UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 000-06253

SIMMONS FIRST NATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Arkansas	**71-0407808**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
501 Main Street **Pine Bluff** **Arkansas**	**71601**
(Address of principal executive offices)	(Zip Code)

(870) 541-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	SFNC	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging Growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act.). ☐ Yes ☒ No

The number of shares outstanding of the Registrant's Common Stock as of May 4, 2021, was 108,348,630.

Simmons First National Corporation
Quarterly Report on Form 10-Q
March 31, 2021

Table of Contents

* No reportable information under this item.

Part I: Financial Information
Item 1. Financial Statements (Unaudited)

Simmons First National Corporation
Consolidated Balance Sheets
March 31, 2021 and December 31, 2020

(In thousands, except share data)	March 31, 2021 (Unaudited)	December 31, 2020
ASSETS		
Cash and non-interest bearing balances due from banks	$ 227,713	$ 217,499
Interest bearing balances due from banks and federal funds sold	3,677,750	3,254,653
Cash and cash equivalents	3,905,463	3,472,152
Interest bearing balances due from banks - time	1,334	1,579
Investment securities:		
Held-to-maturity, net of allowance for credit losses of $1,618 and $2,915 at March 31, 2021 and December 31, 2020, respectively	609,500	333,031
Available-for-sale, net of allowance for credit losses of $2,454 and $312 at March 31, 2021 and December 31, 2020, respectively (amortized cost of $4,582,052 and $3,397,043 at March 31, 2021 and December 31, 2020, respectively)	4,528,348	3,473,598
Total investments	5,137,848	3,806,629
Mortgage loans held for sale	63,655	137,378
Loans	12,195,873	12,900,897
Allowance for credit losses on loans	(235,116)	(238,050)
Net loans	11,960,757	12,662,847
Premises and equipment	427,540	441,692
Premises held for sale	13,613	15,008
Foreclosed assets and other real estate owned	11,168	18,393
Interest receivable	71,359	72,597
Bank owned life insurance	257,152	255,630
Goodwill	1,075,305	1,075,305
Other intangible assets	107,091	111,110
Other assets	315,832	289,432
Total assets	$ 23,348,117	$ 22,359,752
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Non-interest bearing transaction accounts	$ 4,884,667	$ 4,482,091
Interest bearing transaction accounts and savings deposits	10,279,997	9,672,608
Time deposits	3,024,724	2,832,327
Total deposits	18,189,388	16,987,026
Federal funds purchased and securities sold under agreements to repurchase	323,053	299,111
Other borrowings	1,340,467	1,342,067
Subordinated debentures	383,008	382,874
Other liabilities held for sale	—	154,620
Accrued interest and other liabilities	181,426	217,398
Total liabilities	20,417,342	19,383,096
Stockholders' equity:		
Preferred stock, 40,040,000 shares authorized; Series D, $0.01 par value, $1,000 liquidation value per share; 767 shares issued and outstanding at March 31, 2021 and December 31, 2020	767	767
Common stock, Class A, $0.01 par value; 175,000,000 shares authorized at March 31, 2021 and December 31, 2020; 108,345,732 and 108,077,662 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	1,083	1,081
Surplus	2,017,188	2,014,076
Undivided profits	948,913	901,006
Accumulated other comprehensive (loss) income	(37,176)	59,726
Total stockholders' equity	2,930,775	2,976,656
Total liabilities and stockholders' equity	$ 23,348,117	$ 22,359,752

See Condensed Notes to Consolidated Financial Statements.

Simmons First National Corporation
Consolidated Statements of Income
Three Months Ended March 31, 2021 and 2020

(In thousands, except per share data)	Three Months Ended March 31, 2021	2020
	(Unaudited)	
INTEREST INCOME		
Loans, including fees	$ 146,424	$ 187,566
Interest bearing balances due from banks and federal funds sold	798	2,441
Investment securities	21,573	18,943
Mortgage loans held for sale	639	281
TOTAL INTEREST INCOME	169,434	209,231
INTEREST EXPENSE		
Deposits	13,179	31,277
Federal funds purchased and securities sold under agreements to repurchase	245	759
Other borrowings	4,802	4,877
Subordinated notes and debentures	4,527	4,835
TOTAL INTEREST EXPENSE	22,753	41,748
NET INTEREST INCOME	146,681	167,483
Provision for credit losses	1,445	23,134
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	145,236	144,349
NON-INTEREST INCOME		
Trust income	6,666	7,151
Service charges on deposit accounts	9,715	13,328
Other service charges and fees	1,922	1,588
Mortgage lending income	6,447	5,046
SBA lending income	240	296
Investment banking income	695	877
Debit and credit card fees	8,964	7,914
Bank owned life insurance income	1,523	1,298
Gain on sale of securities, net	5,471	32,095
Other income	10,260	12,801
TOTAL NON-INTEREST INCOME	51,903	82,394
NON-INTEREST EXPENSE		
Salaries and employee benefits	60,340	67,924
Occupancy expense, net	9,300	9,510
Furniture and equipment expense	5,415	5,723
Other real estate and foreclosure expense	343	325
Deposit insurance	1,308	2,475
Merger related costs	233	1,068
Other operating expenses	38,417	41,788
TOTAL NON-INTEREST EXPENSE	115,356	128,813
INCOME BEFORE INCOME TAXES	81,783	97,930
Provision for income taxes	14,363	20,694
NET INCOME	67,420	77,236
Preferred stock dividends	13	13
NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	$ 67,407	$ 77,223
BASIC EARNINGS PER SHARE	$ 0.62	$ 0.68
DILUTED EARNINGS PER SHARE	$ 0.62	$ 0.68

See Condensed Notes to Consolidated Financial Statements.

Simmons First National Corporation
Consolidated Statements of Comprehensive (Loss) Income
Three Months Ended March 31, 2021 and 2020

(In thousands)	Three Months Ended March 31, 2021	2020
	(Unaudited)	
NET INCOME	$ 67,420	$ 77,236
OTHER COMPREHENSIVE (LOSS) INCOME		
Unrealized holding (losses) gains arising during the period on available-for-sale securities	(125,717)	55,569
Less: Reclassification adjustment for realized gains included in net income	5,471	32,095
Other comprehensive (loss) income, before tax effect	(131,188)	23,474
Less: Tax effect of other comprehensive (loss) income	(34,286)	6,135
TOTAL OTHER COMPREHENSIVE (LOSS) INCOME	(96,902)	17,339
COMPREHENSIVE (LOSS) INCOME	$ (29,482)	$ 94,575

See Condensed Notes to Consolidated Financial Statements.

Simmons First National Corporation
Consolidated Statements of Cash Flows
Three Months Ended March 31, 2021 and 2020

(In thousands)	March 31, 2021	March 31, 2020
	(Unaudited)	
OPERATING ACTIVITIES		
Net income	$ 67,420	$ 77,236
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	12,323	11,843
Provision for credit losses	1,445	23,134
Gain on sale of investments	(5,471)	(32,095)
Net accretion of investment securities and assets	(12,018)	(14,975)
Net amortization on borrowings	134	136
Stock-based compensation expense	3,852	4,506
Gain on sale of premises held for sale	(177)	—
Gain on sale of foreclosed assets held for sale	(134)	(520)
Gain on sale of mortgage loans held for sale	(11,409)	(5,843)
Gain on sale of other intangibles	—	(301)
Gain on sale of banking operations	(5,300)	(5,889)
Deferred income taxes	3,227	(1,586)
Income from bank owned life insurance	(1,534)	(1,800)
Originations of mortgage loans held for sale	(298,914)	(182,550)
Proceeds from sale of mortgage loans held for sale	384,046	196,511
Changes in assets and liabilities:		
Interest receivable	1,237	5,058
Other assets	(30,187)	1,325
Accrued interest and other liabilities	(20,733)	50,643
Income taxes payable	(12,055)	(21,221)
Net cash provided by operating activities	75,752	103,612
INVESTING ACTIVITIES		
Net change in loans	705,540	(49,104)
Proceeds from sale of loans	1,847	—
Decrease in due from banks - time	245	245
Purchases of premises and equipment, net	(2,514)	(10,570)
Proceeds from sale of premises held for sale	1,572	—
Proceeds from sale of foreclosed assets held for sale	8,338	2,464
Proceeds from sale of available-for-sale securities	135,651	1,076,858
Proceeds from maturities of available-for-sale securities	185,636	1,255,991
Purchases of available-for-sale securities	(1,464,377)	(1,458,730)
Proceeds from maturities of held-to-maturity securities	4,426	3,561
Purchases of held-to-maturity securities	(280,043)	(16,997)
Proceeds from bank owned life insurance death benefits	573	763
Disposition of assets and liabilities held for sale	(134,166)	123,610
Net cash (used in) provided by investing activities	(837,272)	928,091
FINANCING ACTIVITIES		
Net change in deposits	1,192,740	(503,567)
Dividends paid on preferred stock	(13)	(13)
Dividends paid on common stock	(19,500)	(19,077)
Net change in other borrowed funds	(1,600)	99,230
Net change in federal funds purchased and securities sold under agreements to repurchase	23,942	227,714
Net shares issued (cancelled) under stock compensation plans	1,172	(3,063)
Shares issued under employee stock purchase plan	1,170	956
Repurchases of common stock	(3,080)	(93,307)
Net cash provided by (used in) financing activities	1,194,831	(291,127)
INCREASE IN CASH AND CASH EQUIVALENTS	433,311	740,576
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3,472,152	996,623
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 3,905,463	$ 1,737,199

See Condensed Notes to Consolidated Financial Statements.

Simmons First National Corporation
Consolidated Statements of Stockholders' Equity
Three Months Ended March 31, 2021 and 2020

(In thousands, except share data)	Preferred Stock	Common Stock	Surplus	Accumulated Other Comprehensive (Loss) Income	Undivided Profits	Total
Three Months Ended March 31, 2021						
Balance, December 31, 2020	$ 767	$ 1,081	$ 2,014,076	$ 59,726	$ 901,006	$ 2,976,656
Comprehensive (loss) income	—	—	—	(96,902)	67,420	(29,482)
Stock issued for employee stock purchase plan – 60,697 shares	—	1	1,169	—	—	1,170
Stock-based compensation plans, net – 338,289 shares	—	2	5,022	—	—	5,024
Stock repurchases – 130,916 shares	—	(1)	(3,079)	—	—	(3,080)
Dividends on preferred stock	—	—	—	—	(13)	(13)
Dividends on common stock – $0.18 per share	—	—	—	—	(19,500)	(19,500)
Balance, March 31, 2021 (Unaudited)	$ 767	$ 1,083	$ 2,017,188	$ (37,176)	$ 948,913	$ 2,930,775
Three Months Ended March 31, 2020						
Balance, December 31, 2019	$ 767	$ 1,136	$ 2,117,282	$ 20,891	$ 848,848	$ 2,988,924
Impact of ASU 2016-13 adoption	—	—	—	—	(128,101)	(128,101)
Comprehensive income	—	—	—	17,339	77,236	94,575
Stock issued for employee stock purchase plan – 43,681 shares	—	1	955	—	—	956
Stock-based compensation plans, net – 216,385 shares	—	2	1,441	—	—	1,443
Stock repurchases – 4,922,336 shares	—	(49)	(93,258)	—	—	(93,307)
Dividends on preferred stock	—	—	—	—	(13)	(13)
Dividends on common stock – $0.17 per share	—	—	—	—	(19,077)	(19,077)
Balance, March 31, 2020 (Unaudited)	$ 767	$ 1,090	$ 2,026,420	$ 38,230	$ 778,893	$ 2,845,400

See Condensed Notes to Consolidated Financial Statements.

SIMMONS FIRST NATIONAL CORPORATION

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE 1: PREPARATION OF INTERIM FINANCIAL STATEMENTS

Description of Business and Organizational Structure

Simmons First National Corporation ("Company") is a Mid-South financial holding company headquartered in Pine Bluff, Arkansas, and the parent company of Simmons Bank, an Arkansas state-chartered bank that has been in operation since 1903 ("Simmons Bank" or the "Bank"). Simmons First Insurance Services, Inc. and Simmons First Insurance Services of TN, LLC are wholly-owned subsidiaries of Simmons Bank and are insurance agencies that offer various lines of personal and corporate insurance coverage to individual and commercial customers. The Company, through its subsidiaries, offers, among other things, consumer, real estate and commercial loans; checking, savings and time deposits; and specialized products and services (such as credit cards, trust and fiduciary services, investments, agricultural finance lending, equipment lending, insurance and Small Business Administration ("SBA") lending) from approximately 198 financial centers as of March 31, 2021, located throughout market areas in Arkansas, Kansas, Missouri, Oklahoma, Tennessee and Texas.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared based upon Securities and Exchange Commission ("SEC") rules that permit reduced disclosures for interim periods. Certain information and footnote disclosures have been condensed or omitted in accordance with those rules and regulations. The accompanying consolidated balance sheet as of December 31, 2020, was derived from audited financial statements. In the opinion of management, these financial statements reflect all adjustments that are necessary for a fair presentation of interim results of operations, including normal recurring accruals. Significant intercompany accounts and transactions have been eliminated in consolidation. The results for the interim periods are not necessarily indicative of results for the full year. For a more complete discussion of significant accounting policies and certain other information, this report should be read in conjunction with the consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the SEC on February 25, 2021.

The preparation of financial statements, in accordance with accounting principles generally accepted in the United States ("US GAAP"), requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income items and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements and actual results may differ from these estimates. Such estimates include, but are not limited to, the Company's allowance for credit losses.

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for credit losses, the valuation of real estate acquired in connection with foreclosures or in satisfaction of loans and the valuation of acquired loans. Management obtains independent appraisals for significant properties in connection with the determination of the allowance for credit losses and the valuation of foreclosed assets.

Certain prior year amounts have been reclassified to conform to the current year financial statement presentation. These changes and reclassifications did not impact previously reported net income or comprehensive income.

Recently Adopted Accounting Standards

Reference Rate Reform – In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* ("ASU 2020-04"), which provides relief for companies preparing for discontinuation of interest rates such as the London Interbank Offered Rate ("LIBOR"). LIBOR is a benchmark interest rate referenced in a variety of agreements that are used by numerous entities. After 2021, it is likely that banks will no longer be required to report information that is used to determine LIBOR, and certain LIBOR rates will no longer be published. As a result, LIBOR could be discontinued as a reference rate. Other interest rates used globally could also be discontinued for similar reasons. ASU 2020-04 provides optional expedients and exceptions to contracts, hedging relationships and other transactions affected by reference rate reform. The main provisions for contract modifications include optional relief by allowing the modification as a continuation of the existing contract without additional analysis and other optional expedients regarding embedded features. Optional expedients for hedge accounting permits changes to critical terms of hedging relationships and to the designated benchmark interest rate in a fair value hedge and also provides relief for assessing hedge effectiveness for cash flow hedges. Companies are able to apply ASU 2020-04 immediately; however, the guidance will only be available for a limited time (generally through December 31, 2022). The Company formed a LIBOR Transition Team in 2020 and has created standard LIBOR replacement language for new and modified loan notes and is not offering discontinued rates on new loans. The Company monitors the remaining loans with LIBOR rates monthly to ensure progress. The adoption of ASU 2020-04 has not had a material impact on the Company's financial position or results of operations.

In January 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848): Scope* ("ASU 2021-01"), which clarifies that certain optional expedients and exceptions in Accounting Standard Codification ("ASC") 848 for contract modifications and hedge accounting apply to derivatives that are affected by the changes in the interest rates used for margining, discounting, or contract price alignment for derivative instruments that are being implemented as part of the market-wide transition to new reference rates (commonly referred to as the "discounting transition"). ASU 2021-01 also amends the expedients and exceptions in ASC 848 to capture the incremental consequences of the scope clarification and to tailor the existing guidance to derivative instruments affected by the discounting transition. ASU 2021-01 was effective upon issuance and generally can be applied through December 31, 2022. ASU 2021-01 did not have a material impact on the Company's financial position or results of operations.

Income Taxes – In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), that removes certain exceptions for investments, intraperiod allocations and interim calculations, and adds guidance to reduce complexity in accounting for income taxes. ASU 2019-12 introduces the following new guidance: i) guidance to evaluate whether a step-up in tax basis of goodwill relates to a business combination in which book goodwill was recognized or a separate transaction and ii) a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. Additionally, ASU 2019-12 changes the following current guidance: i) making an intraperiod allocation, if there is a loss in continuing operations and gains outside of continuing operations, ii) determining when a deferred tax liability is recognized after an investor in a foreign entity transitions to or from the equity method of accounting, iii) accounting for tax law changes and year-to-date losses in interim periods, and iv) determining how to apply the income tax guidance to franchise taxes that are partially based on income. ASU 2019-12 is effective for fiscal years, and interim periods within those fiscal years beginning after December 15, 2020. The adoption of ASU 2019-12 did not have a material impact on the Company's operations, financial position or disclosures.

