reserve Board.* The transaction contemplated by the Merger Agreement is subject to approval by the Federal Reserve Board pursuant to the Bank Holding Company Act of 1956, as amended, and the Bank Merger Act.





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*Arkansas State Bank Department.* The transaction contemplated by the Merger Agreement is subject to approval by the Arkansas State Bank Department.

*Federal Deposit Insurance Corporation.* The transaction contemplated by the Merger Agreement requires notice to the Federal Deposit Insurance Corporation.

*Florida Division of Banking.* The transaction contemplated by the Merger Agreement requires notice to the Florida Division of Banking.

*Additional Regulatory Approvals and Notices.* The transaction contemplated by the Merger Agreement is also subject to approval by and notifications to various other regulatory agencies.

There can be no assurances that such approvals will be received on a timely basis, or as to the ability of HBI and SGB to obtain the approvals on satisfactory terms or the absence of litigation challenging such approvals. There can likewise be no assurances that U.S. or state regulatory authorities will not attempt to challenge the merger on antitrust grounds or for other reasons, or, if such a challenge is made, as to the result of such challenge. The parties' obligations to complete the transactions contemplated by the Merger Agreement are subject to a number of conditions, including the receipt of all requisite regulatory approvals.

## **Accounting Treatment**

HBI will account for the merger using the acquisition method of accounting. Under this accounting method, HBI would record the acquired identifiable assets and liabilities assumed at their fair market value at the time the merger is complete. Any excess of the cost of SGB over the sum of the fair values of tangible and identifiable intangible assets less liabilities assumed would be recorded as goodwill. HBI's reported income would include the operations of SGB after the merger. Financial statements of HBI after completion of the merger would reflect the impact of the acquisition of SGB. Financial statements of HBI issued before completion of the merger would not be restated retroactively to reflect SGB historical financial position or results of operation.

## **Public Trading Market**

HBI common stock is listed on The NASDAQ Global Select Market under the symbol HOMB. The HBI common stock issuable in the merger will be listed on The NASDAQ Global Select Market.

## **Resale of HBI Common Stock**

All shares of HBI common stock received by SGB shareholders in the merger will be freely tradable for purposes of the Securities Act of 1933, as amended (the Securities Act), and the Exchange Act, except for shares of HBI common stock received by any such holder who becomes an affiliate of HBI after completion of the merger. This joint proxy statement/prospectus does not cover resales of shares of HBI common stock received by any person upon completion of the merger, and no person is authorized to make any use of this joint proxy statement/prospectus in connection with any resale.

## **Background of the Merger**

The SGB board of directors has regularly reviewed and discussed SGB's business strategy, performance and prospects, including in the context of developments in the banking industry and in the Florida market. Specifically, SGB's board of directors has periodically engaged with executive management to consider and review, among other things, SGB's

strategic focus, the scope of products and services it can offer, and concentration in the Florida market. These reviews have included analyses of SGB's prospects on a stand-alone basis, as well as on a combined basis with another financial institution that would permit underwriting larger and a wider variety of loans and offer the risk mitigation benefits of geographic diversity. These meetings from time to time have been attended by financial advisory firms, including Keefe, Bruyette & Woods, Inc. ( KBW ), a nationally recognized investment banking firm specializing in the financial services sector. In 2016 most of the duties involved with a potential merger were delegated to the Executive Committee of the board of SGB.

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On September 27, 2016, the SGB Executive Committee met at the request of Mr. Seleski, CEO of SGB, to review the current positioning of SGB, as well as the current market environment for bank mergers and acquisitions in the United States and in SGB's region, as well as valuation considerations for SGB. Mr. Seleski reviewed with the board potential strategic acquirers for SGB previously discussed with KBW that could provide SGB's shareholders with access to a larger and more diverse balance sheet. Mr. Seleski also discussed with the Executive Committee a potential process in which confidential meetings with select potential purchasers could be arranged to avoid undue disruption to SGB, its ongoing operations, customer relationships and employee relations. The Executive Committee concurred and it was determined that the Executive Committee would meet once the confidential meetings were completed.

On or about November 15, 2016, at the direction of SGB, KBW began contacting potential acquirers, including HBI and 21 others. Interested parties, including HBI, were instructed to execute a non-disclosure agreement. During this process of soliciting indications of interest from potentially interested parties, the SGB Executive Committee continued to meet periodically for the purpose of monitoring and supervising the process. KBW was also in regular contact with and provided updates to the SGB Executive Committee. These updates included which companies accepted meetings or expressed interest as well as capacity to pay.

On December 6, 2016, the Executive Committee met to assess and discuss the results of the soft market check that had been initially conducted. KBW was also present to review and discuss the market check and to discuss financial considerations regarding a potential sale as compared to the Company remaining independent. During the meeting Mr. Seleski reviewed the different meetings with potential buyers and confirmed that the timing for a limited sales approach was appropriate. Following its review and discussion with KBW, the Executive Committee determined that there appeared to be substantial upside for SGB shareholders in a potential sale and would relay this information to the board at its regularly scheduled December meeting. In addition, it was confirmed that KBW continued to be engaged as SGB's financial advisor pursuant to the engagement letter executed by SGB and KBW on July 30, 2014. SGB's previous decision to retain KBW was made after reviewing the qualifications of KBW, KBW's experience and national reputation in numerous similar transactions and SGB's familiarity with KBW.

Between December 7, 2016 and December 31, 2016, representatives of KBW met with Dave Seleski and Sharon Jones to discuss the process, strategy and timeline for testing the market, as described above, and for a potential strategic transaction. SGB and KBW also discussed the preparation of an online data room to permit interested parties to conduct due diligence of non-public information and the preparation of a management presentation regarding the operations, financial condition and prospects of SGB.

On December 13, 2016, the full board of SGB met and discussed the recommendation of the Executive Committee to begin marketing SGB. This included a discussion of the potential acquirers and related matters discussed with the Executive Committee on December 6, 2016. There was a lengthy discussion regarding the process and potential acquirers as well as the benefits of remaining independent or seeking a strategic partner. Following its review and discussion, the board voted to move forward with marketing SGB.

Interested parties, including HBI, were instructed to execute a non-disclosure agreement and submit their preliminary indications of interest by January 23, 2017. Access to an on-line data room providing extensive information in regard to SGB was provided to HBI and four other institutions during the period from December 27, 2016 through January 17, 2017. HBI's due diligence review of SGB commenced on or about January 7, 2017 and continued through March 26, 2017.

On January 23, 2017, HBI and Company A each submitted a preliminary, non-binding, written indication of interest to KBW for the acquisition of SGB. HBI's preliminary indication of interest proposed to acquire SGB in exchange for a mixed consideration of stock and cash at a value of \$44.00 per share based on a floating exchange ratio subject to

completed due diligence. Company A's indication of interest, indicated a willingness to acquire SGB in exchange for a mixed consideration of stock and cash at a value of \$44.00 per share based on a fixed

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exchange ratio subject to completed due diligence. On the same day, during discussions with KBW, Company A verbally offered to increase its bid to \$45.00 per share.

On January 24, 2017, KBW contacted HBI regarding its interest in SGB and HBI's willingness to increase its bid. HBI verbally offered an increased bid of \$48.00 per share.

On January 25, 2017, the SGB board held a special meeting to discuss the two indications of interest. The SGB board was joined by KBW and Squire Patton Boggs, SGB's legal counsel, which reviewed in detail with the board its fiduciary duties in the context of mergers and acquisitions. The SGB board of directors carefully reviewed and discussed the two preliminary, non-binding indications of interest that had been received, including the verbal offers to increase the bid, in detail. After extensive discussion surrounding the merits of the two initial indications of interest and the business models and prospects of the two potential merger partners, the SGB board decided to continue to discuss and evaluate a potential merger with HBI.

