



**Simmons First
National Corporation**

AUDIT COMMITTEE CHARTER

As Adopted by the Board of Directors on September 13, 2017

SIMMONS FIRST NATIONAL CORPORATION AUDIT COMMITTEE CHARTER

I. GENERAL

This Charter identifies the Purpose, Authority, Composition, Meeting Requirements, Responsibilities and Duties of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Simmons First National Corporation (the “**Corporation**”). This Charter is intended to serve as a key component of a flexible framework within which the Board, assisted by its various committees, oversees and directs the business and affairs of the Corporation. It will be reviewed at least annually.

II. PURPOSE

The Committee is appointed by the Board to assist the Board in fulfilling its responsibility to the Corporation’s shareholders with respect to its oversight of:

- (i) The integrity and accuracy of the Corporation’s financial statements;
- (ii) The Corporation’s process for monitoring compliance with financial reporting laws and regulations;
- (iii) The Corporation’s internal system of accounting and financial controls;
- (iv) The Corporation’s internal audit function and financial audit process;
- (v) The appointment, compensation, retention and evaluation of the Corporation’s independent registered public accounting firm (the “**Independent Auditor**”) and Chief Audit Executive; and
- (vi) Such other matters as may be delegated to the Committee by the Board from time to time.

III. AUTHORITY

The Committee is established pursuant to Article IV, Section 3 of the amended and restated By-Laws of the Corporation. The Committee will have the resources and authority necessary to perform its responsibilities and duties as enumerated in Section VI of this Charter, including the authority, subject to ratification by the Board, to:

- (i) Conduct or authorize investigations, at the expense of the Corporation, into any matters necessary for the Committee to perform its prescribed responsibilities and duties under this Charter;
- (ii) Appoint, compensate and oversee the work of any registered public accounting firm employed by the Corporation;
- (iii) Resolve any disagreements between Management and the Independent Auditor regarding financial reporting;

- (iv) Approve in advance all services provided by the Independent Auditor, provided the Committee Chairman be authorized to approve requests for services between the regularly scheduled meetings of the Committee;
- (v) Obtain advice and assistance from internal or external legal counsel, accountants, consultants or other advisors, at the Corporation's expense, to assist the Committee in performing its prescribed responsibilities and duties under this Charter;
- (vi) Obtain any information it requires from Management, officers or other associates of the Corporation and its subsidiaries, all of whom are directed to cooperate with the Committee's requests;
- (vii) Delegate its authority to subcommittees established by the Committee from time to time, which subcommittees will consist of one or more members of the Committee and will report to the Committee; and
- (viii) Meet in joint session with any of the Board's other standing committees for the review of any information it deems necessary to perform its prescribed responsibilities and duties under this Charter.

By approval of this Charter, the Board has approved and is committed to providing appropriate funding, as determined by the Committee, for payment of all expenses incurred by the Committee, including but not limited to reasonable compensation to the Independent Auditor, independent legal counsel or any other advisor retained by the Committee. Funding for all expenses of the Committee will be provided through the Internal Audit Group budget.

IV. COMPOSITION

The Committee will be comprised of three or more directors, each of whom must satisfy the independence and qualification requirements of the securities exchange(s) on which the Corporation's securities are listed, the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**"), and the rules and regulations of the U.S. Securities and Exchange Commission (the "**SEC**"). Each member of the Committee must also comply with all financial literacy requirements of the securities exchange(s) on which the Corporation's securities are listed. The Board will strive to maintain at least one member of the Committee who qualifies as an "audit committee financial expert," as such term is defined by the SEC and determined by the Board. The Committee will include members with banking or financial management expertise.

The Committee's members will be appointed annually by the majority vote of the Board on the recommendation of the Board's Nominating and Corporate Governance Committee (the "**NCGC**"), and may be replaced in the Board's discretion. Likewise, the Committee Chairman will be appointed annually by the majority vote of the Board on the recommendation of the NCGC, and may be replaced in the Board's discretion.

The members will serve for such term or terms as the Board may determine or until their earlier resignation, retirement or removal by the Board. In determining whether a director is eligible to serve on the Committee, the Board must consider whether the director is affiliated with the Corporation or a subsidiary or affiliate of the Corporation to determine whether such affiliation would impair the director's judgment as a member of the Committee. No member of the Committee will receive any compensation from the Corporation or its subsidiaries, except (1) fees received as a member of the Committee, the Board or any other committee of the Board and (2) a fixed amount of compensation under a retirement plan, including deferred compensation, for prior service with the Corporation, provided that such compensation is not contingent in any way on continued service.