Fair Value Measurement Disclosures – In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"), that eliminates, amends and adds disclosure requirements for fair value measurements. These amendments are part of FASB's disclosure review project and they are expected to reduce costs for preparers while providing more decision-useful information for financial statement users. The eliminated disclosure requirements include the 1) the amount of, and reasons for, transfers between Level 1 and Level 2 of the fair value hierarchy; 2) the policy of timing of transfers between levels of the fair value hierarchy; and 3) the valuation processes for Level 3 fair value measurements. Among other modifications, the amended disclosure requirements remove the term "at a minimum" from the phrase "an entity shall disclose at a minimum" to promote the appropriate exercise of discretion by entities and clarifies that the measurement uncertainty disclosure is to communicate information about the uncertainty in measurement as of the reporting date. Under the new disclosure requirements, entities must disclose the changes in unrealized gains or losses included in other comprehensive income for recurring Level 3 fair value measurements held at the end of the reporting period and the range and weighted average used to develop significant unobservable inputs for Level 3 fair value measurements. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years, with early adoption permitted. ASU 2018-13 did not have a material impact on the Company's fair value disclosures.

Credit Losses on Financial Instruments – In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which requires earlier measurement of credit losses, expands the range of information considered in determining expected credit losses and enhances disclosures. The main objective of ASU 2016-13 is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The amendments replace the incurred loss impairment methodology in current US GAAP with a methodology (the current expected credit losses, or "CECL", methodology) that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates.

The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, held-to-maturity debt securities and other receivables measured at amortized cost at the time the financial asset is originated or acquired. The allowance for credit losses is adjusted each period for changes in expected lifetime credit losses. This methodology replaces the multiple existing impairment methods in current guidance, which generally require that a loss be incurred before it is recognized. Within the life cycle of a loan or other financial asset, this new guidance will generally result in the earlier recognition of the provision for credit losses and the related allowance for credit losses than current practice. For available-for-sale debt securities that the Company intends to hold and where fair value is less than cost, credit-related impairment, if any, will be recognized through an allowance for credit losses and adjusted each period for changes in credit risk.

The effective date for these amendments is for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. In preparation for implementation of ASU 2016-13, the Company formed a cross functional team that assessed its data and system needs and evaluated the potential impact of adopting the new guidance. The Company anticipated a significant change in the processes and procedures to calculate the loan losses, including changes in assumptions and estimates to consider expected credit losses over the life of the loan versus the prior accounting practice that utilized the incurred loss model.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed in to law by the President of the United States and allows the option to temporarily defer or suspend the adoption of ASU 2016-13. During the deferral, a registrant would continue to use the incurred loss model for the allowance for loan and lease losses and would be in accordance with US GAAP. The Company did not elect to temporarily defer the adoption of ASU 2016-13 and adopted the new standard as of January 1, 2020. Upon adoption, the Company recorded an additional allowance for credit losses on loans of approximately $151.4 million and an adjustment to the reserve for unfunded commitments recorded in other liabilities of $24.0 million. The Company also recorded an additional allowance for credit losses on investment securities of $742,000. The impact at adoption was reflected as an adjustment to beginning retained earnings, net of income taxes, in the amount of $128.1 million.

The significant impact to the Company's allowance for credit losses at the date of adoption was driven by the substantial amount of loans acquired held by the Company. The Company had approximately one third of total loans categorized as acquired at the adoption date with very little reserve allocated to them due to the previous incurred loss impairment methodology. As such, the amount of the CECL adoption impact was greater on the Company when compared to a non-acquisitive bank of a similar size.

In December 2018, the Federal Reserve, Office of the Comptroller of the Currency and Federal Deposit Insurance Corporation ("FDIC") (collectively, the "agencies") issued a final rule revising regulatory capital rules in anticipation of the adoption of ASU 2016-13 that provided an option to phase in over a three year period on a straight line basis the day-one impact on earnings and Tier 1 capital (the "CECL Transition Provision").

In March 2020 and in response to the COVID-19 pandemic, the agencies issued a new regulatory capital rule revising the CECL Transition Provision to delay the estimated impact on regulatory capital stemming from the implementation of ASU 2016-13. The rule provides banking organizations that implement CECL before the end of 2020 the option to delay for two years an estimate of CECL's effect on regulatory capital, followed by a three-year transition period (the "2020 CECL Transition Provision"). The Company elected to apply the 2020 CECL Transition Provision.

The Company used the prospective transition approach for financial assets purchased with credit deterioration ("PCD") that were previously classified as purchased credit impaired ("PCI") and accounted for under ASC 310-30, *Loans and Debt Securities Acquired with Deteriorated Credit Quality*. The Company increased the allowance for credit losses by approximately $5.4 million at adoption for the assets previously identified as PCI. In accordance with ASU 2016-13, the Company did not reassess whether PCI assets met the criteria of PCD assets as of the date of adoption.

Recently Issued Accounting Standards

There have been no other significant changes to the Company's accounting policies from the 2020 Form 10-K. Presently, the Company is not aware of any other changes to the Accounting Standards Codification that will have a material impact on its present or future financial position or results of operations.

NOTE 2: INVESTMENT SECURITIES

Held-to-maturity securities ("HTM"), which include any security for which the Company has the positive intent and ability to hold until maturity, are carried at historical cost adjusted for amortization of premiums and accretion of discounts. Premiums and discounts are amortized and accreted, respectively, to interest income using the constant effective yield method over the estimated life of the security. Prepayments are anticipated for mortgage-backed and SBA securities. Premiums on callable securities are amortized to their earliest call date.

Available-for-sale securities ("AFS"), which include any security for which the Company has no immediate plan to sell but which may be sold in the future, are carried at fair value. Realized gains and losses, based on specifically identified amortized cost of the individual security, are included in other income. Unrealized gains and losses are recorded, net of related income tax effects, in stockholders' equity, further discussed below. Premiums and discounts are amortized and accreted, respectively, to interest income using the constant effective yield method over the estimated life of the security. Prepayments are anticipated for mortgage-backed and SBA securities. Premiums on callable securities are amortized to their earliest call date.

The amortized cost, fair value and allowance for credit losses of investment securities that are classified as HTM are as follows:

(In thousands)	Amortized Cost	Allowance for Credit Losses	Net Carrying Amount	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
Held-to-Maturity						
March 31, 2021						
U.S. Government agencies	$ 77,396	$ —	$ 77,396	$ —	$ (3,757)	$ 73,639
Mortgage-backed securities	47,988	—	47,988	476	(1,099)	47,365
State and political subdivisions	485,158	(1,042)	484,116	1,718	(9,188)	476,646
Other securities	576	(576)	—	44	—	44
Total HTM	$ 611,118	$ (1,618)	$ 609,500	$ 2,238	$ (14,044)	$ 597,694
December 31, 2020						
Mortgage-backed securities	$ 22,354	$ —	$ 22,354	$ 683	$ —	$ 23,037
State and political subdivisions	312,416	(2,307)	310,109	8,148	(30)	318,227
Other securities	1,176	(608)	568	93	—	661
Total HTM	$ 335,946	$ (2,915)	$ 333,031	$ 8,924	$ (30)	$ 341,925

The amortized cost, fair value and allowance for credit losses of investment securities that are classified as AFS are as follows:

(In thousands)	Amortized Cost	Allowance for Credit Losses	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
Available-for-sale					
March 31, 2021					
U.S. Treasury	$ 600	$ —	$ —	$ —	$ 600
U.S. Government agencies	511,973	—	369	(24,663)	487,679
Mortgage-backed securities	2,156,121	—	12,917	(35,952)	2,133,086
State and political subdivisions	1,570,747	(64)	25,916	(24,689)	1,571,910
Other securities	342,611	(2,390)	3,343	(8,491)	335,073
Total AFS	$ 4,582,052	$ (2,454)	$ 42,545	$ (93,795)	$ 4,528,348
December 31, 2020					
U.S. Government agencies	$ 477,693	$ —	$ 844	$ (1,300)	$ 477,237
Mortgage-backed securities	1,374,769	—	21,261	(1,094)	1,394,936
State and political subdivisions	1,416,136	(217)	55,111	(307)	1,470,723
Other securities	128,445	(95)	2,447	(95)	130,702
Total AFS	$ 3,397,043	$ (312)	$ 79,663	$ (2,796)	$ 3,473,598

Accrued interest receivable on HTM and AFS securities at March 31, 2021 was $3.4 million and $20.2 million, respectively, and is included in interest receivable on the consolidated balance sheets. The Company has made the election to exclude all accrued interest receivable from securities from the estimate of credit losses.

The following table summarizes the Company's AFS investments in an unrealized loss position for which an allowance for credit loss has not been recorded as of March 31, 2021, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position:

	Less Than 12 Months		12 Months or More		Total	
(In thousands)	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Available-for-sale						
U.S. Government agencies	$ 402,235	$ (23,887)	$ 49,123	$ (776)	$ 451,358	$ (24,663)
Mortgage-backed securities	1,622,032	(35,949)	323	(3)	1,622,355	(35,952)
State and political subdivisions	299,613	(24,624)	90	(1)	299,703	(24,625)
Other securities	49,421	(6,101)	—	—	49,421	(6,101)
Total AFS	$ 2,373,301	$ (90,561)	$ 49,536	$ (780)	$ 2,422,837	$ (91,341)

As of March 31, 2021, the Company's investment portfolio included $4.5 billion of AFS securities, of which $2.4 billion, or 53.5%, were in an unrealized loss position that were not deemed to have credit losses. A portion of the unrealized losses were related to the Company's mortgage-backed securities, which are issued and guaranteed by U.S. government-sponsored entities and agencies, and the Company's state and political securities, specifically investments in insured fixed rate municipal bonds for which the issuers continue to make timely principal and interest payments under the contractual terms of the securities.

Furthermore, the decline in fair value for each of the above AFS securities is attributable to the rates for those investments yielding less than current market rates. Management does not believe any of the securities are impaired due to reasons of credit quality. Management believes the declines in fair value for the securities are temporary. Management does not have the intent to sell the securities, and management believes it is more likely than not the Company will not have to sell the securities before recovery of their amortized cost basis.

Allowance for Credit Losses

All mortgage-backed securities held by the Company are issued by U.S. government-sponsored entities and agencies. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies and have a long history of no credit losses. Accordingly, no allowance for credit losses has been recorded for these securities.

Regarding securities issued by state and political subdivisions and other HTM securities, management considers (i) issuer bond ratings, (ii) historical loss rates for given bond ratings, (iii) whether issuers continue to make timely principal and interest payments under the contractual terms of the securities, (iv) internal forecasts, (v) whether or not such securities provide insurance or other credit enhancement or are pre-refunded by the issuers.

The following table details activity in the allowance for credit losses by investment security type for the three months ended March 31, 2021 and 2020 on the Company's HTM and AFS securities portfolios.

(In thousands)	State and Political Subdivisions	Other Securities	Total
Three Months Ended March 31, 2021			
Held-to-Maturity			
Beginning balance, January 1, 2021	$ 2,307	$ 608	$ 2,915
Provision for credit loss expense	(1,265)	568	(697)
Securities charged-off	—	(600)	(600)
Ending balance, March 31, 2021	$ 1,042	$ 576	$ 1,618
Available-for-sale			
Beginning balance, January 1, 2021	$ 217	$ 95	$ 312
Credit losses on securities not previously recorded	61	2,237	2,298
Reduction due to sales	—	(11)	(11)
Net decrease in allowance on previously impaired securities	(214)	69	(145)
Ending balance, March 31, 2021	$ 64	$ 2,390	$ 2,454
Three Months Ended March 31, 2020			
Held-to-Maturity			
Beginning balance, January 1, 2020	$ —	$ —	$ —
Impact of ASU 2016-13 adoption	58	311	369
Provision for credit loss expense	39	1	40
Ending balance, March 31, 2020	$ 97	$ 312	$ 409
Available-for-sale			
Beginning balance, January 1, 2020	$ —	$ —	$ —
Impact of ASU 2016-13 adoption	373	—	373
Credit losses on securities not previously recorded	44	174	218
Net decrease in allowance on previously impaired securities	(322)	—	(322)
Ending balance, March 31, 2020	$ 95	$ 174	$ 269

The provision for credit losses related to AFS securities was $2,142,000 during the three months ended March 31, 2021. During the three months ended March 31, 2020, the provision for credit losses related to AFS securities was a benefit to expense of $104,000.

The following table summarizes bond ratings for the Company's HTM portfolio, based upon amortized cost, issued by state and political subdivisions and other securities as of March 31, 2021:

	State and Political Subdivisions				
(In thousands)	Not Guaranteed or Pre-Refunded	Other Credit Enhancement or Insurance	Pre-Refunded	Total	Other Securities
Aaa/AAA	$ 49,354	$ 17,894	$ —	$ 67,248	$ —
Aa/AA	176,578	74,570	—	251,148	—
A	19,516	6,445	—	25,961	—
Not Rated	95,729	45,072	—	140,801	576
Total	$ 341,177	$ 143,981	$ —	$ 485,158	$ 576

Historical loss rates associated with securities having similar grades as those in the Company's portfolio have generally not been significant. Pre-refunded securities, if any, have been defeased by the issuer and are fully secured by cash and/or U.S. Treasury securities held in escrow for payment to holders when the underlying call dates of the securities are reached. Securities with other credit enhancement or insurance continue to make timely principal and interest payments under the contractual terms of the securities. Accordingly, no allowance for credit losses has been recorded for these securities as there is no current expectation of credit losses related to these securities.

Income earned on securities for the three months ended March 31, 2021 and 2020, is as follows:

(In thousands)	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Taxable:		
Held-to-maturity	$ 513	$ 171
Available-for-sale	9,607	12,581
Non-taxable:		
Held-to-maturity	2,004	72
Available-for-sale	9,449	6,119
Total	$ 21,573	$ 18,943

The amortized cost and estimated fair value by maturity of securities are shown in the following table. Securities are classified according to their contractual maturities without consideration of principal amortization, potential prepayments or call options. Accordingly, actual maturities may differ from contractual maturities.

	Held-to-Maturity		Available-for-Sale	
(In thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
One year or less	$ 7,034	$ 7,117	$ 11,951	$ 12,000
After one through five years	8,931	9,317	28,425	28,755
After five through ten years	5,695	4,556	373,751	370,817
After ten years	541,470	529,339	2,010,880	1,982,767
Securities not due on a single maturity date	47,988	47,365	2,156,121	2,133,086
Other securities (no maturity)	—	—	924	923
Total	$ 611,118	$ 597,694	$ 4,582,052	$ 4,528,348

The carrying value, which approximates the fair value, of securities pledged as collateral, to secure public deposits and for other purposes, amounted to $2.81 billion at March 31, 2021 and $2.01 billion at December 31, 2020.

There were approximately $5.5 million of gross realized gains and $13,000 of gross realized losses from the sale of securities during the three months ended March 31, 2021. The Company sold approximately $135.7 million of investment securities during the three months ended March 31, 2021. There were approximately $32.1 million of gross realized gains and $2,080 of gross realized losses from the sale of securities during the three months ended March 31, 2020. During the first quarter of 2020, the Company sold approximately $1.1 billion of investment securities to create additional liquidity. The income tax expense/benefit related to security gains/losses was 26.135% of the gross amounts in 2021 and 2020.

NOTE 3: OTHER LIABILITIES HELD FOR SALE

Illinois Branch Sale

On November 30, 2020, the Company's subsidiary bank, Simmons Bank, entered into a Branch Purchase and Assumption Agreement (the "Citizens Equity Agreement") with Citizens Equity First Credit Union ("CEFCU").

On March 12, 2021, CEFCU completed its purchase of certain assets and assumption of certain liabilities ("Illinois Branch Sale") associated with four Simmons Bank locations in the Metro East area of Southern Illinois, near St. Louis (collectively, the "Illinois Branches"). Pursuant to the terms of the Citizens Equity Agreement, CEFCU assumed certain deposit liabilities and acquired certain loans, as well as cash, personal property and other fixed assets associated with the Illinois Branches.

The Company recognized a gain on sale of $5.3 million related to the Illinois Branches in the three month period ended March 31, 2021.

As of March 31, 2021, there were no outstanding other liabilities held for sale.

NOTE 4: LOANS AND ALLOWANCE FOR CREDIT LOSSES

At March 31, 2021, the Company's loan portfolio was $12.20 billion, compared to $12.90 billion at December 31, 2020. The various categories of loans are summarized as follows:

(In thousands)	March 31, 2021	December 31, 2020
Consumer:		
Credit cards	$ 175,458	$ 188,845
Other consumer	172,965	202,379
Total consumer	348,423	391,224
Real Estate:		
Construction and development	1,451,841	1,596,255
Single family residential	1,730,056	1,880,673
Other commercial	5,638,010	5,746,863
Total real estate	8,819,907	9,223,791
Commercial:		
Commercial	2,444,700	2,574,386
Agricultural	155,921	175,905
Total commercial	2,600,621	2,750,291
Other	426,922	535,591
Total loans	$ 12,195,873	$ 12,900,897

The above table presents total loans at amortized cost. The difference between amortized cost and unpaid principal balance is primarily premiums and discounts associated with acquisition date fair value adjustments on acquired loans as well as net deferred origination fees totaling $51.4 million and $57.3 million at March 31, 2021 and December 31, 2020, respectively.