On January 26, 2017, KBW and SGB management each had discussions with HBI regarding certain key terms to be included in a formal bid to acquire SGB.

On January 27, 2017, HBI submitted a due diligence request list to SGB. SGB began preparing responses and making certain requested materials available to HBI for its continued due diligence.

On January 30, 2017, HBI submitted a revised indication of interest proposing to acquire SGB in exchange for mixed consideration of between \$25 million and \$100 million in cash with the remainder in stock at a value of \$48.00 per share, based on a floating exchange ratio.

On February 8, 2017, SGB was granted access to an HBI data room in order to conduct reverse due diligence on HBI's business and operations. SGB's reverse diligence continued through March 17, 2017. Additionally, several telephone calls and meetings occurred between SGB and HBI and their respective legal counsel and financial advisors between February 8, 2017 and March 17, 2017, during which additional due diligence was conducted by SGB and HBI.

On February 24, 2017, HBI provided SGB with an initial draft of the Merger Agreement. From February 24, 2017 until March 26, 2017, SGB and HBI negotiated the terms of the Merger Agreement and the ancillary documents appearing as exhibits to the Merger Agreement.

A special meeting of the SGB board of directors was held on March 21, 2017 and included representatives from KBW and Squire Patton Boggs. A copy of the Merger Agreement was distributed to the SGB board in advance of the meeting. Squire Patton Boggs again reviewed with the SGB board directors' fiduciary duties in connection with its consideration of the proposed transaction. Squire Patton Boggs also made a detailed presentation on the terms of the Merger Agreement including, the transaction structure, merger consideration, closing conditions, provisions relating to HBI's ability to respond to alternative proposals, the obligation of the SGB board to call and hold a meeting of SGB's shareholders to vote on the Merger Agreement even if there were another unsolicited offer to buy SGB for a higher premium than that being paid by HBI, SGB and HBI termination rights, termination fees, employee benefit matters, certain provisions that were protective of SGB, including a single trigger walkaway right, the ability to pay certain dividends and other terms and conditions. Squire Patton Boggs and SGB's management updated the SGB board on the status of the negotiations with HBI regarding the terms of the agreement and the plan of merger. KBW discussed with the SGB board business and financial information regarding HBI and financial aspects of the proposed transaction and potential strategic alternatives to the proposed transaction, including SGB continuing to operate independently in accordance with its business plans, historical performance and projections. KBW also discussed current market conditions, the market performance of each party's stock and how those factors might impact the

pricing of the proposed transaction. Members of the SGB board of directors asked questions of Squire Patton Boggs and KBW and deliberated about the proposed transaction, strategic alternatives to the transaction (including remaining

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independent), current market conditions, the market performance of each party's stock and the potential impact on the price of the transaction. Following its review and discussion of the proposed transaction, the SGB board instructed management and KBW to continue negotiations with HBI and to seek an increased offer of \$49.00 per share. The SGB board of directors determined that certain members of the SGB board should continue to participate directly in discussions with HBI regarding the proposed merger.

On March 13, 2017, SGB engaged Hovde Group, LLC as a financial advisor to SGB in connection with the proposed merger, after reviewing the qualifications of Hovde, Hovde's experience and national reputation in numerous similar transactions and SGB's familiarity with Hovde.

On March 21, 2017, certain members of SGB's board of directors, as well as SGB's management, negotiated directly with HBI regarding the terms of the merger. HBI agreed to increase its offer from \$48.00 per share to \$49.00 per share, resulting in mixed consideration of approximately 93% stock, based on a floating exchange ratio, and 7% cash as of that date. HBI also agreed to certain other modifications to the terms of the Merger Agreement.

On March 26, 2017, the SGB board met again to review HBI's revised proposal and the Merger Agreement. At this meeting, the SGB board engaged in discussions with its legal and financial advisors. A complete copy of the updated Merger Agreement was distributed to the SGB board in advance of the meeting. Squire Patton Boggs again reviewed with directors their fiduciary duties in connection with its consideration of the proposed transaction and the terms of the proposed Merger Agreement with HBI, as revised since the March 21, 2017, including the updated merger consideration, revised closing conditions and certain provisions related to the operation of SGB prior to the closing of the merger. The representative of Squire Patton Boggs also reviewed with the directors the proposed terms of a proposed voting agreement to be entered into with HBI by certain members of SGB management and the SGB board.

At this meeting, there was a discussion regarding the history of the SGB sales process, including the institutions contacted and the proposals that had been submitted by HBI and Company A. In the course of reviewing HBI's final proposal, it was reiterated that the Merger Agreement included certain provisions that were protective of SGB, including a single trigger walkaway right, the ability to pay certain dividends and SGB's ability to generally operate its business in the ordinary course. The SGB board also discussed HBI's plan to raise capital in order to, among other things, decrease its commercial real estate concentration risk, which was a factor that had been identified by SGB in conducting due diligence on HBI. In connection with its final proposal, HBI reiterated confidence in its ability to close a transaction promptly, without the imposition of any unduly burdensome regulatory conditions.

Also at this meeting, Hovde reviewed the financial aspects of the proposed merger and then delivered to the SGB board its opinion, dated March 26, 2017 (initially rendered verbally and confirmed in writing), as described under

Opinion of Hovde Group, LLC, Financial Advisor to SGB, to the effect that as of such date and based upon and subject to the assumptions, procedures, considerations, qualifications and limitations set forth in its written opinion, the per share merger consideration was fair, from a financial point of view, to the holders of SGB common stock.

Following extensive discussion and after considering the foregoing and the proposed terms of the transaction documents, and taking into consideration the factors described under Recommendation of SGB's Board of Directors and Reasons for the Merger, the SGB board, other than Mr. Seleski who had recused himself from the vote on the transaction and exited the meeting prior to the vote, having determined that the terms of HBI's proposal, the related Merger Agreement and the transactions contemplated thereby, including the merger, were fair to and in the best interests of SGB and its shareholders, unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the merger. The SGB board also directed that the Merger Agreement be submitted to SGB's shareholders, and recommended that shareholders vote in favor of the approval of the Merger Agreement and the transactions contemplated thereby, including the merger.





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On March 27, 2017, the HBI board of directors met to consider approval of the Merger Agreement and the transactions contemplated by the Merger Agreement, including the merger. Representatives of RBCCM attended the meeting by telephone. At the meeting, the HBI board of directors reviewed a copy of the Merger Agreement which contemplated, among other things, that SGB would merge with and into Centennial with Centennial surviving the merger. The board was told that the Merger Agreement provided for the payment of a total of approximately \$749.8 million to the shareholders of SGB, consisting of \$50.0 million in cash and \$699.7 million of HBI common stock, and that, in addition, the holders of outstanding SGB stock options would receive approximately \$28.6 million in cash in connection with the cancellation of their options immediately before the merger, for a total transaction value of approximately \$778.4 million. Management reviewed the material terms of the proposed Merger Agreement with the HBI board of directors and each member had an opportunity to discuss and ask questions regarding the terms of the Merger Agreement. At this meeting, representatives of RBCCM reviewed with the HBI board of directors RBCCM's financial analysis of the transaction and rendered an oral opinion, confirmed by delivery of written opinion dated March 27, 2017, to the HBI board of directors to the effect that, as of the date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as described in such opinion, the merger consideration to be paid by HBI pursuant to the Merger Agreement was fair, from a financial point of view, to HBI. Following these discussions, and review and discussion among the members of the board of directors, including consideration of the factors described under "The Merger Recommendations of HBI Board of Directors and Reasons for the Merger," the HBI board of directors unanimously determined that the merger with SGB was advisable and in the best interests of HBI and to recommend that HBI's shareholders approve the Merger Agreement.