V. MEETING REQUIREMENTS

The Committee will meet at least quarterly, with the authority to convene additional meetings as circumstances require. All Committee members are expected to attend each meeting, in person or via teleconference or videoconference. A majority of the members of the Committee will constitute a quorum. If the Committee Chairman is not present, the members of the Committee may designate one of its members as temporary Chair by majority vote of the Committee members in attendance.

The Committee Chairman, with input from the Chief Audit Executive, will prepare and/or approve an agenda, along with appropriate briefing materials, in advance of each meeting. The agenda for each Committee meeting will provide time during which the Committee can meet without the presence of Management (*i.e.*, Executive Session) to discuss any matters that the Committee deems necessary to perform its prescribed responsibilities and duties under this Charter. Executive Sessions of the Committee will be held at the end of each Committee meeting or on the call of the Committee Chairman. A record of all matters to be reported to the Board and all actions taken in Executive Session will be recorded by the Committee Chairman or his or her designee and will be retained by the Corporate Secretary, who will preserve, to the extent reasonably possible, the confidentiality of such minutes.

The Committee will appoint a Secretary, who need not be a Director. The Secretary will keep detailed minutes of each Committee meeting and fully document and maintain records of the Committee's proceedings. The minutes of the Committee meetings will reflect if an Executive Session was held and if there were no actions or matters to discuss with the Board.

The Committee may request any officer or associate of the Corporation and its subsidiaries, independent counsel, accountants, consultants or other advisors to attend Committee meetings and provide pertinent information as the Committee deems necessary to perform its prescribed responsibilities and duties under this Charter.

VI. RESPONSIBILITIES AND DUTIES

In addition to the specific responsibilities and duties enumerated in this Charter, the Committee may take such other actions that are consistent with the general scope of its

authority set forth in this Charter, the Corporation's By-Laws or Corporate Governance Principles or as directed by the Board. The Committee will have the following responsibilities and duties in carrying out its stated purposes.

A. Review of Certain Documents and Reports

- (1) Review and discuss with Management, including the Chief Audit Executive, and the Independent Auditor, prior to public dissemination, the Corporation's annual audited financial statements and quarterly financial statements, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and discuss with the Independent Auditor the matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard "Communication with Audit Committees" and other professional auditing standards, and recommend to the Board whether the audited financial statements should be included in the Corporation's Form 10-K.
- (2) Review and discuss with Management, including the Chief Audit Executive, and the Independent Auditor the financial results communicated in the Corporation's quarterly earnings press releases, paying particular attention to the use of any "pro forma," "adjusted" or "non-GAAP" information, as well as any other material financial information and earnings guidance provided to the Corporation's analysts and, if applicable, rating agencies. Such discussions may be general, consisting of discussions related to the types of information to be disclosed and the types of presentations to be made, and each instance in which the Corporation provides earnings guidance need not be discussed in advance.
- (3) Review any certification required to be reviewed in accordance with applicable law or regulations of the SEC and the disclosures made to the Committee by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the Corporation's Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving Management, officers or other associates of the Corporation or its subsidiaries who have a significant role in the Corporation's internal controls.
- (4) Review and discuss with Management, including the Chief Audit Executive, and the Independent Auditor the Corporation's Internal Controls Report and the Independent Auditor's attestation of the report prior to its inclusion in the filing of the Corporation's Form 10-K.

B. Selection and Oversight of Independent Auditor

- (1) The Committee has the sole responsibility for the appointment, compensation, retention and oversight of the work of the Corporation's Independent Auditor. The Independent Auditor will report directly to the Committee.
- (2) Review and approve the Independent Auditor's work plan on an annual basis.
- (3) Review and discuss with Management, including the Chief Audit Executive, and the Independent Auditor the Independent Auditor's proposed audit scope and approach, including coordination of audit effort with the Internal Audit Group.
- (4) Approve in advance all audit and non-audit engagement services to be provided to the Corporation by the Independent Auditor, other than "prohibited non-audit services" as defined in Section 10A(g) of the Exchange Act, subject to exceptions described in the Exchange Act. The Committee may delegate to its Chairman the authority to approve in advance any audit or permitted non-audit services, including fees and terms, to be provided by the Independent Auditor so long as they are presented for informational purposes to the full Committee at its next meeting.
- (5) Review, at least annually, the qualifications and performance of the Independent Auditor and present its conclusions with respect to the Independent Auditor to the Board. In conducting its review and evaluation, the Committee should:
 - (a) Obtain and review a report by the Independent Auditor describing (i) the Independent Auditor's internal quality-control procedures and (ii) any material issues raised by the most recent internal quality control review, or peer review, of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to one or more independent audits carried out by the Independent Auditor, and any steps taken to deal with any such issues;
 - (b) Ensure the rotation of the lead audit partner of the Independent Auditor as required by applicable law, rules or regulations;
 - (c) Review and evaluate the performance and qualifications of the lead audit partner of the Independent Auditor on an annual basis;
 - (d) Recommend to the Board clear policies for the Corporation's hiring of employees or former employees of the Independent Auditor; and
 - (e) Facilitate open communications among the Independent Auditor, Management, the Internal Audit Group and the Board.