Accrued interest on loans, which is excluded from the amortized cost of loans held for investment, totaled $47.8 million and $54.4 million at March 31, 2021 and December 31, 2020, respectively, and is included in interest receivable on the consolidated balance sheets.

Loan Origination/Risk Management – The Company seeks to manage its credit risk by diversifying its loan portfolio, determining that borrowers have adequate sources of cash flow for loan repayment without liquidation of collateral; obtaining and monitoring collateral; providing an adequate allowance for credit losses by regularly reviewing loans through the internal loan review process. The loan portfolio is diversified by borrower, purpose and industry. The Company seeks to use diversification within the loan portfolio to reduce its credit risk, thereby minimizing the adverse impact on the portfolio if weaknesses develop in either the economy or a particular segment of borrowers. Collateral requirements are based on credit assessments of borrowers and may be used to recover the debt in case of default.

Consumer – The consumer loan portfolio consists of credit card loans and other consumer loans. Credit card loans are diversified by geographic region to reduce credit risk and minimize any adverse impact on the portfolio. Although they are regularly reviewed to facilitate the identification and monitoring of creditworthiness, credit card loans are unsecured loans, making them more susceptible to be impacted by economic downturns resulting in increasing unemployment. Other consumer loans include direct and indirect installment loans and overdrafts. Loans in this portfolio segment are sensitive to unemployment and other key consumer economic measures.

Real estate – The real estate loan portfolio consists of construction and development loans, single family residential loans and commercial loans. Construction and development loans ("C&D") and commercial real estate loans ("CRE") can be particularly sensitive to valuation of real estate. Commercial real estate cycles are inevitable. The long planning and production process for new properties and rapid shifts in business conditions and employment create an inherent tension between supply and demand for commercial properties. While general economic trends often move individual markets in the same direction over time, the timing and magnitude of changes are determined by other forces unique to each market. CRE cycles tend to be local in nature and longer than other credit cycles. Factors influencing the CRE market are traditionally different from those affecting residential real estate markets; thereby making predictions for one market based on the other difficult. Additionally, submarkets within commercial real estate – such as office, industrial, apartment, retail and hotel – also experience different cycles, providing an opportunity to lower the overall risk through diversification across types of CRE loans. Management realizes that local demand and supply conditions will also mean that different geographic areas will experience cycles of different amplitude and length. The Company monitors these loans closely.

Commercial – The commercial loan portfolio includes commercial and agricultural loans, representing loans to commercial customers and farmers for use in normal business or farming operations to finance working capital needs, equipment purchases or other expansion projects. Paycheck Protection Program ("PPP") loans are also included in the commercial loan portfolio. Collection risk in this portfolio is driven by the creditworthiness of the underlying borrowers, particularly cash flow from customers' business or farming operations. The Company continues its efforts to keep loan terms short, reducing the negative impact of upward movement in interest rates. Term loans are generally set up with one or three year balloons, and the Company has instituted a pricing mechanism for commercial loans. It is standard practice to require personal guaranties on commercial loans for closely-held or limited liability entities.

Paycheck Protection Program Loans – The Company originated loans pursuant to multiple PPP appropriations of the CARES Act which provided 100% federally guaranteed loans for small businesses to cover up to 24 weeks of payroll costs and assist with mortgage interest, rent and utilities. Notably, these small business loans may be forgiven by the SBA if borrowers maintain their payrolls and satisfy certain other conditions. PPP loans have a zero percent risk-weight for regulatory capital ratios. As of March 31, 2021 and December 31, 2020, the total outstanding balance of PPP loans was $797.6 million and $904.7 million, respectively.

Nonaccrual and Past Due Loans – Loans are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Loans are placed on nonaccrual status when, in management's opinion, the borrower may be unable to meet payment obligations as they become due, as well as when required by regulatory provisions. Loans may be placed on nonaccrual status regardless of whether or not such loans are considered past due. When interest accrual is discontinued, all unpaid accrued interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received in excess of principal due. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

The amortized cost basis of nonaccrual loans segregated by class of loans are as follows:

(In thousands)	March 31, 2021	December 31, 2020
Consumer:		
Credit cards	$ 397	$ 301
Other consumer	916	1,219
Total consumer	1,313	1,520
Real estate:		
Construction and development	2,296	3,625
Single family residential	24,395	28,062
Other commercial	42,211	24,155
Total real estate	68,902	55,842
Commercial:		
Commercial	44,159	65,244
Agricultural	482	273
Total commercial	44,641	65,517
Total	$ 114,856	$ 122,879

As of March 31, 2021 and December 31, 2020, nonaccrual loans for which there was no related allowance for credit losses had an amortized cost of $18.8 million and $16.8 million, respectively. These loans are individually assessed and do not hold an allowance due to being adequately collateralized under the collateral-dependent valuation method.

An age analysis of the amortized cost basis of past due loans, including nonaccrual loans, segregated by class of loans is as follows:

(In thousands)	Gross 30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Current	Total Loans	90 Days Past Due & Accruing
March 31, 2021						
Consumer:						
Credit cards	$ 786	$ 453	$ 1,239	$ 174,219	$ 175,458	$ 336
Other consumer	1,221	329	1,550	171,415	172,965	85
Total consumer	2,007	782	2,789	345,634	348,423	421
Real estate:						
Construction and development	3,296	1,579	4,875	1,446,966	1,451,841	3
Single family residential	17,836	10,806	28,642	1,701,414	1,730,056	21
Other commercial	20,633	8,792	29,425	5,608,585	5,638,010	14
Total real estate	41,765	21,177	62,942	8,756,965	8,819,907	38
Commercial:						
Commercial	5,572	6,245	11,817	2,432,883	2,444,700	170
Agricultural	320	412	732	155,189	155,921	6
Total commercial	5,892	6,657	12,549	2,588,072	2,600,621	176
Other	23	—	23	426,899	426,922	—
Total	$ 49,687	$ 28,616	$ 78,303	$ 12,117,570	$ 12,195,873	$ 635
December 31, 2020						
Consumer:						
Credit cards	$ 708	$ 256	$ 964	$ 187,881	$ 188,845	$ 256
Other consumer	2,771	302	3,073	199,306	202,379	13
Total consumer	3,479	558	4,037	387,187	391,224	269
Real estate:						
Construction and development	1,375	3,089	4,464	1,591,791	1,596,255	—
Single family residential	23,726	14,339	38,065	1,842,608	1,880,673	253
Other commercial	2,660	9,586	12,246	5,734,617	5,746,863	—
Total real estate	27,761	27,014	54,775	9,169,016	9,223,791	253
Commercial:						
Commercial	7,514	7,429	14,943	2,559,443	2,574,386	56
Agricultural	226	187	413	175,492	175,905	—
Total commercial	7,740	7,616	15,356	2,734,935	2,750,291	56
Other	92	—	92	535,499	535,591	—
Total	$ 39,072	$ 35,188	$ 74,260	$ 12,826,637	$ 12,900,897	$ 578

When the Company restructures a loan to a borrower that is experiencing financial difficulty and grants a concession that it would not otherwise consider, a "troubled debt restructuring" ("TDR") results and the Company classifies the loan as a TDR. The Company grants various types of concessions, primarily interest rate reduction and/or payment modifications or extensions, with an occasional forgiveness of principal.

Once an obligation has been restructured because of such credit problems, it continues to be considered a TDR until paid in full; or, if an obligation yields a market interest rate and no longer has any concession regarding payment amount or amortization, then it is not considered a TDR at the beginning of the calendar year after the year in which the improvement takes place. The Company returns TDRs to accrual status only if (1) all contractual amounts due can reasonably be expected to be repaid within a prudent period, and (2) repayment has been in accordance with the contract for a sustained period, typically at least six months.

The provisions in the CARES Act included an election to not apply the guidance on accounting for TDRs to loan modifications, such as extensions or deferrals, related to COVID-19 made between March 1, 2020 and the earlier of (i) December 31, 2020 or (ii) 60 days after the President terminates the COVID-19 national emergency declaration. In March 2020, the federal financial institution regulatory agencies issued an interagency statement encouraging financial institutions to work constructively with borrowers affected by COVID-19 and provided information regarding loan modifications. The relief can only be applied to modifications for borrowers that were not more than 30 days past due as of December 31, 2019. The Company elected to adopt these provisions of the CARES Act. In response to the concerns related to the expiration of the applicable period for which the election to not apply the guidance on accounting for TDRs to loan modifications, the CARES Act was amended in late fourth quarter of 2020 to extend COVID-19 relief related to loan modifications from the earlier of (i) January 1, 2022 or (ii) 60 days after the President terminates the COVID-19 national emergency declaration. During 2020 and the first quarter of 2021, the Company processed over 3,700 COVID-19 loan modifications in excess of $3.0 billion. As of March 31, 2021, the Company had the following loan modifications due to COVID-19 outstanding categorized by industry:

(Dollars in thousands)	Number	Balance
Assisted living	1	$ 17,310
Transportation	5	783
Consumer	37	3,776
Hotel	17	152,864
Food service	3	2,683
All other	16	31,029
Total	79	$ 208,445

Deferred interest on the above loans totaled $5.9 million as of March 31, 2021. The interest will be collected at the end of the note or once regular payments are resumed. As of March 31, 2021, over 3,300 loans totaling approximately $2.6 billion that had previously been modified under the CARES Act had returned to regular payment terms in addition to those that have paid off.

TDRs are individually evaluated for expected credit losses. The Company assesses the exposure for each modification, either by the fair value of the underlying collateral or the present value of expected cash flows, and determines if a specific allowance for credit losses is needed.

The following table presents a summary of TDRs segregated by class of loans.

	Accruing TDR Loans		Nonaccrual TDR Loans		Total TDR Loans	
(Dollars in thousands)	Number	Balance	Number	Balance	Number	Balance
March 31, 2021						
Real estate:						
Single-family residential	31	$ 3,133	15	$ 1,991	46	$ 5,124
Other commercial	1	48	1	8	2	56
Total real estate	32	3,181	16	1,999	48	5,180
Commercial:						
Commercial	3	624	3	1,479	6	2,103
Total commercial	3	624	3	1,479	6	2,103
Total	35	$ 3,805	19	$ 3,478	54	$ 7,283

(Dollars in thousands)	Accruing TDR Loans Number	Accruing TDR Loans Balance	Nonaccrual TDR Loans Number	Nonaccrual TDR Loans Balance	Total TDR Loans Number	Total TDR Loans Balance
December 31, 2020						
Real estate:						
Single-family residential	28	$ 2,463	18	$ 2,736	46	$ 5,199
Other commercial	1	49	1	12	2	61
Total real estate	29	2,512	19	2,748	48	5,260
Commercial:						
Commercial	3	626	3	1,627	6	2,253
Total commercial	3	626	3	1,627	6	2,253
Total	32	$ 3,138	22	$ 4,375	54	$ 7,513

There were no loans restructured as TDRs during the three month periods ended March 31, 2021 or 2020.

Additionally, there were no loans considered TDRs for which a payment default occurred during the three months ended March 31, 2021 or 2020. The Company defines a payment default as a payment received more than 90 days after its due date.

There were no TDRs with pre-modification loan balances for which OREO was received in full or partial satisfaction of the loans during the three month periods ended March 31, 2021 or 2020. At March 31, 2021 and December 31, 2020, the Company had $5,838,000 and $7,182,000, respectively, of consumer mortgage loans secured by residential real estate properties for which formal foreclosure proceedings are in process. At March 31, 2021 and December 31, 2020, the Company had $1,995,000 and $3,172,000, respectively, of OREO secured by residential real estate properties.

Credit Quality Indicators – As part of the on-going monitoring of the credit quality of the Company's loan portfolio, management tracks certain credit quality indicators including trends related to (i) the weighted-average risk rating of commercial and real estate loans, (ii) the level of classified commercial and real estate loans, (iii) net charge-offs, (iv) non-performing loans (see details above) and (v) the general economic conditions of the Company's local markets.

The Company utilizes a risk rating matrix to assign a risk rate to each of its commercial and real estate loans. Loans are rated on a scale of 1 to 8. Risk ratings are updated on an ongoing basis and are subject to change by continuous loan monitoring processes including lending management monitoring, executive management and board committee oversight, and independent credit review. A description of the general characteristics of the 8 risk ratings is as follows:

- *Risk Rate 1 – Pass (Excellent)* – This category includes loans which are virtually free of credit risk. Borrowers in this category represent the highest credit quality and greatest financial strength.
- *Risk Rate 2 – Pass (Good)* - Loans under this category possess a nominal risk of default. This category includes borrowers with strong financial strength and superior financial ratios and trends. These loans are generally fully secured by cash or equivalents (other than those rated "excellent").
- *Risk Rate 3 – Pass (Acceptable – Average)* - Loans in this category are considered to possess a normal level of risk. Borrowers in this category have satisfactory financial strength and adequate cash flow coverage to service debt requirements. If secured, the perfected collateral should be of acceptable quality and within established borrowing parameters.
- *Risk Rate 4 – Pass (Monitor)* - Loans in the Watch (Monitor) category exhibit an overall acceptable level of risk, but that risk may be increased by certain conditions, which represent "red flags". These "red flags" require a higher level of supervision or monitoring than the normal "Pass" rated credit. The borrower may be experiencing these conditions for the first time, or it may be recovering from weakness, which at one time justified a higher rating. These conditions may include: weaknesses in financial trends; marginal cash flow; one-time negative operating results; non-compliance with policy or borrowing agreements; poor diversity in operations; lack of adequate monitoring information or lender supervision; questionable management ability/stability.

- *Risk Rate 5 – Special Mention* - A loan in this category has potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in the institution's credit position at some future date. Special Mention loans are not adversely classified (although they are "criticized") and do not expose an institution to sufficient risk to warrant adverse classification. Borrowers may be experiencing adverse operating trends, or an ill-proportioned balance sheet. Non-financial characteristics of a Special Mention rating may include management problems, pending litigation, a non-existent, or ineffective loan agreement or other material structural weakness, and/or other significant deviation from prudent lending practices.
- *Risk Rate 6 – Substandard* - A Substandard loan is inadequately protected by the current sound worth and paying capacity of the borrower or of the collateral pledged, if any. Loans so classified must have a well-defined weakness, or weaknesses, that jeopardize the liquidation of the debt. The loans are characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected. This does not imply ultimate loss of the principal, but may involve burdensome administrative expenses and the accompanying cost to carry the loan.
- *Risk Rate 7 – Doubtful* - A loan classified Doubtful has all the weaknesses inherent in a substandard loan except that the weaknesses make collection or liquidation in full (on the basis of currently existing facts, conditions, and values) highly questionable and improbable. Doubtful borrowers are usually in default, lack adequate liquidity, or capital, and lack the resources necessary to remain an operating entity. The possibility of loss is extremely high, but because of specific pending events that may strengthen the asset, its classification as loss is deferred. Pending factors include: proposed merger or acquisition; liquidation procedures; capital injection; perfection of liens on additional collateral; and refinancing plans. Loans classified as Doubtful are placed on nonaccrual status.
- *Risk Rate 8 – Loss* - Loans classified Loss are considered uncollectible and of such little value that their continuance as bankable assets is not warranted. This classification does not mean that the loans has absolutely no recovery or salvage value, but rather it is not practical or desirable to defer writing off this basically worthless loan, even though partial recovery may be affected in the future. Borrowers in the Loss category are often in bankruptcy, have formally suspended debt repayments, or have otherwise ceased normal business operations. Loans should be classified as Loss and charged-off in the period in which they become uncollectible.

The Company monitors credit quality in the consumer portfolio by delinquency status. The delinquency status of loans is updated daily. A description of the delinquency credit quality indicators is as follows:

- *Current* - Loans in this category are either current in payments or are under 30 days past due. These loans are considered to have a normal level of risk.
- *30-89 Days Past Due* - Loans in this category are between 30 and 89 days past due and are subject to the Company's loss mitigation process. These loans are considered to have a moderate level of risk.
- *90+ Days Past Due* - Loans in this category are over 90 days past due and are placed on nonaccrual status. These loans have been subject to the Company's loss mitigation process and foreclosure and/or charge-off proceedings have commenced.

The following tables present a summary of loans by credit quality indicator, other than pass or current, as of March 31, 2021 and December 31, 2020 segregated by class of loans.