### **Recommendation of SGB's Board of Directors and Reasons for the Merger**

After careful consideration, the SGB board of directors, at a meeting held on March 26, 2017, determined that the merger with HBI and Centennial is in the best interests of SGB and its shareholders and approved and declared advisable the Merger Agreement and the business combination and related transactions contemplated thereby, including the merger, and recommends that SGB's shareholders vote **FOR** the approval of the Merger Proposal. In reaching its decision to approve and recommend the approval of the merger agreement, the SGB board of directors evaluated the Merger Agreement and the transactions contemplated therein, including the merger, in consultation with SGB's management, as well as SGB's financial and legal advisors, and considered a number of factors, including the following material factors:

the board's knowledge of the current and prospective environment in which SGB operates, including national and local economic and market conditions, the competitive environment, the increased regulatory burden and expense imposed on financial institutions since the financial crisis, the trend toward consolidation in the financial services industry and the likely effect of these factors on SGB's potential growth, development, profitability and strategic options;

the results that SGB could expect to achieve operating independently, and the likely risks and benefits to shareholders of that course of action, as compared with the value of the merger consideration;

the board's view that the size of the institution and related economies of scale and geographic diversification was becoming increasingly important to continued success in the current financial services environment and that a merger with a larger bank holding company could provide those economies of scale, increase

efficiencies of operations and enhance customer products and services;

Centennial's community banking orientation and its compatibility with SGB;

the complementary fit of the businesses of SGB and Centennial, which SGB's management believes will enable the combined bank to make larger loans to and deliver broader services to customers to achieve stronger financial performance and enhance shareholder value;

management's review of the business, operations, earnings, and financial condition of HBI and Centennial, including capital levels and asset quality;

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the pro forma financial effects of the proposed transaction;

management's belief that the combined bank will benefit from increased credit portfolio diversity and increased lending capacity;

the prospects for continued growth and enhanced performance of the combined company;

the fact that SGB's shareholders will receive stock of HBI which would allow SGB's shareholders to participate in the future performance of the combined company, and the value to SGB's shareholders represented by that consideration;

the strong historical performance of HBI's common stock;

the cash dividends historically paid by HBI on its common stock;

the opinion and financial presentation of Hovde to the SGB board of directors as to the fairness, from a financial point of view, of the merger consideration to be received by holders of SGB common stock;

the expected social and economic impact of the merger on the constituencies served by SGB, including its borrowers, customers, depositors, employees, and communities;

the effects of the merger on SGB employees, including the prospects for continued employment in a larger organization and various benefits agreed to be provided to SGB employees;

the low probability of securing a more attractive proposal from another institution capable of consummating the transaction in a timely manner;

the anticipated likelihood of HBI receiving the requisite regulatory approvals in a timely manner;

the terms of the merger agreement related to the timing of regulatory approval; and

the expected treatment of the merger as a reorganization for federal income tax purposes.

The SGB board also considered a number of potential conflicts, risks and uncertainties associated with the merger in connection with its deliberation of the proposed transaction, including, without limitation, the following:

the risk that the value of the consideration to be paid to SGB shareholders would be adversely affected by a decrease in the trading price of HBI common stock during the pendency of the merger;

the risk that the market would react negatively to HBI's announcement of the merger transaction

the potential risk of diverting management attention and resources from the operation of SGB's business and towards the completion of the merger;

that certain terms of the merger agreement impose restrictions on the conduct of SGB's business prior to the completion of the merger, which are customary for public company merger agreements involving financial institutions, but which, subject to specific exceptions, could delay or prevent SGB from undertaking business opportunities that may arise or any other action it would otherwise take with respect to the operations of SGB absent the pending merger;

the potential risks associated with achieving anticipated cost synergies and savings and successfully integrating SGB's business, operations and workforce with those of HBI;

the fact that the interests of certain of SGB's directors and executive officers may be different from, or in addition to, the interests of SGB's other shareholders as described under the section of this joint proxy statement/prospectus entitled "The Directors and Officers of SGB Have Financial Interests in the Merger";

that, while SGB expects that the merger will be consummated, there can be no assurance that all of the conditions to the obligations of HBI and SGB to complete the merger, as set forth in the merger agreement, will be satisfied, including the risk that the requisite regulatory approvals or waivers, the requisite approval of the HBI shareholders or the requisite approval of the SGB shareholders might not be obtained and, as a result, the merger may not be consummated;

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the risk of potential employee attrition and/or adverse effects on business and customer relationships as a result of the pending merger;

the fact that other potential buyers may be discouraged from pursuing a strategic transaction with SGB because, under the merger agreement, SGB would be: (i) prohibited from affirmatively soliciting acquisition proposals and, subject to satisfying certain conditions, responding to unsolicited acquisition proposals, in each case, after execution of the merger agreement; and (ii) obligated to pay to HBI the termination fee if the merger agreement is terminated under certain circumstances; and

the possibility of litigation challenging the merger, and its belief that any such litigation would be without merit but may result in substantial cost and/or delay in consummation of the merger.

The discussion of the information and factors considered by SGB's board of directors is not exhaustive, but includes the material factors considered by SGB's board of directors. In view of the wide variety of factors considered by SGB's board of directors in connection with its evaluation of the merger and the complexity of these matters, the SGB board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. SGB's board of directors evaluated the factors described above, including asking questions of management and its legal and financial advisors, and reached consensus that the merger was in the best interests of SGB and its shareholders. In considering the factors described above, individual members of SGB's board of directors may have given different weights to different factors. SGB's board of directors considered these factors as a whole, and overall considered them to be favorable to, and to support its determination.

The board of directors of SGB collectively made its determination with respect to the merger based on the conclusions reached by its members, in light of the factors that each of them considered appropriate, that the merger is in the best interests of SGB's shareholders. Accordingly, the board of directors of SGB recommends that SGB shareholders vote **FOR** the Merger Proposal.

### **Opinion of Hovde Group, LLC, Financial Advisor to SGB**

*The fairness opinion and a summary of the underlying financial analyses of SGB's financial advisor, Hovde Group, LLC, is described below. The description contains projections, estimates and other forward-looking statements about the future earnings or other measures of the future performance of SGB. The projections were based on numerous variables and assumptions, which are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the projections. You should not rely on any of these statements as having been made or adopted by SGB or HBI. You should review the copy of the fairness opinion, which is attached as **Appendix C**.*

Hovde has acted as one of SGB's financial advisors in connection with the proposed Merger. Hovde is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with SGB and its operations. As part of its investment banking business, Hovde is continually engaged in the valuation of businesses and their securities in connection with, among other things, mergers and acquisitions.

Hovde reviewed the financial aspects of the proposed merger with SGB's board of directors and, on March 26, 2017, delivered a written opinion to SGB's board of directors that the Per Share Merger Consideration to be received by the shareholders of SGB in connection with the Merger is fair to the shareholders of SGB from a financial point of view.

The full text of Hovde's written opinion is included in this joint proxy statement/prospectus as **Appendix C** and is incorporated herein by reference. You are urged to read the opinion in its entirety for a description of the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Hovde. The summary of the Hovde's opinion included in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. Hovde's opinion was directed to SGB's board of directors and addresses only the fairness of the Per Share Merger Consideration to be paid to SGB

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shareholders in connection with the Merger. Hovde did not opine on any individual stock, cash, or other components of consideration payable in connection with the Merger. Hovde's opinion does not address the underlying business decision to proceed with the Merger and does not constitute a recommendation to any of the shareholders as to how such shareholder should vote at the SGB special meeting on the Merger or any related matter.