- (6) Review and confirm the independence and objectivity of the Independent Auditor by obtaining on a periodic basis, but at least annually, a formal written statement from the Independent Auditor delineating all relationships between the Corporation and the Independent Auditor, including each non-audit service provided to the Corporation and at least the matters set forth in Public Company Accounting Oversight Board Rule “Communication with Audit Committees Concerning Independence.”

C. Oversight of Internal Audit Function

The Committee shall:

- (1) Have the sole responsibility for the appointment, compensation, retention, and oversight of the performance of the Corporation’s Chief Audit Executive. The Chief Audit Executive will report directly to the Committee.
- (2) Review annually the education and experience of the key members of the Internal Audit Group, including significant internal audit outsource vendors, and financial management personnel.
- (3) Review and approve the appointment and, as appropriate, the replacement of the Chief Audit Executive.
- (4) Review annually and evaluate the performance of the Chief Audit Executive and report the results of this evaluation to the SFNC Chief Executive Officer.
- (5) As part of the functional reporting relationship of the Chief Audit Executive to the Audit Committee, review and approve annually the remuneration of the Chief Audit Executive.
- (6) Review at least annually the appropriateness of all activities assigned under the Chief Audit Executive’s functional and administrative reporting responsibilities, confirming the organizational independence of the internal audit function.
- (7) Review and approve, on an annual basis, the Internal Audit Group Charter, risk-based audit plan, financial budget and staffing of the Internal Audit Group for the upcoming year.
- (8) Review quarterly progress against the annual risk-based Internal Audit Plan, and approve any significant changes to the internal audit plan, financial budget or staffing of the Internal Audit Group, and actions taken or needed.
- (9) Make appropriate inquiries of Management, including the Chief Audit Executive, to determine if there are inappropriate scope or resource limitations.
- (10) Review quarterly with Management, including the Chief Audit Executive, and the Independent Auditor their assessments of the adequacy of internal controls and the status of resolution of any identified material weaknesses or reportable conditions.

- (11) Review significant issues identified by the Chief Audit Executive and the status of Management's corrective actions.
- (12) Review the effectiveness of the internal audit function, including compliance with the Institute of Internal Auditors' International Professional Practices Framework for Internal Auditing consisting of the Definition of Internal Auditing, Code of Ethics and the Standards.

D. Review and Oversight of Financial Reporting Process

- (1) In consultation with Management, including the Chief Audit Executive, and the Independent Auditor, periodically review the integrity of the Corporation's financial reporting processes relied upon to prepare SEC or other regulatory filings. In that connection, the Committee should obtain and discuss with Management, including the Chief Audit Executive, and the Independent Auditor quarterly reports from Management and the Independent Auditor regarding:
 - (i) critical accounting policies and practices used by the Corporation;
 - (ii) analysis prepared by Management and/or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements of the Corporation, including all alternative treatments of financial information within Generally Accepted Accounting Principles that have been discussed with Management, the consequences of the use of the alternative disclosures and treatments and the treatment preferred by the Independent Auditor;
 - (iii) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles;
 - (iv) significant issues relating to the adequacy of the Corporation's internal controls and specific audit policies or procedures adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting; and
 - (v) any other material written communications between the Independent Auditor and Management.
- (2) Review periodically the effect of regulatory and accounting initiatives on the financial statements of the Corporation.
- (3) Review with the Independent Auditor (i) any problems or other difficulties encountered by the Independent Auditor in the course of the audit process, including any restrictions on the scope of the Independent Auditor's activities or on access to requested information and any significant disagreements with Management and (ii) Management's responses to such matters. The Committee will resolve any disagreements between Management and the Independent Auditor regarding financial reporting, and discuss with the Independent Auditor material issues on which the national office of the Independent Auditor was consulted by the team.

E. Review and Oversight of Certain Legal and Compliance Matters

- (1) Review information, as appropriate, from the Internal Audit Group, Management and the Independent Auditor, concerning the Corporation's

compliance with applicable legal and regulatory requirements.