(In thousands)	Term Loans Amortized Cost Basis by Origination Year 2021 (YTD)	2020	2019	2018	2017	2016 and Prior	Lines of Credit ("LOC") Amortized Cost Basis	LOC Converted to Term Loans Amortized Cost Basis	Total
March 31, 2021									
Consumer - credit cards									
Delinquency:									
30-89 days past due	$ —	$ —	$ —	$ —	$ —	$ —	$ 786	$ —	$ 786
90+ days past due	—	—	—	—	—	—	453	—	453
Total consumer - credit cards	—	—	—	—	—	—	1,239	—	1,239
Consumer - other									
Delinquency:									
30-89 days past due	—	258	142	78	237	421	85	—	1,221
90+ days past due	—	19	76	36	57	137	4	—	329
Total consumer - other	—	277	218	114	294	558	89	—	1,550
Real estate - C&D									
Risk rating:									
5 internal grade	—	2,664	1,699	—	—	16	13,042	—	17,421
6 internal grade	93	2,449	580	387	244	460	8,386	1,955	14,554
7 internal grade	—	—	—	—	—	—	—	—	—
Total real estate - C&D	93	5,113	2,279	387	244	476	21,428	1,955	31,975
Real estate - SF residential									
Delinquency:									
30-89 days past due	717	1,906	1,730	3,660	2,229	6,766	828	—	17,836
90+ days past due	—	1,166	628	2,069	2,006	4,311	626	—	10,806
Total real estate - SF residential	717	3,072	2,358	5,729	4,235	11,077	1,454	—	28,642
Real estate - other commercial									
Risk rating:									
5 internal grade	66,468	121,611	1,463	965	13,348	32,957	89,957	7,293	334,062
6 internal grade	5,944	93,796	3,256	3,686	5,059	9,707	59,872	32,859	214,179
7 internal grade	—	—	—	—	1	—	—	1	2
Total real estate - other commercial	72,412	215,407	4,719	4,651	18,408	42,664	149,829	40,153	548,243
Commercial									
Risk rating:									
5 internal grade	124	3,274	202	67	8	29	5,883	18,954	28,541
6 internal grade	2,027	25,259	2,763	1,430	539	535	59,475	6,924	98,952
7 internal grade	—	3	—	5	2	—	—	1	11
Total commercial	2,151	28,536	2,965	1,502	549	564	65,358	25,879	127,504
Commercial - agriculture									
Risk rating:									
5 internal grade	35	—	6	12	17	—	63	—	133
6 internal grade	58	57	79	279	68	17	105	73	736
7 internal grade	—	—	—	—	—	—	—	—	—
Total commercial - agriculture	93	57	85	291	85	17	168	73	869
Other									
Delinquency:									
30-89 days past due	—	—	—	—	—	23	—	—	23
90+ days past due	—	—	—	—	—	—	—	—	—
Total other	—	—	—	—	—	23	—	—	23
Total	$ 75,466	$ 252,462	$ 12,624	$ 12,674	$ 23,815	$ 55,379	$ 239,565	$ 68,060	$ 740,045

(In thousands)	Term Loans Amortized Cost Basis by Origination Year 2020	2019	2018	2017	2016	2015 and Prior	Lines of Credit ("LOC") Amortized Cost Basis	LOC Converted to Term Loans Amortized Cost Basis	Total
December 31, 2020									
Consumer - credit cards									
Delinquency:									
30-89 days past due	$ —	$ —	$ —	$ —	$ —	$ —	$ 708	$ —	$ 708
90+ days past due	—	—	—	—	—	—	256	—	256
Total consumer - credit cards	—	—	—	—	—	—	964	—	964
Consumer - other									
Delinquency:									
30-89 days past due	234	441	327	658	689	84	339	—	2,772
90+ days past due	79	58	25	80	40	12	8	—	302
Total consumer - other	313	499	352	738	729	96	347	—	3,074
Real estate - C&D									
Risk rating:									
5 internal grade	2,728	344	259	2,107	19	—	9,613	—	15,070
6 internal grade	294	2,069	404	449	342	320	17,914	14	21,806
7 internal grade	—	—	—	—	—	—	—	—	—
Total real estate - C&D	3,022	2,413	663	2,556	361	320	27,527	14	36,876
Real estate - SF residential									
Delinquency:									
30-89 days past due	6,300	2,258	2,593	2,610	2,058	6,050	1,782	76	23,727
90+ days past due	557	1,853	2,735	2,582	832	3,852	1,928	—	14,339
Total real estate - SF residential	6,857	4,111	5,328	5,192	2,890	9,902	3,710	76	38,066
Real estate - other commercial									
Risk rating:									
5 internal grade	100,085	4,346	10,738	19,943	26,245	10,608	63,305	23,435	258,705
6 internal grade	66,737	9,418	24,380	14,067	3,744	11,158	52,182	39,486	221,172
7 internal grade	—	—	—	—	—	—	—	—	—
Total real estate - other commercial	166,822	13,764	35,118	34,010	29,989	21,766	115,487	62,921	479,877
Commercial									
Risk rating:									
5 internal grade	5,707	342	465	972	54	—	12,318	22,546	42,404
6 internal grade	23,227	4,495	1,586	730	276	334	53,682	7,522	91,852
7 internal grade	—	—	—	—	—	—	—	—	—
Total commercial	28,934	4,837	2,051	1,702	330	334	66,000	30,068	134,256
Commercial - agriculture									
Risk rating:									
5 internal grade	—	79	13	299	—	6	34	—	431
6 internal grade	86	101	64	47	12	10	68	75	463
7 internal grade	—	—	—	—	—	—	—	—	—
Total commercial - agriculture	86	180	77	346	12	16	102	75	894
Total	$ 206,034	$ 25,804	$ 43,589	$ 44,544	$ 34,311	$ 32,434	$ 214,137	$ 93,154	$ 694,007

Allowance for Credit Losses

Allowance for Credit Losses – The allowance for credit losses is a reserve established through a provision for credit losses charged to expense, which represents management's best estimate of lifetime expected losses based on reasonable and supportable forecasts, historical loss experience, and other qualitative considerations. The allowance, in the judgment of management, is necessary to reserve for expected loan losses and risks inherent in the loan portfolio. The Company's allowance for credit loss methodology includes reserve factors calculated to estimate current expected credit losses to amortized cost balances over the remaining contractual life of the portfolio, adjusted for the effective interest rate used to discount prepayments, in accordance with ASC Topic 326-20, *Financial Instruments - Credit Losses*. Accordingly, the methodology is based on the Company's reasonable and supportable economic forecasts, historical loss experience, and other qualitative adjustments.

Loans with similar risk characteristics such as loan type, collateral type, and internal risk ratings are aggregated into homogeneous segments for assessment. Reserve factors are based on estimated probability of default and loss given default for each segment. The estimates are determined based on economic forecasts over the reasonable and supportable forecast period based on projected performance of economic variables that have a statistical relationship with the historical loss experience of the segments. For contractual periods that extend beyond the one-year forecast period, the estimates revert to average historical loss experiences over a one-year period on a straight-line basis.

The Company also includes qualitative adjustments to the allowance based on factors and considerations that have not otherwise been fully accounted for. Qualitative adjustments include, but are not limited to:

- *Changes in asset quality* - Adjustments related to trending credit quality metrics including delinquency, non-performing loans, charge-offs, and risk ratings that may not be fully accounted for in the reserve factor.
- *Changes in the nature and volume of the portfolio* - Adjustments related to current changes in the loan portfolio that are not fully represented or accounted for in the reserve factors.
- *Changes in lending and loan monitoring policies and procedures* - Adjustments related to current changes in lending and loan monitoring procedures as well as review of specific internal policy compliance metrics.
- *Changes in the experience, ability, and depth of lending management and other relevant staff* - Adjustments to measure increasing or decreasing credit risk related to lending and loan monitoring management.
- *Changes in the value of underlying collateral of collateralized loans* - Adjustments related to improving or deterioration of the value of underlying collateral that are not fully captured in the reserve factors.
- *Changes in and the existence and effect of any concentrations of credit* - Adjustments related to credit risk of specific industries that are not fully captured in the reserve factors.
- *Changes in regional and local economic and business conditions and developments* - Adjustments related to expected and current economic conditions at a regional or local-level that are not fully captured within the Company's reasonable and supportable forecast.
- *Data imprecisions due to limited historical loss data* - Adjustments related to limited historical loss data that is representative of the collective loan portfolio.

Loans that do not share similar risk characteristics are evaluated on an individual basis. These evaluations are typically performed on loans with a deteriorated internal risk rating or are classified as a troubled debt restructuring. The allowance for credit loss is determined based on several methods including estimating the fair value of the underlying collateral or the present value of expected cash flows.

For a collateral dependent loan, the Company's evaluation process includes a valuation by appraisal or other collateral analysis adjusted for selling costs, when appropriate. This valuation is compared to the remaining outstanding principal balance of the loan. If a loss is determined to be probable, the loss is included in the allowance for credit losses as a specific allocation. If the loan is not collateral dependent, the measurement of loss is based on the difference between the expected and contractual future cash flows of the loan.

Loans for which the repayment is expected to be provided substantially through the operation or sale of collateral and where the borrower is experiencing financial difficulty had an amortized cost of $68.8 million as of March 31, 2021, as further detailed in the table below. The collateral securing these loans consist of commercial real estate properties, residential properties, other business assets, and secured energy production assets.

(In thousands)	Real Estate Collateral	Energy	Other Collateral	Total
Construction and development	$ 1,837	$ —	$ —	$ 1,837
Single family residential	5,086	—	—	5,086
Other commercial real estate	18,414	—	—	18,414
Commercial	—	39,827	3,624	43,451
Total	$ 25,337	$ 39,827	$ 3,624	$ 68,788

The following table details activity in the allowance for credit losses by portfolio segment for the three months ended March 31, 2021. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories.

(In thousands)	Commercial	Real Estate	Credit Card	Other Consumer and Other	Total
Allowance for credit losses:					
Three Months Ended March 31, 2021					
Beginning balance, January 1, 2021	$ 42,093	$ 182,868	$ 7,472	$ 5,617	$ 238,050
Provision for credit loss expense	(6,940)	14,242	(4,587)	(2,715)	—
Charge-offs	(830)	(1,687)	(1,003)	(731)	(4,251)
Recoveries	310	403	290	314	1,317
Net charge-offs	(520)	(1,284)	(713)	(417)	(2,934)
Ending balance, March 31, 2021	$ 34,633	$ 195,826	$ 2,172	$ 2,485	$ 235,116

Activity in the allowance for credit losses for the three months ended March 31, 2020 was as follows:

(In thousands)	Commercial	Real Estate	Credit Card	Other Consumer and Other	Total
Allowance for credit losses:					
Three Months Ended March 31, 2020					
Beginning balance, January 1, 2020 - prior to adoption of CECL	$ 22,863	$ 39,161	$ 4,051	$ 2,169	$ 68,244
Impact of CECL adoption	22,733	114,314	2,232	12,098	151,377
Provision for credit loss expense	30,907	(12,158)	2,750	4,698	26,197
Charge-offs	(523)	(396)	(1,441)	(1,379)	(3,739)
Recoveries	347	101	225	443	1,116
Net charge-offs	(176)	(295)	(1,216)	(936)	(2,623)
Ending balance, March 31, 2020	$ 76,327	$ 141,022	$ 7,817	$ 18,029	$ 243,195

As of March 31, 2021, the Company's allowance for credit losses was considered sufficient based upon expected loan level cash flows that were supported by economic forecasts. As a result, additional provision expense was not recorded for the three months ended March 31, 2021, however the Company reallocated certain amounts of the allowance for credit losses among loan categories for the same period.

A change in forecast methodology, as well as the composition of the loans, resulted in a negative provision in the real estate C&D loan segment during the first quarter of 2020. Under the economic conditions during that time, the Company's forecast of expected losses in the C&D segment no longer produced a forecast that was considered reasonable and supportable. As such, management adjusted the forecast methodology of this segment to better align with management's expectation of loss under the modeled economic conditions. The other categories saw increases in the provision related to increased concern over the economic stresses related to COVID-19, as well as increased specific provisions of $22.0 million for two energy credits, that were previously identified as problem loans, both of which experienced further deterioration during the first quarter of 2020 and were negatively impacted by the sharp decline in commodity pricing.

Reserve for Unfunded Commitments

In addition to the allowance for credit losses, the Company has established a reserve for unfunded commitments, classified in other liabilities. This reserve is maintained at a level management believes to be sufficient to absorb losses arising from unfunded loan commitments. The reserve for unfunded commitments as of March 31, 2021 and December 31, 2020 was $22.4 million. The adequacy of the reserve for unfunded commitments is determined quarterly based on methodology similar to the methodology for determining the allowance for credit losses. No adjustment was made to the reserve for unfunded commitments during the first quarter of 2021 as it was considered sufficient to cover any loss expectations. For the three month period ended March 31, 2020, net adjustments to the reserve for unfunded commitments resulted in a benefit of $3.0 million and was included in the provision for credit losses in the statement of income.

Provision for Credit Losses

Provision for credit losses is determined by the Company as the amount to be added to the allowance for credit loss accounts for various types of financial instruments including loans, securities and off-balance-sheet credit exposure after net charge-offs have been deducted to bring the allowance to a level which, in management's best estimate, is necessary to absorb expected credit losses over the lives of the respective financial instruments.

The components of the provision for credit losses for the three month periods ended March 31, 2021 and 2020 were as follows:

	Three Months Ended March 31,	
(In thousands)	2021	2020
Provision for credit losses related to:		
Loans	$ —	$ 26,198
Unfunded commitments	—	(3,000)
Securities - HTM	(697)	40
Securities - AFS	2,142	(104)
Total	$ 1,445	$ 23,134

NOTE 5: RIGHT-OF-USE LEASE ASSETS AND LEASE LIABILITIES

The Company accounts for its leases in accordance with ASC Topic 842, *Leases*, which requires recognition of most leases, including operating leases, with a term greater than 12 months on the balance sheet. At lease commencement, the lease contract is reviewed to determine whether the contract is a finance lease or an operating lease; a lease liability is recognized on a discounted basis, related to the Company's obligation to make lease payments; and a right-of-use asset is also recognized related to the Company's right to use, or control the use of, a specified asset for the lease term. The Company accounts for lease and non-lease components (such as taxes, insurance and common area maintenance costs) separately as such amounts are generally readily determinable under the lease contracts. Lease payments over the expected term are discounted using the Company's Federal Home Loan Bank ("FHLB") advance rates for borrowings of similar term. If it is reasonably certain that a renewal or termination option will be exercised, the effects of such options are included in the determination of the expected lease term. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

The Company's leases are classified as operating leases with a term, including expected renewal or termination options, greater than one year, and are related to certain office facilities and office equipment. The following table presents information as of March 31, 2021 and December 31, 2020 related to the Company's right-of-use lease assets, included in premises and equipment, and lease liabilities, included in accrued interest and other liabilities.

(Dollars in thousands)	March 31, 2021	December 31, 2020
Right-of-use lease assets	$ 27,835	$ 31,348
Lease liabilities	27,897	31,433
Weighted average remaining lease term	7.25 years	6.55 years
Weighted average discount rate	2.89 %	3.09 %

Operating lease cost for the three month periods ended March 31, 2021 and 2020 was $2.8 million and $3.2 million, respectively.

NOTE 6: PREMISES AND EQUIPMENT

Premises and equipment are stated at cost less accumulated depreciation and amortization. Total premises and equipment, net at March 31, 2021 and December 31, 2020 were as follows:

(In thousands)	March 31, 2021	December 31, 2020
Right-of-use lease assets	$ 27,835	$ 31,348
Premises and equipment:		
Land	89,950	90,953
Buildings and improvements	289,701	293,338
Furniture, fixtures and equipment	100,889	100,863
Software	65,136	64,877
Construction in progress	2,515	763
Accumulated depreciation and amortization	(148,486)	(140,450)
Total premises and equipment, net	$ 427,540	$ 441,692

NOTE 7: GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill is tested annually, or more often than annually, if circumstances warrant, for impairment. If the implied fair value of goodwill is lower than its carrying amount, goodwill impairment is indicated, and goodwill is written down to its implied fair value. Subsequent increases in goodwill value are not recognized in the financial statements. Goodwill totaled $1.1 billion at March 31, 2021 and December 31, 2020.

Goodwill impairment was neither indicated nor recorded during the three months ended March 31, 2021 or the year ended December 31, 2020. During the first quarter of 2020, the Company's share price began to decline as the markets in the United States responded to the global COVID-19 pandemic. As a result of that economic decline, the effect on share price and other factors, the Company performed an interim goodwill impairment assessment during each quarter of 2020 and concluded no impairment existed during each period. While the goodwill impairment analyses indicated no impairment during 2020, the Company's assessment depended on several assumptions which were dependent on market and economic conditions, and future changes in those conditions could impact the Company's assessment in the future. Due to the improved market and economic conditions, and the related effects on the Company's share price, the Company did not perform an interim goodwill impairment assessment during the first quarter of 2021.