During the course of its engagement and for the purpose of rendering its opinion, Hovde:

reviewed a draft of the Merger Agreement dated March 23, 2017, as provided to Hovde by SGB;

reviewed certain historical annual reports of each of SGB, HBI and Centennial, including audited annual reports for the year ending December 31, 2016;

reviewed certain historical publicly available business and financial information concerning each of SGB, HBI and Centennial;

reviewed certain internal financial statements and other financial and operating data concerning SGB;

reviewed financial projections prepared by certain members of senior management of SGB;

reviewed certain FactSet consensus income and balance sheet estimates for SGB and HBI for 2017 and 2018;

analyzed the pro forma impact of the Merger on the combined company's earnings, tangible book value, financial ratios and other such metrics Hovde deemed relevant;

evaluated the contribution of assets, deposits, equity and earnings of SGB, HBI and Centennial to the combined company;

reviewed the terms of recent merger, acquisition and control investment transactions, to the extent publicly available, involving financial institutions and financial institution holding companies that Hovde considered relevant;

assessed general economic and market conditions;

reviewed historical market prices and trading volumes of SGB common stock and HBI common stock; and



reviewed certain publicly available financial and stock market data relating to selected public companies that Hovde deemed relevant to its analysis.

Hovde also conducted meetings and had discussions with members of senior management of SGB, HBI and Centennial for purposes of reviewing the business, financial condition, results of operations and future prospects of SGB and HBI, including the pro forma impact of pending and recently completed transactions prepared and provided to it by SGB's and HBI's senior management, as well as the history and past and current operations of SGB, HBI and Centennial and SGB's, HBI's and Centennial's historical financial performance. Hovde discussed with management of SGB, HBI and Centennial their assessment of the rationale for the Merger. Hovde also performed such other analyses and considered such other factors as Hovde deemed appropriate, and took into account its experience in other similar transaction and securities valuations, as well as its knowledge of the banking and financial services industry.

In rendering its opinion, Hovde assumed, without investigation, that there were no material changes to the financial condition and results of operations of SGB, HBI and Centennial since the date of the latest financial information described above. Hovde further assumed, without independent verification, that the representations and financial and other information included in the Merger Agreement or otherwise provided to it by SGB, HBI and Centennial were true and complete. Hovde relied upon the management of SGB, HBI, and Centennial as to the reasonableness and achievability of the financial forecasts and projections, provided to Hovde by SGB, HBI and Centennial, and Hovde assumed such forecasts and projections were reasonably prepared by SGB, HBI and Centennial on a basis reflecting the best currently available information and SGB's, HBI's and Centennial's judgments and estimates. Hovde assumed that such forecasts and projections would be realized in the amounts

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and at the times contemplated thereby, and did not, in any respect, assume any responsibility for the accuracy or reasonableness thereof. Hovde was authorized by SGB to rely upon such forecasts, projections and other information and data, and expressed no view as to any such forecasts, projections or other information or data, or the bases or assumptions on which they were prepared.

In performing its review, Hovde relied upon the accuracy and completeness of all of the financial and other information that was available to it from public sources, that was provided to it by SGB, HBI and Centennial or their respective representatives or that was otherwise reviewed by it, and assumed such accuracy and completeness for purposes of rendering its opinion. Hovde further relied on the assurances of the respective managements of SGB, HBI and Centennial that they are not aware of any facts or circumstances that would make any of such information inaccurate or misleading. Hovde was not asked to, and has not undertaken, an independent verification of any of such information, and it does not assume any responsibility or liability for the accuracy or completeness thereof. Hovde has assumed that each party to the Merger Agreement would advise it promptly if any information previously provided to it became inaccurate or was required to be updated during the period of its review.

Hovde is not an expert in the evaluation of loan and lease portfolios for purposes of assessing the adequacy of the allowances for loan losses with respect thereto. Hovde assumed that such allowances for SGB, HBI, and Centennial are, in the aggregate, adequate to cover such losses, and would be adequate on a pro forma basis for the combined entity. Hovde was not requested to make, and did not conduct, an independent evaluation, physical inspection or appraisal of the assets, properties, facilities or liabilities (contingent or otherwise) of SGB, HBI or Centennial, the collateral securing any such assets or liabilities, or the collectability of any such assets, and Hovde was not furnished with any such evaluations or appraisals, nor did Hovde review any loan or credit files of SGB, HBI or Centennial.

Hovde assumed that the Merger would be consummated substantially in accordance with the terms set forth in the Merger Agreement, without any waiver of material terms or conditions by SGB, HBI, Centennial or any other party to the Merger Agreement and that the final Merger Agreement would not differ materially from the draft Hovde reviewed. Hovde assumed that the Merger would be consummated in compliance with all applicable laws and regulations. SGB advised Hovde that they are not aware of any factors that would impede any necessary regulatory or governmental approval of the Merger. Hovde further assumed that the necessary regulatory and governmental approvals, as granted, would not be subject to any conditions that would be unduly burdensome on SGB, HBI or Centennial or would have a material adverse effect on the contemplated benefits of the Merger.

SGB engaged Hovde on March 13, 2017, to serve as a financial advisor to SGB in connection with the proposed Merger and the issue a fairness opinion to SGB's board of directors in connection with such proposed transaction. Pursuant to the terms of the engagement, SGB paid a fee of \$175,000 to Hovde for the issuance of its fairness opinion, and at the time the Merger is completed, SGB will pay Hovde a completion fee of \$525,000, which is contingent upon the completion of the Merger. Pursuant to the engagement agreement, in addition to its fees and regardless of whether the Merger is consummated, SGB has agreed to reimburse Hovde for certain reasonable out-of-pocket expenses incurred in performing its services and to indemnify Hovde against certain claims, losses and expenses arising out of the Merger or Hovde's engagement.

In connection with the rendering of its opinion services to the board of directors of SGB, Hovde disclosed certain past, and potential future relationships and transactions involving HBI and SGB or their related parties. These transactions and activities were disclosed to the board of directors of SGB and are set forth more fully in Hovde's Fairness Opinion attached as Appendix C to this joint proxy statement/prospectus.

In performing its analyses, Hovde made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of

Hovde, SGB and HBI. Hovde's opinion was necessarily based on financial, economic, market and other conditions and circumstances as they existed on, and on the information made available to Hovde as of, the dates used in its opinion. Any estimates contained in the analyses performed by Hovde are not necessarily

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indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities may be sold or the prices at which any securities may trade at any time in the future. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. Hovde's opinion does not address the relative merits of the merger as compared to any other business combination in which SGB might engage. In addition, Hovde's fairness opinion was among several factors taken into consideration by SGB's board of directors in making its determination to approve the Merger Agreement and the merger. Consequently, the analyses described below should not be viewed as solely determinative of the decision of SGB's board of directors or SGB's management with respect to the fairness of the Per Share Merger Consideration to be received by SGB's shareholders in connection with the merger.

The following is a summary of the material analyses prepared by Hovde and delivered to SGB's board of directors on March 26, 2017, in connection with the delivery of its fairness opinion. This summary is not a complete description of the analyses underlying the fairness opinion or the presentation prepared by Hovde, but it summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Hovde did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. The financial analyses summarized below include information presented in tabular format. The analyses and the summary of the analyses must be considered as a whole and selecting portions of the analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying the analyses and opinion of Hovde. The tables alone are not a complete description of the financial analyses.