- (2) With the understanding that the Board has assigned primary responsibility for oversight of Corporation's enterprise risk management framework, governance, policies and procedures to the Risk Committee:
 - (a) Discuss with Management, including Chief Audit Executive, and the Independent Auditor the Corporation's guidelines and policies with respect to the Corporation's enterprise risk self- assessment and overall enterprise risk management structure. Discuss the Corporation's major financial risk exposures and the steps Management has taken to identify, measure, monitor control and report such exposures.
 - (b) Review periodically, but at least annually, with the Corporation's General Counsel and Chief Risk Officer, any legal, regulatory, compliance or risk matter that could have a significant impact on the Corporation's financial statements.
 - (c) Review significant findings with respect to the credit process arising out of credit risk management exams and the status of Management's response to any noted issues.
- (3) Establish, oversee and review annually policies and procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters and (ii) the confidential, anonymous submission by associates of the Corporation and its subsidiaries of concerns regarding questionable accounting, internal controls or auditing matters.
- (4) Discuss with Management, including the Chief Audit Executive, and the Independent Auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Corporation's financial statements or accounting policies.
- (5) Meet with regulators when deemed necessary or appropriate by the Board or the Committee, or when requested by regulators.
- (6) Review (a) the effectiveness of the system for monitoring compliance with laws and regulations and (b) the results of management's investigation and follow-up of any instances of non-compliance.
- (7) Review the findings of any examinations by regulatory agencies, and any auditor observations.
- (8) Review the process for communicating the code of conduct to Corporation personnel, and for monitoring compliance therewith.

F. Reporting

- (1) Review and approve all reports of the Committee required to be included in the Corporation's annual proxy statement, pursuant to and in accordance with applicable rules and regulations of the SEC. Regularly report to the Board on (i) any issues that arise with respect to the quality or integrity of the

Corporation's financial statements, application of accounting principles, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the Corporation's Independent Auditor or the performance of the Internal Audit Group, including the Chief Audit Executive; (ii) the matters addressed at all meetings of the Committee, including the Committee's conclusions following its annual review of the performance of the Independent Auditor and the Chief Audit Executive; and (iii) such other matters as are relevant to the Committee's discharge of its responsibilities and duties under this Charter. The Committee will recommend action by the Board as the Committee deems appropriate or necessary. The report to the Board may take the form of an oral report by the Committee Chairman or any other member of the Committee designated by the Committee to make such report.

- (2) Maintain and publish to the Board minutes of each Committee meeting.
- (3) Publicly disclose this Charter and any such amendments at the times and in the manner required by the SEC and/or any other regulatory body or stock exchange having authority over the Corporation, and in all events post such charter and amendments to the Corporation's investor relations website.

G. Other Responsibilities

- (1) Perform any functions or activities required to be performed by it or otherwise appropriate under applicable law, rules or regulations, by the Corporation's By-Laws and the resolutions or other directives of the Board.
- (2) Periodically, but at least annually, meet with the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer, the General Counsel, the Chief Audit Executive and the Independent Auditor in separate Executive Sessions.
- (3) Perform an annual review and evaluation of the performance of the Committee and its members.
- (4) Perform an annual review and evaluation of the adequacy of, and its compliance with, this Charter, requesting Board approval for proposed changes.
- (5) Participate in continuing education opportunities in financial reporting and other areas relevant to the Committee.
- (6) Institute and oversee special investigations concerning issues within the Committee's jurisdiction as needed to fulfill its responsibilities hereunder.

VII. LIMITATION OF THE COMMITTEE'S ROLE

While the Committee has the authority, responsibilities and duties set forth in this Charter, its core function is oversight. It is not the duty of the Committee to plan or conduct audits, to prepare the Corporation's financial statements or disclosures or to determine that the Corporation's financial statements and disclosures are complete and accurate and are in accordance with Generally Accepted Accounting Principles and

applicable rules and regulations.

Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements and for the appropriateness of the accounting principles and reporting policies used by the Corporation. The Independent Auditor is responsible for auditing the Corporation's financial statements and for reviewing the Corporation's unaudited interim financial statements.

Each member of the Committee will be entitled to rely, to the fullest extent permitted by law, upon (1) the integrity of those persons or organizations within and outside the Corporation from whom the member receives information, (2) the accuracy and completeness of the other information provided to the Committee by such persons or organizations, absent actual knowledge to the contrary, and (3) representations made by Management and the Corporation's outside advisors.