Core deposit premiums represent the value of the relationships that acquired banks had with their deposit customers and are amortized over periods ranging from 10 years to 15 years and are periodically evaluated, at least annually, as to the recoverability of their carrying value. Other intangible assets represent the value of other acquired relationships, including relationships with trust and wealth management customers, and are being amortized over various periods ranging from 10 years to 15 years.

Changes in the carrying amount and accumulated amortization of the Company's core deposit premiums and other intangible assets at March 31, 2021 and December 31, 2020 were as follows:

(In thousands)	March 31, 2021	December 31, 2020
Core deposit premiums:		
Balance, beginning of year	$ 97,363	$ 111,808
Disposition of intangible asset[1]	(674)	(2,324)
Amortization	(3,001)	(12,121)
Balance, end of period	93,688	97,363
Books of business and other intangibles:		
Balance, beginning of year	13,747	15,532
Disposition of intangible asset	—	(413)
Amortization	(344)	(1,372)
Balance, end of period	13,403	13,747
Total other intangible assets, net	$ 107,091	$ 111,110

(1) Adjustments recorded for the premiums on certain deposit liabilities associated with the sale of banking operations.

The carrying basis and accumulated amortization of the Company's other intangible assets at March 31, 2021 and December 31, 2020 were as follows:

(In thousands)	March 31, 2021	December 31, 2020
Core deposit premiums:		
Gross carrying amount	$ 144,202	$ 146,355
Accumulated amortization	(50,514)	(48,992)
Core deposit premiums, net	93,688	97,363
Books of business and other intangibles:		
Gross carrying amount	19,937	19,937
Accumulated amortization	(6,534)	(6,190)
Books of business and other intangibles, net	13,403	13,747
Total other intangible assets, net	$ 107,091	$ 111,110

The Company's estimated remaining amortization expense on other intangible assets as of March 31, 2021 is as follows:

(In thousands)	Year	Amortization Expense
	Remainder of 2021	$ 9,995
	2022	13,275
	2023	12,992
	2024	12,090
	2025	9,505
	Thereafter	49,234
	Total	$ 107,091

NOTE 8: TIME DEPOSITS

Time deposits included approximately $2.26 billion and $2.03 billion of certificates of deposit of $100,000 or more, at March 31, 2021, and December 31, 2020, respectively. Of this total approximately $1.1 billion and $889.8 million of certificates of deposit were over $250,000 at March 31, 2021 and December 31, 2020, respectively.

NOTE 9: INCOME TAXES

The provision for income taxes is comprised of the following components for the periods indicated below:

(In thousands)	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Income taxes currently payable	$ 11,136	$ 22,280
Deferred income taxes	3,227	(1,586)
Provision for income taxes	$ 14,363	$ 20,694

The tax effects of temporary differences between the tax basis of assets and liabilities and their financial reporting amounts that give rise to deferred income tax assets and liabilities, and their approximate tax effects, are as follows:

(In thousands)	March 31, 2021	December 31, 2020
Deferred tax assets:		
Loans acquired	$ 8,465	$ 10,100
Allowance for credit losses	57,030	58,028
Valuation of foreclosed assets	1,673	1,673
Tax NOLs from acquisition	15,435	16,028
Deferred compensation payable	3,172	3,060
Accrued equity and other compensation	4,314	5,905
Acquired securities	539	587
Right-of-use lease liability	6,953	7,835
Unrealized loss on AFS securities	13,694	—
Allowance for unfunded commitments	5,583	5,583
Other	8,500	7,600
Gross deferred tax assets	125,358	116,399
Deferred tax liabilities:		
Goodwill and other intangible amortization	(38,312)	(38,882)
Accumulated depreciation	(34,166)	(34,667)
Right-of-use lease asset	(6,938)	(7,813)
Unrealized gain on AFS securities	—	(17,521)
Other	(4,458)	(4,021)
Gross deferred tax liabilities	(83,874)	(102,904)
Net deferred tax asset	$ 41,484	$ 13,495

A reconciliation of income tax expense at the statutory rate to the Company's actual income tax expense is shown for the periods indicated below:

	Three Months Ended March 31,	
(In thousands)	2021	2020
Computed at the statutory rate (21%)	$ 17,172	$ 20,560
Increase (decrease) in taxes resulting from:		
State income taxes, net of federal tax benefit	1,890	2,063
Stock-based compensation	103	26
Tax exempt interest income	(2,510)	(1,421)
Tax exempt earnings on BOLI	(241)	(319)
Federal tax credits	(590)	(1,034)
Other differences, net	(1,461)	819
Actual tax provision	$ 14,363	$ 20,694

The Company follows ASC Topic 740, *Income Taxes*, which prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more-likely-than-not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. ASC Topic 740 also provides guidance on the accounting for and disclosure of unrecognized tax benefits, interest and penalties. The Company has no history of expiring net operating loss carryforwards and is projecting significant pre-tax and financial taxable income in future years. The Company expects to fully realize its deferred tax assets in the future.

The amount of unrecognized tax benefits may increase or decrease in the future for various reasons including adding amounts for current tax year positions, expiration of open income tax returns due to the statutes of limitation, changes in management's judgment about the level of uncertainty, status of examinations, litigation and legislative activity and the addition or elimination of uncertain tax positions.

Section 382 of the Internal Revenue Code imposes an annual limit on the ability of a corporation that undergoes an "ownership change" to use its U.S. net operating losses to reduce its tax liability. The Company has engaged in two tax-free reorganization transactions in which acquired net operating losses are limited pursuant to Section 382. In total, approximately $68.3 million of federal net operating losses subject to the IRC Section 382 annual limitation are expected to be utilized by the Company. All of the acquired net operating loss carryforwards are expected to be fully utilized by 2036.

The Company files income tax returns in the U.S. federal jurisdiction. The Company's U.S. federal income tax returns are open and subject to examinations from the 2017 tax year and forward. The Company's various state income tax returns are generally open from the 2017 and later tax return years based on individual state statute of limitations.

NOTE 10: SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

The Company utilizes securities sold under agreements to repurchase to facilitate the needs of its customers and to facilitate secured short-term funding needs. Securities sold under agreements to repurchase are stated at the amount of cash received in connection with the transaction. The Company monitors collateral levels on a continuous basis. The Company may be required to provide additional collateral based on the fair value of the underlying securities. Securities pledged as collateral under repurchase agreements are maintained with the Company's safekeeping agents.

The gross amount of recognized liabilities for repurchase agreements was $257.8 million and $248.9 million at March 31, 2021 and December 31, 2020, respectively. The remaining contractual maturity of the securities sold under agreements to repurchase in the consolidated balance sheets as of March 31, 2021 and December 31, 2020 is presented in the following tables.

	Remaining Contractual Maturity of the Agreements				
(In thousands)	Overnight and Continuous	Up to 30 Days	30-90 Days	Greater than 90 Days	Total
March 31, 2021					
Repurchase agreements:					
U.S. Government agencies	$ 257,803	$ —	$ —	$ —	$ 257,803
December 31, 2020					
Repurchase agreements:					
U.S. Government agencies	$ 248,861	$ —	$ —	$ —	$ 248,861

NOTE 11: OTHER BORROWINGS AND SUBORDINATED NOTES AND DEBENTURES

Debt at March 31, 2021 and December 31, 2020 consisted of the following components:

(In thousands)	March 31, 2021	December 31, 2020
Other Borrowings		
FHLB advances, net of discount, due 2021 to 2035, 0.23% to 7.37% secured by real estate loans	$ 1,307,460	$ 1,308,674
Other long-term debt	33,007	33,393
Total other borrowings	1,340,467	1,342,067
Subordinated Notes and Debentures		
Subordinated notes payable, due 4/1/2028, fixed-to-floating rate (fixed rate of 5.00% through 3/31/2023, floating rate of 2.15% above the three month LIBOR rate, reset quarterly)	330,000	330,000
Trust preferred securities, due 9/15/2037, floating rate of 1.37% above the three month LIBOR rate, reset quarterly	10,310	10,310
Trust preferred securities, due 6/6/2037, floating rate of 1.57% above the three month LIBOR rate, reset quarterly, callable without penalty	10,310	10,310
Trust preferred securities, due 12/15/2035, floating rate of 1.45% above the three month LIBOR rate, reset quarterly, callable without penalty	6,702	6,702
Trust preferred securities, net of discount, due 6/15/2037, floating rate of 1.85% above the three month LIBOR rate, reset quarterly, callable without penalty	25,211	25,172
Trust preferred securities, net of discount, due 12/15/2036, floating rate of 1.85% above the three month LIBOR rate, reset quarterly, callable without penalty	3,027	3,023
Unamortized debt issuance costs	(2,552)	(2,643)
Total subordinated notes and debentures	383,008	382,874
Total other borrowings and subordinated debt	$ 1,723,475	$ 1,724,941

In March 2018, the Company issued $330.0 million in aggregate principal amount, of 5.00% Fixed-to-Floating Rate Subordinated Notes ("Notes") at a public offering price equal to 100% of the aggregate principal amount of the Notes. The Company incurred $3.6 million in debt issuance costs related to the offering during March 2018. The Notes will mature on April 1, 2028 and will bear interest at an initial fixed rate of 5.00% per annum, payable semi-annually in arrears. From and including April 1, 2023 to, but excluding, the maturity date or the date of earlier redemption, the interest rate will reset quarterly to an annual interest rate equal to the then-current three month LIBOR rate plus 215 basis points, payable quarterly in arrears. The Notes will be subordinated in right of payment to the payment of the Company's other existing and future senior indebtedness, including all of its general creditors. The Notes are obligations of the Company only and are not obligations of, and are not guaranteed by, any of its subsidiaries. The Company used a portion of the net proceeds from the sale of the Notes to repay certain outstanding indebtedness. The Notes qualify for Tier 2 capital treatment.

The Company had total FHLB advances of $1.31 billion at March 31, 2021, of which $1.30 billion are FHLB Owns the Option ("FOTO") advances. FOTO advances are a low cost, fixed-rate source of funding in return for granting to FHLB the flexibility to choose a termination date earlier than the maturity date. Typically, FOTO exercise dates follow a specified lockout period at the beginning of the term when FHLB cannot terminate the FOTO advance. If FHLB exercises its option to terminate the FOTO advance at one of the specified option exercise dates, there is no termination or prepayment fee, and replacement funding will be available at then-prevailing market rates, subject to FHLB's credit and collateral requirements. The Company's FOTO advances outstanding at March 31, 2021 have original maturity dates of ten years to fifteen years with lockout periods that have expired. The Company expects the FHLB's option to terminate the FOTO advances prior to stated maturity dates will not be exercised due to the current low interest rate environment. The possibility of the FHLB exercising the options is continually analyzed by the Company along with the market expected rate outcome. At March 31, 2021, the FHLB advances outstanding were secured by mortgage loans and investment securities totaling approximately $5.3 billion and the Company had approximately $2.8 billion of additional advances available from the FHLB.

The trust preferred securities are tax-advantaged issues that qualify for inclusion as Tier 2 capital at March 31, 2021. Distributions on these securities are included in interest expense on long-term debt. Each of the trusts is a statutory business trust organized for the sole purpose of issuing trust securities and investing the proceeds thereof in junior subordinated debentures of the Company, the sole asset of each trust. The preferred securities of each trust represent preferred beneficial interests in the assets of the respective trusts and are subject to mandatory redemption upon payment of the junior subordinated debentures held by the trust. The common securities of each trust are wholly-owned by the Company. Each trust's ability to pay amounts due on the trust preferred securities is solely dependent upon the Company making payments on the related junior subordinated debentures. The Company's obligations under the junior subordinated securities and other relevant trust agreements, in the aggregate, constitute a full and unconditional guarantee by the Company of each respective trust's obligations under the trust securities issued by each respective trust.

The Company's long-term debt primarily includes subordinated debt and long-term FHLB advances with an original maturity of greater than one year. Aggregate annual maturities of long-term debt at March 31, 2021, are as follows:

Year		(In thousands)
Remainder of 2021	$	2,064
2022		1,727
2023		1,686
2024		2,327
2025		4,876
Thereafter		1,710,795
Total	$	1,723,475

NOTE 12: CONTINGENT LIABILITIES

In the ordinary course of its operations, the Company and its subsidiaries are parties to various legal proceedings incidental to the conduct of our business, including proceedings based on breach of contract claims, lender liability claims, and other ordinary-course claims, some of which seek substantial relief or damages.

On May 22, 2019, Danny Walkingstick and Whitnye Fort filed a putative class action complaint against Simmons Bank in the United States District Court for the Western District of Missouri. The operative complaint alleges that Simmons Bank improperly charges overdraft fees on transactions that did not actually overdraw customers' accounts by utilizing the checking account's "available balance" to assess overdraft fees instead of the "ledger balance." Plaintiffs' claims include breach of contract and unjust enrichment, and they seek to represent a proposed class of all Simmons Bank checking account customers who were assessed an overdraft fee on a transaction that purportedly did not overdraw the account. Plaintiffs seek unspecified damages, costs, attorneys' fees, pre- and post-judgment interest, and other relief as the Court deems proper for themselves and the putative class. Simmons Bank denies the allegations but has reached a settlement in principle with the plaintiffs to resolve this matter, subject to the preparation and execution of a mutually acceptable settlement agreement and release, as well as the court's approval. The settlement is not expected to have a material adverse effect on the Company's business, consolidated results of operations, financial condition, or cash flows.

On January 14, 2020, Susanne Pace filed a putative class action complaint against Landmark Bank, to which Simmons Bank is a successor by merger, in the Circuit Court of Boone County, Missouri. The complaint alleges that Landmark Bank improperly charged overdraft fees where a transaction was initially authorized on sufficient funds but later settled negative due to intervening transactions. The complaint asserts a claim for breach of contract, which incorporates the implied duty of good faith and fair dealing. Plaintiff seeks to represent a proposed class of all Landmark Bank checking account customers from Missouri who were allegedly charged overdraft fees on transactions that did not overdraw their checking account. Plaintiff seeks unspecified actual, statutory, and punitive damages as well as costs, attorneys' fees, prejudgment interest, an injunction, and other relief as the Court deems proper for herself and the putative class. Simmons Bank denies the allegations and is vigorously defending the matter.

On June 29, 2020, Shunda Wilkins, Diann Graham, and David Watson filed a putative class action complaint against Simmons Bank in the United States District Court for the Eastern District of Arkansas. The complaint alleges that Simmons Bank improperly charges multiple insufficient funds or overdraft fees when a merchant resubmits a rejected payment request. The complaint asserts claims for breach of contract and unjust enrichment. Plaintiffs seek to represent a proposed class of all Simmons Bank checking account customers who were charged multiple insufficient funds or overdraft fees on resubmitted payment requests. Plaintiffs seek unspecified damages, costs, attorney's fees, pre-judgment interest, an injunction, and other relief as the Court deems proper for themselves and the purported class. Simmons Bank denies the allegations and is vigorously defending the matter.

We establish reserves for legal proceedings when potential losses become probable and can be reasonably estimated. While the ultimate resolution (including amounts thereof) of any legal proceedings, including the matters described above, cannot be determined at this time, based on information presently available and after consultation with legal counsel, management believes that the ultimate outcome in such proceedings, either individually or in the aggregate, will not have a material adverse effect on our business, consolidated results of operations, financial condition, or cash flows. It is possible, however, that future developments could result in an unfavorable outcome for or resolution of any of these proceedings, which may be material to our results of operations for a given fiscal period.

NOTE 13: CAPITAL STOCK

On February 27, 2009, at a special meeting, the Company's shareholders approved an amendment to the Articles of Incorporation to establish 40,040,000 authorized shares of preferred stock, $0.01 par value. The aggregate liquidation preference of all shares of preferred stock cannot exceed $80,000,000.

On February 12, 2019, the Company filed its Amended and Restated Articles of Incorporation ("February Amended Articles") with the Arkansas Secretary of State. The February Amended Articles classified and designated three series of preferred stock out of the Corporation's authorized preferred stock: Series A Preferred Stock, Par Value $0.01 Per Share (having 40,000 authorized shares); Series B Preferred Stock, Par Value $0.01 Per Share (having 2,000.02 authorized shares); and 7% Perpetual Convertible Preferred Stock, Par Value $0.01 Per Share, Series C (having 140 authorized shares).

On October 29, 2019, the Company filed its Amended and Restated Articles of Incorporation ("October Amended Articles") with the Arkansas Secretary of State. The October Amended Articles classified and designated Series D Preferred Stock, Par Value $0.01 Per Share, out of the Company's authorized preferred stock. The October Amended Articles also canceled the Company's 7% Perpetual Convertible Preferred Stock, Par Value $0.01 Per Share, Series C Preferred Stock, of which no shares were ever issued or outstanding.

On October 22, 2019, the Company announced a new stock repurchase program ("Program") that replaced the prior stock repurchase program approved on July 23, 2012, under which the Company may repurchase up to $60,000,000 of its Class A common stock currently issued and outstanding. On March 5, 2020, the Company announced an amendment to the Program that increased the maximum amount that may be repurchased under the Program from $60,000,000 to $180,000,000. The Program will terminate on October 31, 2021 (unless terminated sooner).