*Market Approach – Comparable Transactions.* As part of its analysis, Hovde reviewed publicly available information related to a comparable group (the *Nationwide Group*) of select acquisition transactions of banks. The Nationwide Group consisted of acquisition transactions of banks in the United States announced since January 1, 2015, in which the transactions' total deal values were between \$400 million and \$1 billion. In each case, for which financial information was available, no transaction that fit the selection criteria was excluded. Information for the target institutions was based on balance sheet data as of, and income statement data for the twelve months preceding, the most recent quarter prior to announcement of the transactions. The resulting group consisted of the following transactions (15 transactions for the Nationwide Group):

**Nationwide Group:**

<b>Buyer (State)</b>	<b>Target (State)</b>
Simmons First National Corporation (AR)	First Texas BHC, Inc. (TX)
Columbia Banking System, Inc. (WA)	Pacific Continental Corporation (OR)
Simmons First National Corporation (AR)	Southwest Bancorp, Inc. (OK)
Pacific Premier Bancorp, Inc. (CA)	Heritage Oaks Bancorp (CA)
Independent Bank Group, Inc. (TX)	Carlisle Bancshares, Inc. (TX)
First Interstate BancSystem, Inc. (MT)	Cascade Bancorp (OR)
United Bankshares, Inc. (WV)	Cardinal Financial Corporation (VA)
Peoples United Financial, Inc. (CT)	Suffolk Bancorp (NY)

MB Financial, Inc. (IL)  
Bank of the Ozarks, Inc. (AR)  
Bank of the Ozarks, Inc. (AR)  
Yadkin Financial Corporation (NC)  
F.N.B. Corporation (PA)

Western Alliance Bancorporation (AZ)

PacWest Bancorp (CA)

American Chartered Bancorp, Inc. (IL)  
C1 Financial, Inc. (FL)  
Community & Southern Holdings, Inc. (GA)  
NewBridge Bancorp (NC)  
Metro Bancorp, Inc. (PA)

Bridge Capital Holdings (CA)

Square 1 Financial, Inc. (NC)

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For each precedent transaction, Hovde compared the implied ratio of deal value to certain financial characteristics of SGB as follows:

the multiple of the purchase consideration to the acquired company's tangible common book value (the *Price-to-Tangible Common Book Value Multiple*);

the multiple of the purchase consideration to the acquired company's LTM net earnings per share (the *Price-to-LTM Earnings Multiple*); and

the multiple of the difference between the purchase consideration and the acquired company's tangible book value to the acquired company's core deposits (the *Premium-to-Core Deposits Multiple*).

The results of the analysis are set forth in the table below. Transaction multiples for the merger were derived from the estimated per share purchase price of \$49.00, which implied a merger consideration of \$778,393,109 for SGB and were based on December 31, 2016 financial results of SGB (which did not include impact of SGB's pending Insignia transaction).

<b>Implied Value for SGB Based On:</b>	<b>Price-to-Tangible Common Book Value Multiple</b>	<b>Price-to-LTM Earnings Multiple</b>	<b>Premium-to-Core Deposits Multiple</b>
Total Deal Value (without Insignia impact)	268.0%	26.9x	24.4%
<i>Precedent Transactions Nationwide Group:</i>			
Median	218.8%	23.3x	17.5%
Minimum	172.4%	14.8x	9.4%
Maximum	313.1%	47.4x	21.9%

The results of the analysis are set forth in the table below. Transaction multiples for the merger were derived from the estimated per share purchase price of \$49.00, which implied a merger consideration of \$778,393,109 for SGB and were based on estimated March 31, 2017 financial projections of SGB (which did include impact of SGB's pending Insignia transaction).

<b>Implied Value for SGB Based On:</b>	<b>Price-to-Tangible Common Book Value Multiple</b>	<b>Price-to-LTM Earnings Multiple</b>	<b>Premium-to-Core Deposits Multiple</b>
Total Deal Value (with Insignia impact)	242.5%	26.0x	20.5%
<i>Precedent Transactions Nationwide Group:</i>			
Median	218.8%	23.3x	17.5%

Minimum	172.4%	14.8x	9.4%
Maximum	313.1%	47.4x	21.9%

Using publicly available information, Hovde compared the financial performance of SGB with that of the median of the precedent transactions from the Nationwide Group. The performance highlights are based on December 31, 2016 financial results of SGB.

	<b>Tangible Equity/ Tangible Assets</b>	<b>Core Deposits</b>	<b>LTM ROAA</b>	<b>LTM ROAE<sup>1</sup></b>	<b>Efficiency Ratio</b>	<b>NPAs/ Assets</b>	<b>ALLL/ NPLs<sup>2</sup></b>
<b>SGB</b>	10.23%	81.54%	1.09%	9.25%	54.56%	0.70%	92.62%
<i>Precedent Transactions</i>							
<i>Nationwide Group:</i>							
<b>Median</b>	9.53%	89.53%	0.90%	8.08%	63.92%	0.94%	123.49%

<sup>1</sup> Return on average equity

<sup>2</sup> Allowance for loan and lease losses as a percentage of nonperforming loans

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No company or transaction used as a comparison in the above transaction analyses is identical to SGB, and no transaction was consummated on terms identical to the terms of the Merger Agreement. Accordingly, an analysis of these results is not strictly mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies. The resulting values of the Precedent Transactions Nationwide Group (not including impact of Insignia) indicated an implied aggregate valuation ranging between \$635.6 million and \$673.9 million compared to the proposed merger consideration of \$778.4 million. The resulting values of the Precedent Transactions Nationwide Group (including impact of Insignia) indicated an implied aggregate valuation ranging between \$698.0 million and \$709.9 million.

*Income Approach – Discounted Cash Flow Analysis.* Taking into account various factors including, but not limited to, SGB's recent performance, the current banking environment and the local economy in which SGB operates, Hovde determined, in consultation with and based on information provided by management of SGB, earnings estimates for SGB over a forward looking five year period, and SGB management developed the forward-looking projections and key assumptions, which formed the basis for the discounted cash flow analyses. The resulting projected net income numbers used for the analysis were \$37.4 million for 2017, \$46.2 million for 2018, \$49.9 million for 2019, \$53.9 million for 2020 and \$58.2 million for 2021.

To determine present values of SGB based on these projections, Hovde utilized two discounted cash flow models, each of which capitalized terminal values using a different methodology: (1) Terminal Price/Earnings Multiple ( *DCF Terminal P/E Multiple* ); and, (2) Terminal Price/Tangible Book Value Multiple ( *DCF Terminal P/TBV Multiple* ).

In the DCF Terminal P/E Multiple analysis, an estimated value of SGB's common stock was calculated based on the present value of SGB's after-tax net income based on SGB management's forward-looking projections. Hovde utilized a terminal value at the end of 2021 by applying a range of price-to-earnings multiples of 20.5x to 24.5x, with a midpoint of 22.5x, which is based around the median price-to-earnings multiple derived from transactions in the Nationwide Group. The present value of SGB's projected dividends, if any, plus the terminal value was then calculated assuming a range of discount rates between 11.0% and 14.0%, with a midpoint of 12.5%. This range of discount rates was chosen to reflect different assumptions regarding the required rates of return of holders or prospective buyers of SGB's common stock. The resulting aggregate values of SGB's common stock of the DCF Terminal P/E Multiple ranged between \$639.9 million and \$868.3 million, with a midpoint of \$747.8 million.

In the DCF Terminal P/TBV Multiple model, the same earnings estimates and projected net income were used; however, in arriving at the terminal value at the end of 2021, Hovde applied a range of price-to-tangible book value multiples of 2.00x to 2.40x with the midpoint being 2.20x, which is based around the median price-to-tangible book value multiple derived from transactions in the Nationwide Group. The present value of projected dividends, if any, plus the terminal value, was then calculated assuming a range of discount rates between 11.0% and 14.0%, with a midpoint of 12.5%. The resulting aggregate values of SGB's common stock of the DCF Terminal P/TBV Multiple ranged between \$572.6 million and \$779.5 million, with a midpoint of \$670.3 million.



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These analyses and their underlying assumptions yielded a range of values for SGB, which are outlined in the table below:

<b>Implied Value for SGB Based On:</b>	<b>Price-to-Tangible Book Value Multiple</b>	<b>Price-to-LTM Earnings Multiple</b>	<b>Premium-to-Core Deposits Multiple</b>
Total Deal Value (without Insignia impact)	268.0%	26.9	24.4%
Total Deal Value (with Insignia impact)	242.5%	26.0	20.5%
<i>DCF Analysis    Terminal P/E Multiple</i>			
Midpoint	257.4%	25.8	22.9%
<i>DCF Analysis    Terminal P/TBV Multiple</i>			
Midpoint	230.8%	23.2	19.0%

Hovde noted that while the discounted cash flow present value analysis is a widely used valuation methodology, it relies on numerous assumptions, including asset and earnings growth rates, projected dividend payouts, terminal values and discount rates. Hovde's analysis does not purport to be indicative of the actual values or expected values of SGB's common stock.

*SGB Comparable Companies Analysis:* Hovde used publicly available information to compare selected financial and trading information for SGB and a group of 10 publicly-traded financial institutions selected by Hovde which was based on publicly-traded banks in the southeast United States with total assets between \$1.5 billion and \$5.0 billion, a last-twelve-months ROAA between 0.50% and 1.50% and listed on a major stock exchange:

American National Bankshares

Fidelity Southern Corp.

First Bancorp

First Community Bancshares

Franklin Financial Network

National Commerce Corp.

Park Sterling Corp.

Seacoast Banking Corp. of Florida

State Bank Financial Corp.

## WashingtonFirst Bankshares

The analysis compared publicly available financial and market trading information for SGB and the data for the 10 financial institutions identified above as of and for the most recent twelve-month period which was publicly available. The table below compares the data for SGB and the median data for the 10 financial institutions identified above, with pricing data as of March 24, 2017.

	<b>Market Cap (\$M)</b>	<b>Price/ Tangible Book Value</b>	<b>Price/ LTM EPS</b>	<b>Price/ 2017E EPS</b>	<b>Dividend Yield</b>	<b>YTD/Price Change</b>	<b>Two Year Total Return</b>
SGB	\$ 699.2	224.5%	21.4x	18.4x	0.70%	9.6%	53.0%

*Comparable Companies:*

Median	\$ 514.8	198.4%	19.9x	18.0x	1.81%	(3.9)%	62.4%
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SGB fell within the range of pricing metrics of comparable companies. No company used as a comparison in the above analyses is identical to SGB. Accordingly, an analysis of these results is not strictly mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies.

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*HBI Comparable Companies Analysis:* Hovde used publicly available information to compare selected financial and trading information for HBI and a group of 23 publicly-traded financial institutions selected by Hovde which was based on publicly-traded banks in the southeast United States with total assets between \$3.0 billion and \$19.0 billion, a last-twelve-months ROAA between 0.75% and 2.00% and listed on a major stock exchange:

Ameris Bancorp	Seacoast Banking Corp. of Florida
BancorpSouth, Inc.	ServisFirst Bancshares, Inc.
Bank of the Ozarks, Inc.	Simmons First National Corporation
BNC Bancorp	South State Corporation
Capital Bank Financial Corp.	State Bank Financial Corporation
CenterState Banks, Inc.	TowneBank
City Holding Company	Trustmark Corporation
FCB Financial Holdings, Inc.	Union Bankshares Corporation
Fidelity Southern Corporation	United Bankshares, Inc.
First Bancorp	United Community Banks, Inc.
Pinnacle Financial Partners, Inc.	WesBanco, Inc.
Renasant Corporation	

The analysis compared publicly available financial and market trading information for HBI and the data for the 23 financial institutions identified above as of and for the most recent twelve-month period which was publicly available. The table below compares the data for HBI and the median data for the 23 financial institutions identified above, with pricing data as of March 24, 2017.

	<b>Market Cap (\$M)</b>	<b>Price/ Tangible Book Value</b>	<b>Price/ LTM EPS</b>	<b>Price/ 2017E EPS</b>	<b>Dividend Yield</b>	<b>YTD/Price Change</b>	<b>Two Year Total Return</b>
<b>HBI</b>	\$ 3,822.5	402.0%	21.2x	19.2x	1.35%	(4.0)%	60.4%

*Comparable Companies:*

<b>Median</b>	\$ 1,751.9	234.5%	20.6x	18.2x	1.59%	(5.6)%	45.7%
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HBI fell within the range of pricing metrics of comparable companies. No company used as a comparison in the above analyses is identical to HBI. Accordingly, an analysis of these results is not strictly mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies.

*Accretion / Dilution Analysis:* Hovde performed pro forma merger analyses that combined projected income statement and balance sheet information of SGB and HBI. Assumptions regarding the accounting treatment, acquisition adjustments and cost savings were used to calculate the financial impact that the merger would have on certain projected financial results of HBI. In the course of this analysis, Hovde used the median FactSet consensus estimates for earnings estimates for HBI and SGB for the years ending December 31, 2017 and December 31, 2018 and used earnings estimates provided by SGB's management for SGB for the years ending December 31, 2019 and December 31, 2020. This analysis indicated that the merger is expected to be accretive by twelve cents per share to HBI's consensus estimated earnings per share of \$1.56 in 2018 and accretive by twelve cents per share to HBI's

consensus estimated earnings per share of \$1.71 in 2019. The analysis also indicated that the merger is expected to be accretive to tangible book value per share for HBI by thirty-seven cents per share in 2018 and by forty-nine cents per share in 2019 and that HBI would maintain capital ratios in excess of those required for HBI to be considered well-capitalized under existing regulations. For all of the above analyses, the actual results achieved by SGB and HBI prior to and following the merger will vary from the projected results, and the variations may be material.

*Other Factors and Analyses.* Hovde took into consideration various other factors and analyses, including but not limited to: current market environment; merger and acquisition environment; movements in the common stock valuations of selected publicly-traded banking companies; and movements in the S&P 500 Index.

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*Conclusion.* Based upon the foregoing analyses and other investigations and assumptions set forth in its opinion, without giving specific weightings to any one factor or comparison, Hovde determined that the per share merger consideration to be paid in connection with the merger is fair from a financial point of view to SGB's shareholders. **Each shareholder is encouraged to read Hovde's fairness opinion in its entirety. The full text of this fairness opinion is included as Appendix C to this proxy statement.**

## **Recommendation of HBI Board of Directors and Reasons for the Merger**

HBI's board of directors reviewed and discussed the proposed merger with management and its financial and legal advisors in determining that the proposed merger was in the best interest of HBI and its shareholders. In reaching its conclusion to approve the Merger Agreement, HBI's board of directors considered a number of factors, including the following:

the combined market footprint for HBI in Florida that the acquisition would provide;

the potential earnings accretion for HBI in the future given the opportunities for improvement in operational efficiencies;

the familiarity with SGB's organization and management;

the common business philosophies and customer profiles;

the quality of SGB's organization from a financial and regulatory perspective;

the potential market acceptance and approval of a transaction of this quality; and

the financial presentation of RBCCM, HBI's financial advisor, to the HBI board of directors on March 27, 2017, and the written opinion dated March 27, 2017, delivered to the HBI board of directors to the effect that, as of that date, and subject to and based on the assumptions, limitations, qualifications and other matters set forth in the opinion, the Per Share Merger Consideration was fair, from a financial point of view, to HBI.

The discussion of the information and factors considered by the HBI's board of directors is not exhaustive, but includes all the material factors considered by HBI's board of directors. HBI's board of directors evaluated the factors described above, including asking questions of management and its legal and financial advisors, and reached consensus that the merger was in the best interests of HBI and its shareholders.

HBI's board of directors determined that the merger, the Merger Agreement and the transactions contemplated are advisable and in the best interests of HBI and its shareholders. Accordingly, the board of directors approved the Merger Agreement and recommends that HBI shareholders vote **FOR** the Share Issuance Proposal.