Under the Program, the Company may repurchase shares of its common stock through open market and privately negotiated transactions or otherwise. The timing, pricing, and amount of any repurchases under the Program will be determined by the Company's management at its discretion based on a variety of factors, including, but not limited to, trading volume and market price of the Company's common stock, corporate considerations, the Company's working capital and investment requirements, general market and economic conditions, and legal requirements. The Program does not obligate the Company to repurchase any common stock and may be modified, discontinued, or suspended at any time without prior notice. The Company anticipates funding for this Program to come from available sources of liquidity, including cash on hand and future cash flow.

During the three months ended March 31, 2021, the Company repurchased 130,916 shares at an average price of $23.53 per share under the Program. Market conditions and the Company's capital needs will drive decisions regarding additional, future stock repurchases. The Company repurchased 4,922,336 shares at an average price of $18.96 per share during the same period in 2020.

NOTE 14: UNDIVIDED PROFITS

Simmons Bank, the Company's subsidiary bank, is subject to legal limitations on dividends that can be paid to the parent company without prior approval of the applicable regulatory agencies. The approval of the Commissioner of the Arkansas State Bank Department is required if the total of all dividends declared by an Arkansas state bank in any calendar year exceeds seventy-five percent (75%) of the total of its net profits, as defined, for that year combined with seventy-five percent (75%) of its retained net profits of the preceding year. At March 31, 2021, Simmons Bank had approximately $153.5 million available for payment of dividends to the Company, without prior regulatory approval.

The risk-based capital guidelines of the Federal Reserve Board and the Arkansas State Bank Department include the definitions for (1) a well-capitalized institution, (2) an adequately-capitalized institution, and (3) an undercapitalized institution. Under the Basel III Rules effective January 1, 2015, the criteria for a well-capitalized institution are: a 5% "Tier l leverage capital" ratio, an 8% "Tier 1 risk-based capital" ratio, 10% "total risk-based capital" ratio; and a 6.5% "common equity Tier 1 (CET1)" ratio.

The Company and Simmons Bank, must hold a capital conservation buffer of 2.5% composed of CET1 capital above its minimum risk-based capital requirements. Failure to meet this capital conservation buffer would result in additional limits on dividends, other distributions and discretionary bonuses. As of March 31, 2021, the Company and Simmons Bank met all capital adequacy requirements, including the capital conservation buffer, under the Basel III Capital Rules. The Company's CET1 ratio was 14.08% at March 31, 2021.

NOTE 15: STOCK-BASED COMPENSATION

The Company's Board of Directors has adopted various stock-based compensation plans. The plans provide for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock units and performance stock units. Pursuant to the plans, shares are reserved for future issuance by the Company upon exercise of stock options or awards of restricted stock, restricted stock units, or performance stock units granted to directors, officers and other key employees.

The table below summarizes the transactions under the Company's active stock-based compensation plans for the three months ended March 31, 2021:

	Stock Options Outstanding		Non-vested Stock Awards Outstanding		Non-vested Stock Units Outstanding	
(Shares in thousands)	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Grant-Date Fair Value	Number of Shares	Weighted Average Grant-Date Fair Value
Beginning balance, January 1, 2021	658	$ 22.48	5	$ 22.35	1,032	$ 24.53
Granted	—	—	—	—	202	29.65
Stock options exercised	(166)	22.47	—	—	—	—
Stock awards/units vested (earned)	—	—	(2)	22.20	(272)	25.74
Forfeited/expired	—	—	—	—	(27)	25.56
Balance, March 31, 2021	492	$ 22.48	3	$ 22.48	935	$ 25.21
Exercisable, March 31, 2021	492	$ 22.48				

The following table summarizes information about stock options under the plans outstanding at March 31, 2021:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number of Shares (In thousands)	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number of Shares (In thousands)	Weighted Average Exercise Price
$ 9.46 — $ 9.46	1	0.80	$9.46	1	$9.46
10.65 — 10.65	3	1.83	10.65	3	10.65
20.29 — 20.29	47	3.75	20.29	47	20.29
20.36 — 20.36	1	3.63	20.36	1	20.36
22.20 — 22.20	53	3.98	22.20	53	22.20
22.75 — 22.75	306	4.36	22.75	306	22.75
23.51 — 23.51	74	4.81	23.51	74	23.51
24.07 — 24.07	7	4.46	24.07	7	24.07
$ 9.46 — $ 24.07	492	4.31	$22.48	492	$22.48

The table below summarizes the Company's performance stock unit activity for the three months ended March 31, 2021:

(In thousands)	Performance Stock Units
Non-vested, January 1, 2021	222
Granted	—
Vested (earned)	(57)
Forfeited	(1)
Non-vested, March 31, 2021	164

Stock-based compensation expense was $3.9 million and $4.5 million during the three months ended March 31, 2021 and 2020, respectively. Stock-based compensation expense is recognized ratably over the requisite service period for all stock-based awards. There was no unrecognized stock-based compensation expense related to stock options at March 31, 2021. Unrecognized stock-based compensation expense related to non-vested stock awards and stock units was $16.6 million at March 31, 2021. At such date, the weighted-average period over which this unrecognized expense is expected to be recognized was 1.7 years.

The intrinsic value of stock options outstanding and stock options exercisable at March 31, 2021 was $3.5 million. Aggregate intrinsic value represents the difference between the Company's closing stock price on the last trading day of the period, which was $29.67 as of March 31, 2021, and the exercise price multiplied by the number of options outstanding. The total intrinsic value of stock options exercised during the three months ended March 31, 2021 and 2020, was $1.2 million and $8,000, respectively.

The fair value of the Company's employee stock options granted is estimated on the date of grant using the Black-Scholes option-pricing model. This model requires the input of highly subjective assumptions, changes to which can materially affect the fair value estimate. There were no stock options granted during the three months ended March 31, 2021 and 2020.

NOTE 16: EARNINGS PER SHARE ("EPS")

Basic EPS is computed by dividing reported net income available to common stockholders by weighted average number of common shares outstanding during each period. Diluted EPS is computed by dividing reported net income available to common stockholders by the weighted average common shares and all potential dilutive common shares outstanding during the period.

The computation of earnings per share is as follows:

	Three Months Ended March 31,	
(In thousands, except per share data)	2021	2020
Net income available to common stockholders	$ 67,407	$ 77,223
Average common shares outstanding	108,210	112,888
Average potential dilutive common shares	445	249
Average diluted common shares	108,655	113,137
Basic earnings per share	$ 0.62	$ 0.68
Diluted earnings per share	$ 0.62	$ 0.68

There were no stock options excluded from the earnings per share calculation for the three months ended March 31, 2021 due to the average market price exceeding the related stock option exercise price. There were 614,100 stock options excluded from the earnings per share calculation due to the related stock option exercise price exceeding the average market price for the three months ended March 31, 2020.

NOTE 17: ADDITIONAL CASH FLOW INFORMATION

The following is a summary of the Company's additional cash flow information:

	Three Months Ended March 31,	
(In thousands)	2021	2020
Interest paid	$ 19,264	$ 39,388
Income taxes paid	366	92
Transfers of loans to foreclosed assets held for sale	979	508
Transfers of premises to foreclosed assets and other real estate owned	—	3,120
Transfers of loans to other assets held for sale	—	114,925
Transfers of deposits to other liabilities held for sale	—	58,405

NOTE 18: OTHER INCOME AND OTHER OPERATING EXPENSES

Other income for the three months ended March 31, 2021 and 2020 was $10.3 million and $12.8 million, respectively, which included gains of $5.3 million and $5.9 million related the sale of banking operations for the same periods in 2021 and 2020, respectively.

Other operating expenses consisted of the following:

	Three Months Ended March 31,	
(In thousands)	2021	2020
Professional services	$ 5,247	$ 5,829
Postage	2,370	2,236
Telephone	1,632	2,185
Credit card expense	4,685	4,382
Marketing	3,153	4,385
Software and technology	10,251	9,445
Operating supplies	570	936
Amortization of intangibles	3,344	3,413
Branch right sizing expense	625	238
Other expense	6,540	8,739
Total other operating expenses	$ 38,417	$ 41,788

NOTE 19: CERTAIN TRANSACTIONS

From time to time, the Company and its subsidiaries have made loans, other extensions of credit, and vendor contracts to directors, officers, their associates and members of their immediate families. Additionally, some directors, officers and their associates and members of their immediate families have placed deposits with the Company's subsidiary bank, Simmons Bank. Such loans and other extensions of credit, deposits and vendor contracts (which were not material) were made in the ordinary course of business, on substantially the same terms (including interest rates and collateral) as those prevailing at the time for comparable transactions with unrelated persons or through a competitive bid process. Further, in management's opinion, these extensions of credit did not involve more than normal risk of collectability or present other unfavorable features.

NOTE 20: COMMITMENTS AND CREDIT RISK

The Company grants agribusiness, commercial and residential loans to customers primarily throughout Arkansas, Kansas, Missouri, Oklahoma, Tennessee and Texas, along with credit card loans to customers throughout the United States. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since a portion of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if deemed necessary, is based on management's credit evaluation of the counterparty. Collateral held varies, but may include accounts receivable, inventory, property, plant and equipment, commercial real estate and residential real estate.

At March 31, 2021, the Company had outstanding commitments to extend credit aggregating approximately $682.7 million and $2.4 billion for credit card commitments and other loan commitments, respectively. At December 31, 2020, the Company had outstanding commitments to extend credit aggregating approximately $671.5 million and $2.4 billion for credit card commitments and other loan commitments, respectively.

As of March 31, 2021, the Company had outstanding commitments to originate fixed rate-rate mortgage loans of approximately $165.9 million. At December 31, 2020, the Company had outstanding commitments to originate fixed-rate mortgage loans of approximately $214.0 million.

Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loans to customers. The Company had total outstanding letters of credit amounting to $44.6 million and $49.0 million at March 31, 2021, and December 31, 2020, respectively, with terms ranging from 9 months to 15 years. At March 31, 2021 and December 31, 2020, the Company had no deferred revenue under standby letter of credit agreements.

The Company has purchased letters of credit from the FHLB as security for certain public deposits. The amount of the letters of credit was $1.2 billion and $1.5 billion at March 31, 2021 and December 31, 2020, respectively, and they expire in less than one year from issuance.

NOTE 21: FAIR VALUE MEASUREMENTS

ASC Topic 820, *Fair Value Measurements* defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance also establishes a fair value hierarchy that requires the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Topic 820 describes three levels of inputs that may be used to measure fair value:

- *Level 1 Inputs* – Quoted prices in active markets for identical assets or liabilities.
- *Level 2 Inputs* – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets; quoted prices for similar assets or liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- *Level 3 Inputs* – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

In general, fair value is based upon quoted market prices, where available. If such quoted market prices are not available, fair value is based upon internally developed models that primarily use, as inputs, observable market-based parameters. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. These adjustments may include amounts to reflect counterparty credit quality and the Company’s creditworthiness, among other things, as well as unobservable parameters. Any such valuation adjustments are applied consistently over time. The Company’s valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While management believes the Company’s valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. Furthermore, the reported fair value amounts have not been comprehensively revalued since the presentation dates, and therefore, estimates of fair value after the balance sheet date may differ significantly from the amounts presented herein. A more detailed description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Following is a description of the inputs and valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy.

Available-for-sale securities – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities would include highly liquid government bonds, mortgage products and exchange traded equities. Other securities classified as available-for-sale are reported at fair value utilizing Level 2 inputs. For these securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the security’s terms and conditions, among other things. In order to ensure the fair values are consistent with ASC Topic 820, the Company periodically checks the fair values by comparing them to another pricing source, such as Bloomberg. The availability of pricing confirms Level 2 classification in the fair value hierarchy. The third-party pricing service is subject to an annual review of internal controls. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Company’s investment in U.S. Treasury securities, if any, is reported at fair value utilizing Level 1 inputs. The remainder of the Company’s available-for-sale securities are reported at fair value utilizing Level 2 inputs.

Mortgage loans held for sale – Mortgage loans held for sale are reported at fair value on an aggregate basis. Adjustments to fair value are recognized monthly and reflected in earnings. In determining the fair value of loans held for sale, the Company may consider outstanding investor commitments, discounted cash flow analyses with market assumptions or the fair value of the collateral if the loan is collateral dependent. Such loans are classified within either Level 2 or Level 3 of the fair value hierarchy. Where assumptions are made using significant unobservable inputs, such loans held for sale are classified as Level 3. At March 31, 2021 and December 31, 2020, the aggregate fair value of mortgage loans held for sale exceeded their cost.

Derivative instruments – The Company's derivative instruments are reported at fair value utilizing Level 2 inputs. The Company obtains fair value measurements from dealer quotes.

Other liabilities held for sale – The Company's other liabilities held for sale are reported at fair value utilizing Level 3 inputs. See Note 3, Other Liabilities Held for Sale.

The following table sets forth the Company's financial assets by level within the fair value hierarchy that were measured at fair value on a recurring basis as of March 31, 2021 and December 31, 2020.

		Fair Value Measurements Using		
(In thousands)	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2021				
Available-for-sale securities				
U.S. Treasury	$ 600	$ 600	$ —	$ —
U.S. Government agencies	487,679	—	487,679	—
Mortgage-backed securities	2,133,086	—	2,133,086	—
State and political subdivisions	1,571,910	—	1,571,910	—
Other securities	335,073	—	335,073	—
Mortgage loans held for sale	63,655	—	—	63,655
Derivative asset	18,597	—	18,597	—
Derivative liability	(18,799)	—	(18,799)	—
December 31, 2020				
Available-for-sale securities				
U.S. Government agencies	$ 477,237	$ —	$ 477,237	$ —
Mortgage-backed securities	1,394,936	—	1,394,936	—
States and political subdivisions	1,470,723	—	1,470,723	—
Other securities	130,702	—	130,702	—
Mortgage loans held for sale	137,378	—	—	137,378
Derivative asset	35,846	—	35,846	—
Other liabilities held for sale	(154,620)	—	—	(154,620)
Derivative liability	(36,141)	—	(36,141)	—

Certain financial assets and liabilities are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances. Financial assets and liabilities measured at fair value on a nonrecurring basis include the following:

Individually assessed loans (collateral-dependent) – When the Company has a specific expectation to initiate, or has initiated, foreclosure proceedings, and when the repayment of a loan is expected to be substantially dependent on the liquidation of underlying collateral, the relationship is deemed collateral-dependent. Fair value of the loan is determined by establishing an allowance for credit loss for any exposure based on the valuation of the underlying collateral. The valuation of the collateral is determined by either an independent third-party appraisal or other collateral analysis. Discounts can be made by the Company based upon the overall evaluation of the independent appraisal. Collateral-dependent loans are classified within Level 3 of the fair value hierarchy. Collateral values supporting the individually assessed loans are evaluated quarterly for updates to appraised values or adjustments due to non-current valuations.

Foreclosed assets and other real estate owned – Foreclosed assets and other real estate owned are reported at fair value, less estimated costs to sell. At foreclosure, if the fair value, less estimated costs to sell, of the real estate acquired is less than the Company's recorded investment in the related loan, a write-down is recognized through a charge to the allowance for credit losses. Additionally, valuations are periodically performed by management and any subsequent reduction in value is recognized by a charge to income. The fair value of foreclosed assets and other real estate owned is estimated using Level 3 inputs based on unobservable market data.

The significant unobservable inputs (Level 3) used in the fair value measurement of collateral for collateral-dependent loans and foreclosed assets primarily relate to the specialized discounting criteria applied to the borrower's reported amount of collateral. The amount of the collateral discount depends upon the condition and marketability of the collateral, as well as other factors which may affect the collectability of the loan. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset. It is reasonably possible that a change in the estimated fair value for instruments measured using Level 3 inputs could occur in the future. As the Company's primary objective in the event of default would be to liquidate the collateral to settle the outstanding balance of the loan, collateral that is less marketable would receive a larger discount.

The following table sets forth the Company's financial assets by level within the fair value hierarchy that were measured at fair value on a nonrecurring basis as of March 31, 2021 and December 31, 2020.

		Fair Value Measurements Using		
(In thousands)	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2021				
Individually assessed loans [(1)] [(2)] (collateral-dependent)	$ 6,619	$ —	$ —	$ 6,619
Foreclosed assets and other real estate owned [(1)]	997	—	—	997
December 31, 2020				
Individually assessed loans [(1)] [(2)] (collateral-dependent)	$ 66,209	$ —	$ —	$ 66,209
Foreclosed assets and other real estate owned [(1)]	17,074	—	—	17,074

(1) These amounts represent the resulting carrying amounts on the consolidated balance sheets for collateral-dependent loans and foreclosed assets and other real estate owned for which fair value re-measurements took place during the period.
(2) Identified reserves of zero and $13,725,000 were related to collateral-dependent loans for which fair value re-measurements took place during the periods ended March 31, 2021 and December 31, 2020, respectively.