## **Opinion of RBC Capital Markets, LLC, Financial Advisor to HBI**

On March 27, 2017, RBCCM rendered its written opinion to the HBI board of directors that, as of that date and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Per Share Merger Consideration was fair, from a financial point of view, to HBI. The full text of RBCCM's written opinion dated March 27, 2017 is attached to this joint proxy statement/prospectus as **Appendix B**, and constitutes part of this joint proxy statement/prospectus. RBCCM's opinion was approved by RBCCM's Fairness Opinion Committee. The summary of RBCCM's opinion is qualified in its entirety by reference to the full text of the opinion. HBI urges holders of HBI common stock to read RBCCM's opinion carefully in its entirety for a description of the assumptions made, procedures followed, matters considered and limitations and qualifications of review undertaken by RBCCM.

**RBCCM's opinion was provided for the information and assistance of the HBI board of directors in connection with its consideration of the merger. RBCCM's opinion did not address the merits of HBI's underlying decision to engage in the merger or the relative merits of the merger compared to any**

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**alternative business strategy or transaction in which HBI might engage. RBCCM's opinion does not constitute a recommendation to any holder of HBI common stock as to how such holder should vote with respect to the adoption of the proposed Merger Agreement or any other proposal to be voted upon by them in connection with the merger.**

RBCCM's opinion and the analyses performed by RBCCM in connection with its opinion, as reviewed by the HBI board of directors, was only one of many factors taken into consideration by the HBI board of directors in connection with its consideration of the merger. RBCCM's opinion addressed solely the fairness of the Per Share Merger Consideration, from a financial point of view, to HBI, and did not in any way address other terms or arrangements of the merger or the Merger Agreement, including, without limitation, the financial or other terms of any other agreement contemplated by, or to be entered into in connection with, the Merger Agreement, and RBCCM expressed no opinion with respect to the solvency of HBI. Further, in rendering its opinion, RBCCM expressed no opinion about the fairness of the amount or nature of the compensation (if any) to any of HBI's officers, directors or employees, or class of such persons, relative to the compensation to be paid to holders of common SGB stock.

In rendering its opinion, RBCCM assumed and relied upon the accuracy and completeness of all the information that was publicly available to RBCCM and all of the financial, legal, tax, operating and other information provided to or discussed with RBCCM by HBI or SGB (including, without limitation, the financial statements and related notes thereto of each of HBI and SGB, respectively), and RBCCM did not assume responsibility for independently verifying and did not independently verify, such information. RBCCM assumed that all Forecasts (as defined below) provided to RBCCM by HBI (including Forecasts with respect to certain cost synergies expected to be realized from the merger and certain pro forma adjustment assumptions relating to the merger) were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of management of HBI as to the future financial performance of HBI or SGB (as the case may be), as standalone entities (or, in the case of the projected synergies and pro forma adjustments, as a combined company). RBCCM expressed no opinion as to such Forecasts or the assumptions upon which they were based.

In rendering its opinion, RBCCM did not assume any responsibility to perform, and did not perform, an independent evaluation or appraisal of any of the assets or liabilities of HBI or SGB, and RBCCM was not furnished with any such valuations or appraisals. RBCCM did not assume any obligation to conduct, and did not conduct, any physical inspection of the property or facilities of HBI or SGB. RBCCM is not an expert in the evaluation of allowances for loan and lease losses and did not independently verify such allowances or review or examine any individual loan or credit files. RBCCM assumed, with HBI's consent, that the aggregate allowances for loan and lease losses set forth in the financial statements of HBI and SGB are adequate to cover such losses. RBCCM did not investigate, and made no assumption regarding, any litigation or other claims affecting HBI or SGB.

RBCCM assumed, in all respects material to its analysis, that all conditions to the consummation of the merger would be satisfied without waiver thereof. RBCCM further assumed that the executed version of the Merger Agreement would not differ, in any respect material to its opinion, from the Latest Draft Agreement (as defined below).

RBCCM's opinion speaks only as of the date thereof, is based on the conditions as they existed and information which RBCCM was supplied as of the date thereof, and is without regard to any market, economic, financial, legal, or other circumstances or event of any kind or nature which may exist or occur after such date. RBCCM did not undertake to reaffirm or revise its opinion or otherwise comment upon events occurring after the date thereof and does not have an obligation to update, revise or reaffirm its opinion. RBCCM did not express any opinion as to the prices at which HBI common stock or SGB common stock have traded or would trade following the announcement of the merger nor the prices at which HBI common stock would trade following the consummation of the merger.





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For purposes of rendering its opinion, RBCCM undertook such review and inquiries as it deemed necessary or appropriate under the circumstances, including the following:

reviewed the financial terms of a draft Merger Agreement provided to RBCCM on March 24, 2017 (the Latest Draft Agreement );

reviewed and analyzed certain publicly available financial and other data with respect to HBI and SGB and certain other relevant historical operating data relating to HBI and SGB made available to RBCCM from published sources and from the internal records of HBI;

reviewed financial projections and forecasts of HBI, SGB and the combined post-merger company, including certain pro forma adjustment assumptions relating to the merger, all as prepared by HBI's management and provided to RBCCM (collectively, Forecasts );

conducted discussions with members of the senior management of HBI with respect to the business prospects and financial outlook for HBI and SGB as standalone entities, as well as for the combined post-merger company;

reviewed Wall Street research estimates regarding the potential future performance of HBI and SGB as standalone entities;

reviewed the reported prices and trading activity for HBI common stock and SGB common stock; and

performed other studies and analyses as RBCCM deemed appropriate.

Set forth below is a summary of the material financial analyses performed by RBCCM in connection with rendering its opinion, as delivered to the HBI board of directors in connection with its meeting on March 27, 2017. The order of analyses described does not represent relative importance or weight given to those analyses by RBCCM. Some of the summaries of the financial analyses include information presented in tabular format. To fully understand the summary of the analyses used by RBCCM, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analysis.

For purposes of its analyses, RBCCM reviewed a number of financial and operating metrics, including:

Tangible Book Value (which we refer to as TBV ), which means a company's total book value less the value of any intangible assets, including goodwill; and

Earnings Per Share (which we refer to as EPS ) estimated for 2018 and for the next twelve month ( NTM ) period for which financial information was not available.

Unless context indicates otherwise, the analyses performed below were calculated using the following methodologies:

(i) using the closing price of HBI common stock and SGB common stock and the closing prices of the comparable bank holding companies as of March 24, 2017, (ii) historical financial and operating data for HBI, SGB and the comparable companies was based on publicly available information for each company as of March 24, 2017, (iii) projected financial data for HBI and SGB were based on the Forecasts, and (iv) transaction values for the target companies derived from the precedent transactions analysis described below were calculated as of the announcement date of the relevant transaction based on the implied purchase prices announced on such date for the precedent transactions and otherwise based on publicly available information as of such date. Accordingly, this information may not reflect current or future market conditions. 2018 EPS estimates for the comparable companies and NTM EPS estimates for comparable companies and precedent transactions were based on median consensus Wall Street research estimates available as of March 24, 2017. The calculations of TBV and EPS were based on the most recent available quarter data as of March 24, 2017. For the purposes of certain analyses below, the term implied Per Share Merger Consideration refers to the implied per share value of \$49.00.

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*SGB Financial Analysis*

*Public Company Analysis.* RBCCM reviewed certain financial and operating information and implied trading multiples for comparable publicly traded companies as compared to the corresponding information and implied trading multiples for SGB. In choosing the comparable companies, RBCCM considered publicly traded Southeast banks with assets ranging from \$2.0 billion to \$7.5 billion that trade on a national securities exchange. RBCCM excluded from its analysis banks that were targets of pending mergers or publicly rumored merger targets, together with mutual holding companies.