ASC Topic 825, *Financial Instruments*, requires disclosure in annual and interim financial statements of the fair value of financial assets and financial liabilities, including those financial assets and financial liabilities that are not measured and reported at fair value on a recurring basis or nonrecurring basis. The following methods and assumptions were used to estimate the fair value of each class of financial instruments not previously disclosed.

Cash and cash equivalents – The carrying amount for cash and cash equivalents approximates fair value (Level 1).

Interest bearing balances due from banks – The fair value of interest bearing balances due from banks – time is estimated using a discounted cash flow calculation that applies the rates currently offered on deposits of similar remaining maturities (Level 2).

Held-to-maturity securities – Fair values for held-to-maturity securities equal quoted market prices, if available, such as for highly liquid government bonds (Level 1). If quoted market prices are not available, fair values are estimated based on quoted market prices of similar securities. For these securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the security's terms and conditions, among other things (Level 2). In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Loans – The fair value of loans is estimated by discounting the future cash flows, using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. Additional factors considered include the type of loan and related collateral, variable or fixed rate, classification status, remaining term, interest rate, historical delinquencies, loan to value ratios, current market rates and remaining loan balance. The loans were grouped together according to similar characteristics and were treated in the aggregate when applying various valuation techniques. The discount rates used for loans were based on current market rates for new originations of similar loans. Estimated credit losses were also factored into the projected cash flows of the loans. The fair value of loans is estimated on an exit price basis incorporating the above factors (Level 3).

Deposits – The fair value of demand deposits, savings accounts and money market deposits is the amount payable on demand at the reporting date (i.e., their carrying amount) (Level 2). The fair value of fixed-maturity time deposits is estimated using a discounted cash flow calculation that applies the rates currently offered for deposits of similar remaining maturities (Level 3).

Federal Funds purchased, securities sold under agreement to repurchase and short-term debt – The carrying amount for Federal funds purchased, securities sold under agreement to repurchase and short-term debt are a reasonable estimate of fair value (Level 2).

Other borrowings – For short-term instruments, the carrying amount is a reasonable estimate of fair value. For long-term debt, rates currently available to the Company for debt with similar terms and remaining maturities are used to estimate the fair value (Level 2).

Subordinated debentures – The fair value of subordinated debentures is estimated using the rates that would be charged for subordinated debentures of similar remaining maturities (Level 2).

Accrued interest receivable/payable – The carrying amounts of accrued interest approximated fair value (Level 2).

Commitments to extend credit, letters of credit and lines of credit – The fair value of commitments is estimated using the fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the present creditworthiness of the counterparties. For fixed rate loan commitments, fair value also considers the difference between current levels of interest rates and the committed rates. The fair values of letters of credit and lines of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate or otherwise settle the obligations with the counterparties at the reporting date.

The fair value of a financial instrument is the current amount that would be exchanged between willing parties, other than in a forced liquidation. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Company's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The estimated fair values, and related carrying amounts, of the Company's financial instruments are as follows:

(In thousands)	Carrying Amount	Fair Value Measurements Level 1	Level 2	Level 3	Total
March 31, 2021					
Financial assets:					
Cash and cash equivalents	$ 3,905,463	$ 3,905,463	$ —	$ —	$ 3,905,463
Interest bearing balances due from banks - time	1,334	—	1,334	—	1,334
Held-to-maturity securities	609,500	—	597,694	—	597,694
Interest receivable	71,359	—	71,359	—	71,359
Loans, net	11,960,757	—	—	12,033,966	12,033,966
Financial liabilities:					
Non-interest bearing transaction accounts	4,884,667	—	4,884,667	—	4,884,667
Interest bearing transaction accounts and savings deposits	10,279,997	—	10,279,997	—	10,279,997
Time deposits	3,024,724	—	—	3,037,995	3,037,995
Federal funds purchased and securities sold under agreements to repurchase	323,053	—	323,053	—	323,053
Other borrowings	1,340,467	—	1,414,703	—	1,414,703
Subordinated notes and debentures	383,008	—	399,678	—	399,678
Interest payable	12,376	—	12,376	—	12,376
December 31, 2020					
Financial assets:					
Cash and cash equivalents	$ 3,472,152	$ 3,472,152	$ —	$ —	$ 3,472,152
Interest bearing balances due from banks - time	1,579	—	1,579	—	1,579
Held-to-maturity securities	333,031	—	341,925	—	341,925
Interest receivable	72,597	—	72,597	—	72,597
Loans, net	12,662,847	—	—	12,736,991	12,736,991
Financial liabilities:					
Non-interest bearing transaction accounts	4,482,091	—	4,482,091	—	4,482,091
Interest bearing transaction accounts and savings deposits	9,672,608	—	9,672,608	—	9,672,608
Time deposits	2,832,327	—	—	2,848,621	2,848,621
Federal funds purchased and securities sold under agreements to repurchase	299,111	—	299,111	—	299,111
Other borrowings	1,342,067	—	1,448,625	—	1,448,625
Subordinated notes and debentures	382,874	—	398,827	—	398,827
Interest payable	8,887	—	8,887	—	8,887

The fair value of commitments to extend credit, letters of credit and lines of credit is not presented since management believes the fair value to be insignificant.

NOTE 22: DERIVATIVE INSTRUMENTS

The Company utilizes derivative instruments to manage exposure to various types of interest rate risk for itself and its customers within policy guidelines. Transactions should only be entered into with an associated underlying exposure. All derivative instruments are carried at fair value.

Derivative contracts involve the risk of dealing with institutional derivative counterparties and their ability to meet contractual terms. Institutional counterparties must have an investment grade credit rating and be approved by the Company's asset/liability management committee. In arranging these products for its customers, the Company assumes additional credit risk from the customer and from the dealer counterparty with whom the transaction is undertaken. Credit risk exists due to the default credit risk created in the exchange of the payments over a period of time. Credit exposure on interest rate swaps is limited to the net favorable value and interest payments of all swaps with each counterparty. Access to collateral in the event of default is reasonably assured. Therefore, credit exposure may be reduced by the amount of collateral pledged by the counterparty.

Hedge Structures

The Company will seek to enter derivative structures that most effectively address the risk exposure and structural terms of the underlying position being hedged. The term and notional principal amount of a hedge transaction will not exceed the term or principal amount of the underlying exposure. In addition, the Company will use hedge indices which are the same as, or highly correlated to, the index or rate on the underlying exposure. Derivative credit exposure is monitored on an ongoing basis for each customer transaction and aggregate exposure to each counterparty is tracked. The Company has set a maximum outstanding notional contract amount at 10% of the Company's assets.

Customer Risk Management Interest Rate Swaps

The Company's qualified loan customers have the opportunity to participate in its interest rate swap program for the purpose of managing interest rate risk on their variable rate loans with the Company. The Company enters into such agreements with customers, then offsetting agreements are executed between the Company and an approved dealer counterparty to minimize market risk from changes in interest rates. The counterparty contracts are identical to customer contracts in terms of notional amounts, interest rates, and maturity dates, except for a fixed pricing spread or fee paid to the Company by the dealer counterparty. These interest rate swaps carry varying degrees of credit, interest rate and market or liquidity risks. The fair value of these derivative instruments is recognized as either derivative assets or liabilities in the accompanying consolidated balance sheets. The Company has a limited number of swaps that are standalone without a similar agreement with the loan customer.

The following table summarizes the fair values of loan derivative contracts recorded in the accompanying consolidated balance sheets.

	March 31, 2021		December 31, 2020	
(In thousands)	Notional	Fair Value	Notional	Fair Value
Derivative assets	$ 373,489	$ 18,597	$ 408,881	$ 35,846
Derivative liabilities	377,305	18,799	417,941	36,141

Risk Participation Agreements

The Company has a limited number of Risk Participation Agreement swaps, that are associated with loan participations, where the Company is not the counterparty to the interest rate swaps that are associated with the risk participation sold. The interest rate swap mark to market only impacts the Company if the swap is in a liability position to the counterparty and the customer defaults on payments to the counterparty. The notional amount of these contingent agreements is $32.2 million as of March 31, 2021.

Energy Hedging

The Company provides energy derivative services to qualifying, high quality oil and gas borrowers for hedging purposes. The Company serves as an intermediary on energy derivative products between the Company's borrowers and dealers. The Company will only enter into back-to-back trades, thus maintaining a balanced book between the dealer and the borrower.

Energy hedging risk exposure to the Company's customer increases as energy prices for crude oil and natural gas rise. As prices decrease, exposure to the exchange increases. These risks are mitigated by customer credit underwriting policies and establishing a predetermined hedge line for each borrower and by monitoring the exchange margin.

The outstanding notional value as of March 31, 2021 for energy hedging Customer Sell to Company swaps were $13.4 million and the corresponding Company Sell to Dealer swaps were $13.4 million and the corresponding net fair value of the derivative asset and derivative liability was $306,000.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders, Board of Directors and Audit Committee
Simmons First National Corporation
Pine Bluff, Arkansas

Results of Review of Interim Financial Statements

We have reviewed the condensed consolidated balance sheet of Simmons First National Corporation and subsidiaries ("the Company") as of March 31, 2021, and the related condensed consolidated statements of income, comprehensive income (loss), stockholders' equity and cash flows for the three-month periods ended March 31, 2021 and 2020, and the related notes (collectively referred to as the "interim financial information or statements"). Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheet of the Company and subsidiaries as of December 31, 2020, and the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for the year then ended (not presented herein), and in our report dated February 25, 2021, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2020, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ BKD, LLP

Little Rock, Arkansas
May 6, 2021

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

Net income for the three months ended March 31, 2021 was $67.4 million, or $0.62 diluted earnings per share, compared to $77.2 million, or $0.68 diluted earnings per share, for the same period in 2020. Included in both first quarter 2021 and 2020 results were non-core items related to merger-related costs, branch right sizing initiatives, and gains associated with the sale of banking operations. Excluding all non-core items, core earnings for the three months ended March 31, 2021 were $64.0 million, a decrease of $9.8 million compared to the same period in the prior year. Core diluted earnings per share for the first three months of 2021 were $0.59 compared to $0.65 for the three months ended March 31, 2020. The decrease was due in significant part to the difference in the gains on sales of securities recognized during the periods.

Simmons Bank was recently named to *Forbes* magazine's list of "World's Best Banks" for the second consecutive year and ranked among the top 30 banks in *Forbes'* list of "America's Best Banks" for 2021.

On March 12, 2021, we completed the Illinois Branch Sale of four Simmons Bank locations in the Metro East area of Southern Illinois, near St. Louis. We recognized a gain of $5.3 million on the sale of the Illinois Branches.

We recorded solid operating results in the first quarter which reflects the benefit of our diverse operating model. We are still feeling the effects of the COVID-19 pandemic in the economy and some industries are still struggling to return to pre-COVID levels of performance; however, our asset quality has improved compared to 2020 and we are optimistic that trend will continue.

Stockholders' equity as of March 31, 2021 was $2.9 billion, book value per share was $27.04 and tangible book value per share was $16.13. Our ratio of common stockholders' equity to total assets was 12.55% and the ratio of tangible common stockholders' equity to tangible assets was 7.88% at March 31, 2021. The Company's Tier 1 leverage ratio of 8.95%, as well as our other regulatory capital ratios, remain significantly above the "well capitalized" guidelines (see Table 12 in the Capital section of this Item).

Total deposits were $18.2 billion at March 31, 2021, compared to $17.0 billion at December 31, 2020 and $15.6 billion at March 31, 2020. The increase from the prior year is a direct reflection of the multiple rounds of economic stimulus legislation in response to the COVID-19 pandemic that have created a rapid rise in liquidity and have led to changes in customer spending habits. Trends affected by the increasing customer cash balances are pay downs on loans, decreased loan demand, reduced credit card balances and fewer overdraft activities.

Total loans were $12.2 billion at March 31, 2021, compared to $12.9 billion at December 31, 2020 and $14.4 billion at March 31, 2020. The decrease from the prior year was related in significant part to planned payoffs, normal pay downs and weakened loan demand as a result of the economic uncertainty stemming from the COVID-19 pandemic. Sequentially, total loans decreased $705.0 million from the fourth quarter of 2020 due, in part to seasonal decreases in the credit card and agricultural portfolios as well as fluctuations in the mortgage warehouse line of credit.

While loan demand has been well below historical levels, the demand appears to be recovering going into the second quarter of 2021. Our total loan pipeline consisting of all loan opportunities was $1.2 billion at March 31, 2021, compared to $673.7 million at December 31, 2020. Loans approved and ready to close were $284.5 million as of March 31, 2021.

As of March 31, 2021, we had $797.6 million in loans outstanding under the PPP. The change in total PPP loan balance during the first quarter of 2021 was as follows:

(Dollars in thousands)	PPP Round 1	PPP Round 2	Total PPP Loans
Beginning balance, January 1, 2021	$ 904,673	$ —	$ 904,673
PPP loan originations	—	227,902	227,902
PPP loan forgiveness and repayments	(334,946)	—	(334,946)
Ending balance, March 31, 2021	$ 569,727	$ 227,902	$ 797,629

PPP loans are 100% federally guaranteed and have a zero percent risk-weight for regulatory capital ratios. As a result, excluding PPP loans from total assets, common equity to total assets was 13.00% and tangible common equity to tangible assets was 8.18% as of March 31, 2021.

We continue to closely monitor the COVID-19 pandemic and expect to make future changes to respond as this situation continues to evolve. Further economic downturns accompanying this pandemic, or a delayed economic recovery from this pandemic, could result in increased deterioration in credit quality, past due loans, loans charge offs and collateral value declines, which could cause our results of operations and financial condition to be negatively impacted.

In our discussion and analysis of our financial condition and results of operation in this Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," we provide certain financial information determined by methods other than in accordance with US GAAP. We believe the presentation of non-GAAP financial measures provides a meaningful basis for period-to-period and company-to-company comparisons, which we believe will assist investors and analysts in analyzing the core financial measures of the Company and predicting future performance. See the *GAAP Reconciliation of Non-GAAP Measures* section below for additional discussion and reconciliations of non-GAAP measures.

Simmons First National Corporation is a Mid-South based financial holding company that, as of March 31, 2021, has approximately $23.3 billion in consolidated assets and, through its subsidiaries, conducts financial operations in Arkansas, Kansas, Missouri, Oklahoma, Tennessee and Texas.

CRITICAL ACCOUNTING POLICIES

Overview

We follow accounting and reporting policies that conform, in all material respects, to US GAAP and to general practices within the financial services industry. The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. While we base estimates on historical experience, current information and other factors deemed to be relevant, actual results could differ from those estimates.

We consider accounting estimates to be critical to reported financial results if (i) the accounting estimate requires management to make assumptions about matters that are highly uncertain and (ii) different estimates that management reasonably could have used for the accounting estimate in the current period, or changes in the accounting estimate that are reasonably likely to occur from period to period, could have a material impact on our financial statements.

The accounting policies that we view as critical to us are those relating to estimates and judgments regarding (a) the determination of the adequacy of the allowance for credit losses, (b) acquisition accounting and valuation of loans, (c) the valuation of goodwill and the useful lives applied to intangible assets, (d) the valuation of stock-based compensation plans and (e) income taxes.

Allowance for Credit Losses

The allowance for credit losses is a reserve established through a provision for credit losses charged to expense, which represents management's best estimate of lifetime expected losses based on reasonable and supportable forecasts, historical loss experience, and other qualitative considerations. The allowance, in the judgment of management, is necessary to reserve for expected credit losses and risks inherent in the loan portfolio. Our allowance for credit loss methodology includes reserve factors calculated to estimate current expected credit losses to amortized cost balances over the remaining contractual life of the portfolio, adjusted for prepayments, in accordance with ASC Topic 326-20, *Financial Instruments - Credit Losses*. Accordingly, the methodology is based on our reasonable and supportable economic forecasts, historical loss experience, and other qualitative adjustments. For further information see the section *Allowance for Credit Losses* below.

Our evaluation of the allowance for credit losses is inherently subjective as it requires material estimates. The actual amounts of credit losses realized in the near term could differ from the amounts estimated in arriving at the allowance for credit losses reported in the financial statements. On January 1, 2020, the Company adopted the new CECL methodology. See Note 1, Preparation of Interim Financial Statements, in the accompanying Condensed Notes to Consolidated Financial Statements for additional information.

Acquisition Accounting, Loans

We account for our acquisitions under ASC Topic 805, *Business Combinations*, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, are recorded at fair value. In accordance with ASC 326, we record both a discount and an allowance for credit losses on acquired loans. Loans acquired are recorded at fair value in accordance with the fair value methodology prescribed in ASC Topic 820. The fair value estimates associated with the loans included estimates related to expected prepayments and the amount and timing of undiscounted expected principal, interest and other cash flows.