In this analysis, RBCCM compared, among other things, multiples of implied price per common share to (i) TBV, (ii) estimated NTM EPS and (iii) estimated 2018 EPS. The list of comparable companies and related high, mean, median, and low multiples for such comparable companies and for SGB are as follows:

***Comparable Companies***

Ameris Bancorp

ServisFirst Bancshares Inc.

CenterState Banks Inc.

Seacoast Banking Corporation of FL

Fidelity Southern Corporation

State Bank Financial Corporation

City Holding Company

First Bancorp

FB Financial Corporation

Xenith Bankshares, Inc.

Park Sterling Corporation

Franklin Financial Network, Inc.

Capital City Bank Group, Inc.

HomeTrust Bancshares, Inc.

Atlantic Capital Bancshares, Inc.

First Community Bancshares, Inc.

Bear State Financial, Inc.<sup>1</sup>

WashingtonFirst Bankshares, Inc.

	Price/ TBV	Price/Estimated NTM EPS <sup>1</sup>	Price/2018 Estimated EPS <sup>1</sup>
High	3.70x	25.3x	21.9x
Mean	2.14x	19.0x	16.0x
Median	1.94x	18.6x	16.2x
Low	1.15x	13.9x	11.5x
<b>SGB at March 24, 2017 using Wall Street research EPS estimates</b>	2.25x	18.2x	15.2x
<b>SGB at Implied Per Share Merger Consideration</b>	2.41x	19.6x	16.4x

<sup>1</sup> Figures for estimated NTM EPS and 2018 estimated EPS for Bear State Financial Inc. were not available and were excluded from the calculation of the high, mean, median and low.

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This analysis produced an implied per share equity reference range for SGB common stock consisting of TBV multiples ranging from 1.15x to 3.70x, estimated NTM EPS multiples ranging from 13.9x to 25.3x and estimated 2018 EPS multiples ranging from 11.5x to 21.9x, which indicated the following implied per share equity reference range for SGB common stock, compared to the implied Per Share Merger Consideration:

**Implied Per Share Equity Reference Range  
For SGB based on:**

<b>TBV</b>	<b>Estimated NTM EPS</b>	<b>2018 Estimated EPS</b>	<b>Implied Per Share Merger Consideration</b>
\$23.49-\$75.31	\$ 34.68-\$63.19	\$ 34.30-\$65.30	\$ 49.00

*Precedent Transactions Analysis.* RBCCM reviewed certain implied transaction multiples for a set of precedent merger and acquisition transactions as compared to the corresponding implied transaction multiples for the merger. In selecting these precedent transactions, RBCCM considered mergers and acquisitions publicly announced from 2015 to March 24, 2017 in which target entities' banking operations were primarily in the Southeast and for which targets had assets ranging from \$2.0 billion to \$7.5 billion. RBCCM excluded from its analysis merger of equals transactions.

In this analysis, RBCCM compared, among other things, (i) multiples of implied price per common share to TBV and (ii) multiples of price per common share to estimated NTM EPS. The list of precedent transactions and related high, mean, median, and low multiples for such precedent transactions and for SGB are as follows:

<b>Announcement Date</b>	<b>Acquiror</b>	<b>Target</b>
February 28, 2017	IBERIABANK Corporation	Sabadell United Bank N.A. <sup>2</sup>
January 22, 2017	Pinnacle Financial Partners	BNC Bancorp
August 18, 2016	United Bankshares Inc.	Cardinal Financial Corporation
July 21, 2016	F.N.B. Corporation	Yadkin Financial Corporation
November 23, 2015	Capital Bank Financial Corporation	CommunityOne Bancorp
October 19, 2015	Bank of the Ozarks Inc.	Community & Southern Holdings, Inc. <sup>2</sup>
October 13, 2015	Yadkin Financial Corporation	New Bridge Bancorp

	<b>Price /TBV</b>	<b>Price/Estimated NTM EPS</b>
High	2.70x	28.0x
Mean	2.07x	19.9x
Median	1.98x	18.4x
Low	1.31x	17.1x
<b>SGB at Implied Per Share Merger Consideration</b>	<b>2.41x</b>	<b>19.6x</b>

<sup>2</sup> Figures for estimated NTM EPS for the precedent transactions involving IBERIABANK Corp. / Sabadell United Bank N.A. and Bank of the Ozarks Inc. / Community and Southern Holdings, Inc. were not available and were excluded from the calculation of the high, mean, median and low.



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This analysis produced an implied per share equity reference range for SGB common stock consisting of TBV multiples ranging from 1.31x to 2.70x and estimated NTM EPS multiples ranging from 17.1x to 28.0x, which indicated the following implied per share equity reference range for SGB common stock, compared to the implied Per Share Merger Consideration:

**Implied Per Share Equity Reference Range****For SGB based on:**

<b>TBV</b>	<b>Estimated NTM EPS</b>	<b>Implied Per Share Merger Consideration</b>
\$26.70-\$54.91	\$ 42.81-\$69.97	\$ 49.00

*Discounted Dividend Analysis.* RBCCM performed discounted cash flow analyses of SGB by calculating the estimated net present value of after-tax free cash flows of SGB available for dividends through 2021, together with excess cash available for dividends as of March 31, 2017, based on HBI's Forecasts for SGB. RBCCM performed such discounted cash flow analyses both (i) on a standalone basis (the SGB Standalone DCF) and (ii) attributing to SGB the value of estimated synergies, and the impact of acquisition adjustments projected to result from the merger, as contemplated by management of HBI (the SGB Change in Control DCF, and together with the SGB Standalone DCF, each a DCF). Both DCFs assumed a ratio of target tangible common equity to tangible assets of 8.0%, a pre-tax opportunity cost of cash of 2.00% and a 35.8% tax rate. The SGB Change in Control DCF assumed cost savings equal to 34% on SGB's non-interest expense, 75% of which was projected to be phased in during 2017 and 100% thereafter.

RBCCM performed the SGB Standalone DCF and the SGB Change in Control DCF analyses used discount rates ranging from 10.0% to 13.0%, based on an estimated cost of equity using the capital asset pricing model (CAPM), inclusive of an equity size premium, and a terminal value at the end of the forecast period, using terminal multiples ranging from 13.0x to 17.0x estimated 2022 earnings for both DCFs. The terminal multiples for both DCFs were selected based on a review of the multiples of estimated NTM EPS for the selected public companies referred to above as well as the historical estimated NTM EPS multiple for SGB over the prior two year period. The SGB Standalone DCF and the SGB Change in Control DCF indicated the following implied per share reference ranges as compared to the implied Per Share Merger Consideration:

<b>For SGB based on Standalone DCF Implied Per Share Equity Reference Range</b>	<b>For SGB based on Change in Control DCF Implied Per Share Equity Reference Range</b>	<b>Implied Per Share Merger Consideration</b>
\$38.78-\$52.10	\$ 46.64-\$63.41	\$ 49.00

*HBI Financial Analysis*

*Public Company Analysis.* RBCCM reviewed certain financial and operating information and implied trading multiples for comparable publicly traded companies as compared to the corresponding information and implied trading multiples for HBI. In choosing the comparable companies, RBCCM considered publicly traded Southeast banks with assets ranging from \$5.0 billion to \$20.0 billion that trade on a national securities exchange. RBCCM excluded from its analysis banks that were targets of pending mergers or publicly rumored merger targets, together with mutual holding companies.

In this analysis, RBCCM compared, among other things, multiples of implied price per common share to (i) TBV, (ii) estimated NTM EPS and (iii) estimated 2018 EPS. The list of comparable companies and related high, mean, median and low multiples for such comparable companies and for HBI are as follows:

*Comparable Companies*

Bank of the Ozarks, Inc.

BancorpSouth, Inc.

United Bankshares Inc.



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Trustmark Corporation

Pinnacle Financial Partners, Inc.

United Community Banks, Inc.

WesBanco, Inc.

FCB Financial Holdings, Inc.