We evaluate loans acquired in accordance with the provisions of ASC Topic 310-20, *Nonrefundable Fees and Other Costs*. The fair value discount on these loans is accreted into interest income over the weighted average life of the loans using a constant yield method.

Goodwill and Intangible Assets

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. Other intangible assets represent purchased assets that also lack physical substance but can be separately distinguished from goodwill because of contractual or other legal rights or because the asset is capable of being sold or exchanged either on its own or in combination with a related contract, asset or liability. We perform an annual goodwill impairment test, and more than annually if circumstances warrant, in accordance with ASC Topic 350, *Intangibles – Goodwill and Other*, as amended by ASU 2011-08 – Testing Goodwill for Impairment and ASU 2017-04 - Intangibles – Goodwill and Other. ASC Topic 350 requires that goodwill and intangible assets that have indefinite lives be reviewed for impairment annually or more frequently if certain conditions occur. Impairment losses on recorded goodwill, if any, will be recorded as operating expenses.

Stock-Based Compensation Plans

We have adopted various stock-based compensation plans. The plans provide for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock units and performance stock units. Pursuant to the plans, shares are reserved for future issuance by the Company upon exercise of stock options or awarding of restricted stock, restricted stock units or performance stock units granted to directors, officers and other key employees.

In accordance with ASC Topic 718, *Compensation – Stock Compensation*, the fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model that uses various assumptions. This model requires the input of highly subjective assumptions, changes to which can materially affect the fair value estimate. For additional information, see Note 15, Stock-Based Compensation, in the accompanying Condensed Notes to Consolidated Financial Statements included elsewhere in this report.

Income Taxes

We are subject to the federal income tax laws of the United States, and the tax laws of the states and other jurisdictions where we conduct business. Due to the complexity of these laws, taxpayers and the taxing authorities may subject these laws to different interpretations. Management must make conclusions and estimates about the application of these innately intricate laws, related regulations, and case law. When preparing the Company's income tax returns, management attempts to make reasonable interpretations of the tax laws. Taxing authorities have the ability to challenge management's analysis of the tax law or any reinterpretation management makes in its ongoing assessment of facts and the developing case law. Management assesses the reasonableness of its effective tax rate quarterly based on its current estimate of net income and the applicable taxes expected for the full year. On a quarterly basis, management also reviews circumstances and developments in tax law affecting the reasonableness of deferred tax assets and liabilities and reserves for contingent tax liabilities.

NET INTEREST INCOME

Overview

Net interest income, our principal source of earnings, is the difference between the interest income generated by earning assets and the total interest cost of the deposits and borrowings obtained to fund those assets. Factors that determine the level of net interest income include the volume of earning assets and interest bearing liabilities, yields earned and rates paid, the level of non-performing loans and the amount of non-interest bearing liabilities supporting earning assets. Net interest income is analyzed in the discussion and tables below on a fully taxable equivalent basis. The adjustment to convert certain income to a fully taxable equivalent basis consists of dividing tax-exempt income by one minus the combined federal and state income tax rate of 26.135%.

Our practice is to limit exposure to interest rate movements by maintaining a significant portion of earning assets and interest bearing liabilities in short-term repricing. In the last several years, on average, approximately 41% of our loan portfolio and approximately 74% of our time deposits have repriced in one year or less. Our current interest rate sensitivity shows that approximately 41% of our loans and 85% of our time deposits will reprice in the next year.

Net Interest Income

For the three month period ended March 31, 2021, net interest income on a fully taxable equivalent basis was $150.8 million, a decrease of $18.9 million, or 11.2%, over the same period in 2020. The decrease in net interest income was the result of a $37.9 million decrease in fully tax equivalent interest income partially offset by a $19.0 million decrease in interest expense.

The decrease in interest income primarily resulted from a $41.1 million decrease in interest income on loans, that consisted of a decrease in loan volume of $24.7 million coupled with a 44 basis point decline in yield that resulted in a $16.4 million decrease in interest income. The decrease in our loan volume during the first three months of 2021 was primarily due to weak loan demand throughout 2020 and into the first quarter of 2021 as a result of the COVID-19 pandemic.

Furthermore, during the first quarter of 2020, we sold approximately $1.1 billion of investment securities in response to the unfolding events of the COVID-19 pandemic, as we focused on the creation of additional liquidity and strengthening our balance sheet. We began to re-invest in our investment security portfolio during the fourth quarter of 2020 and the first quarter of 2021.

The $19.0 million decrease in interest expense is mostly due to the decrease in our deposit account rates. Interest expense decreased $19.6 million due to the decrease in yield of 62 basis points on interest-bearing deposit accounts, partially offset by an increase of $1.5 million related to approximately $1.0 billion in average deposit growth.

Net Interest Margin

Our net interest margin on a fully tax equivalent basis decreased 69 basis points to 2.99% for the three month period ended March 31, 2021, when compared to 3.68% for the same period in 2020. Normalized for all accretion, our core net interest margin at March 31, 2021 and 2020 was 2.86% and 3.42%, respectively.

The decreases in the net interest margin during the three months ended March 31, 2021 compared to the same period in 2020, were primarily due to the aforementioned decline in net interest income coupled with a $2.7 billion increase in average cash and equivalents driven by the lower interest rate environment and additional liquidity created in response to the COVID-19 pandemic. We purchased investment securities which added approximately $1.2 billion to our average investment securities portfolio. The impact of these items on net interest margin for the first quarter of 2021 was 35 basis points, bringing the net interest margin adjusted for PPP loans and additional liquidity to 3.33%.

During March 2020, the Federal Open Market Committee, or FOMC, of the Federal Reserve substantially reduced interest rates in response to the economic crisis brought on by the COVID-19 pandemic and rates have continued to remain at historically low levels through the first quarter of 2021. As such, our variable rate loan portfolio has repriced to a lower yield and, in response to offset the decline, we have worked to lower our cost of deposits. In addition, our decreased net interest margin is being driven by the decrease in our non-PPP loan portfolio as a result of COVID-19 but our loan pipeline has started to rebuild and we expect modest organic loan growth during the second half of 2021.

Net Interest Income Tables

Tables 1 and 2 reflect an analysis of net interest income on a fully taxable equivalent basis for the three months ended March 31, 2021 and 2020, respectively.

Table 1: Analysis of Net Interest Margin
(FTE = Fully Taxable Equivalent using an effective tax rate of 26.135%)

	Three Months Ended March 31,	
(In thousands)	2021	2020
Interest income	$ 169,434	$ 209,231
FTE adjustment	4,163	2,305
Interest income – FTE	173,597	211,536
Interest expense	22,753	41,748
Net interest income – FTE	$ 150,844	$ 169,788
Yield on earning assets – FTE	3.44 %	4.58 %
Cost of interest bearing liabilities	0.61 %	1.18 %
Net interest spread – FTE	2.83 %	3.40 %
Net interest margin – FTE	2.99 %	3.68 %

Table 2: Changes in Fully Taxable Equivalent Net Interest Margin

	Three Months Ended March 31,
(In thousands)	2021 vs. 2020
Decrease due to change in earning assets	$ (13,110)
Decrease due to change in earning asset yields	(24,829)
Decrease due to change in interest bearing liabilities	(1,464)
Increase due to change in interest rates paid on interest bearing liabilities	20,459
Decrease in net interest income	$ (18,944)

Table 3 shows, for each major category of earning assets and interest bearing liabilities, the average (computed on a daily basis) amount outstanding, the interest earned or expensed on such amount and the average rate earned or expensed for the three months ended March 31, 2021 and 2020. The table also shows the average rate earned on all earning assets, the average rate expensed on all interest bearing liabilities, the net interest spread and the net interest margin for the same periods. The analysis is presented on a fully taxable equivalent basis. Nonaccrual loans were included in average loans for the purpose of calculating the rate earned on total loans.

Table 3: Average Balance Sheets and Net Interest Income Analysis
(FTE = Fully Taxable Equivalent using an effective tax rate of 26.135%)

	Three Months Ended March 31,					
	2021			2020		
(In thousands)	Average Balance	Income/ Expense	Yield/ Rate (%)	Average Balance	Income/ Expense	Yield/ Rate (%)
ASSETS						
Earning assets:						
Interest bearing balances due from banks and federal funds sold	$ 3,477,989	$ 798	0.09	$ 764,639	$ 2,441	1.28
Investment securities - taxable	2,334,078	10,120	1.76	2,324,188	12,752	2.21
Investment securities - non-taxable	2,057,132	15,439	3.04	900,223	8,315	3.71
Mortgage loans held for sale	97,409	639	2.66	43,588	281	2.59
Loans	12,518,300	146,601	4.75	14,548,853	187,747	5.19
Total interest earning assets	20,484,908	173,597	3.44	18,581,491	211,536	4.58
Non-earning assets	2,253,913			2,338,732		
Total assets	$ 22,738,821			$ 20,920,223		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Liabilities:						
Interest bearing liabilities:						
Interest bearing transaction and savings deposits	$ 10,093,868	$ 6,088	0.24	$ 9,005,701	$ 17,954	0.80
Time deposits	3,043,000	7,091	0.95	3,150,909	13,323	1.70
Total interest bearing deposits	13,136,868	13,179	0.41	12,156,610	31,277	1.03
Federal funds purchased and securities sold under agreements to repurchase	307,540	245	0.32	330,902	759	0.92
Other borrowings	1,341,059	4,802	1.45	1,320,245	4,877	1.49
Subordinated debt and debentures	382,943	4,527	4.79	388,330	4,835	5.01
Total interest bearing liabilities	15,168,410	22,753	0.61	14,196,087	41,748	1.18
Non-interest bearing liabilities:						
Non-interest bearing deposits	4,419,136			3,602,678		
Other liabilities	177,819			251,514		
Total liabilities	19,765,365			18,050,279		
Stockholders' equity	2,973,456			2,869,944		
Total liabilities and stockholders' equity	$ 22,738,821			$ 20,920,223		
Net interest spread – FTE			2.83			3.40
Net interest margin – FTE		$ 150,844	2.99		$ 169,788	3.68

Table 4 shows changes in interest income and interest expense resulting from changes in volume and changes in interest rates for the three month period ended March 31, 2021, as compared to the same period of the prior year. The changes in interest rate and volume have been allocated to changes in average volume and changes in average rates in proportion to the relationship of absolute dollar amounts of the changes in rates and volume.

Table 4: Volume/Rate Analysis

	Three Months Ended March 31, 2021 vs. 2020		
(In thousands, on a fully taxable equivalent basis)	Volume	Yield/ Rate	Total
Increase (decrease) in:			
Interest income:			
Interest bearing balances due from banks and federal funds sold	$ 2,290	$ (3,933)	$ (1,643)
Investment securities - taxable	54	(2,686)	(2,632)
Investment securities - non-taxable	8,938	(1,814)	7,124
Mortgage loans held for sale	353	5	358
Loans	(24,745)	(16,401)	(41,146)
Total	(13,110)	(24,829)	(37,939)
Interest expense:			
Interest bearing transaction and savings accounts	1,946	(13,812)	(11,866)
Time deposits	(441)	(5,791)	(6,232)
Federal funds purchased and securities sold under agreements to repurchase	(51)	(463)	(514)
Other borrowings	76	(151)	(75)
Subordinated notes and debentures	(66)	(242)	(308)
Total	1,464	(20,459)	(18,995)
Decrease in net interest income	$ (14,574)	$ (4,370)	$ (18,944)

PROVISION FOR CREDIT LOSSES

The provision for credit losses represents management’s determination of the amount necessary to be charged against the current period’s earnings in order to maintain the allowance for credit losses at a level considered appropriate in relation to the estimated lifetime risk inherent in the loan portfolio. The level of provision to the allowance is based on management’s judgment, with consideration given to the composition, maturity and other qualitative characteristics of the portfolio, assessment of current economic conditions, reasonable and supportable forecasts, past due and non-performing loans and historical net credit loss experience. It is management’s practice to review the allowance on a monthly basis and, after considering the factors previously noted, to determine the level of provision made to the allowance.

The provision for credit losses for the three months ended March 31, 2021 was $1.4 million, and was entirely related to activity in the investment securities portfolio during the first quarter of 2021, compared to $23.1 million for the same period ended March 31, 2020, a decrease of $21.7 million. The decrease was primarily due to two energy credits that experienced further deterioration and were negatively impacted by the sharp decline in commodity pricing during the first quarter of 2020, resulting in incremental provision expense of $22.0 million during that quarter.

NON-INTEREST INCOME

Non-interest income is principally derived from recurring fee income, which includes service charges, trust fees and debit and credit card fees. Non-interest income also includes income on the sale of mortgage and SBA loans, investment banking income, income from the increase in cash surrender values of bank owned life insurance and gains (losses) from sales of securities.

For the three month period ended March 31, 2021, total non-interest income was $51.9 million, a decrease of approximately $30.5 million, or 37.0%, compared to the same period in 2020. During the first three months of 2021, we sold approximately $135.7 million of investment securities resulting in a net gain of $5.5 million, compared to $1.1 billion of investment securities sold for a net gain of $32.1 million in the first quarter of 2020. Additionally, the gain on sale from the Illinois Branch Sale of $5.3 million, which we consider a non-core item, is included in non-interest income for the first quarter of 2021.

Increases of $1.4 million in mortgage lending income and $1.1 million in debit and credit card fees in the three month period ended March 31, 2021, largely was a result of the current low mortgage interest rate environment and changes in consumer spending habits along with the effects of the government stimulus payments in response to the COVID-19 pandemic, respectively.

Table 5 shows non-interest income for the three month periods ended March 31, 2021 and 2020, respectively, as well as changes in 2021 from 2020.

Table 5: Non-Interest Income

	Three Months Ended March 31,		2021 Change from	
(Dollars in thousands)	2021	2020	2020	
Trust income	$ 6,666	$ 7,151	$ (485)	(6.8)%
Service charges on deposit accounts	9,715	13,328	(3,613)	(27.1)
Other service charges and fees	1,922	1,588	334	21.0
Mortgage lending income	6,447	5,046	1,401	27.8
SBA lending income	240	296	(56)	(18.9)
Investment banking income	695	877	(182)	(20.8)
Debit and credit card fees	8,964	7,914	1,050	13.3
Bank owned life insurance income	1,523	1,298	225	17.3
Gain on sale of securities, net	5,471	32,095	(26,624)	(83.0)
Gain on sale of branches	5,477	5,889	(412)	(7.0)
Other income	4,783	6,912	(2,129)	(30.8)
Total non-interest income	$ 51,903	$ 82,394	$ (30,491)	(37.0)%

Recurring fee income (total service charges, trust fees, debit and credit card fees) for the three month period ended March 31, 2021, was $27.3 million, a decrease of $2.7 million from the three month period ended March 31, 2020, primarily the result of fewer service charges on deposit accounts, reflecting the additional liquidity currently held by our customers.

NON-INTEREST EXPENSE

Non-interest expense consists of salaries and employee benefits, occupancy, equipment, foreclosure losses and other expenses necessary for our operations. Management remains committed to controlling the level of non-interest expense through the continued use of expense control measures. We utilize an extensive profit planning and reporting system involving all subsidiaries. Based on a needs assessment of the business plan for the upcoming year, monthly and annual profit plans are developed, including manpower and capital expenditure budgets. These profit plans are subject to extensive initial reviews and monitored by management monthly. Variances from the plan are reviewed monthly and, when required, management takes corrective action intended to ensure financial goals are met. We also regularly monitor staffing levels at each subsidiary to ensure productivity and overhead are in line with existing workload requirements.

Non-interest expense for the three months ended March 31, 2021 was $115.4 million, a decrease of $13.5 million, or 10.5%, from the same period in 2020. Normalizing for the non-core costs, core non-interest expense for the three months ended March 31, 2021 decreased $13.0 million, or 10.2%, from the same period in 2020.

The decrease in non-interest expense was primarily related to the realization of expected synergies from the continuous evaluation of our branch network and the branch sales and closures that began in 2020 and have continued in 2021. Additionally, salaries and employee benefits expense was impacted by savings resulting from the early retirement program offered in the prior year.

Table 6 below shows non-interest expense for the three month periods ended March 31, 2021 and 2020, respectively, as well as changes in 2021 from 2020.

Table 6: Non-Interest Expense

	Three Months Ended March 31,		2021 Change from 2020	
(Dollars in thousands)	2021	2020		
Salaries and employee benefits	$ 60,340	$ 67,924	$ (7,584)	(11.2)%
Occupancy expense, net	9,300	9,510	(210)	(2.2)
Furniture and equipment expense	5,415	5,723	(308)	(5.4)
Other real estate and foreclosure expense	343	325	18	5.5
Deposit insurance	1,308	2,475	(1,167)	(47.2)
Merger related costs	233	1,068	(835)	(78.2)
Other operating expenses:				
Professional services	5,247	5,829	(582)	(10.0)
Postage	2,370	2,236	134	6.0
Telephone	1,632	2,185	(553)	(25.3)
Credit card	4,685	4,382	303	6.9
Marketing	3,153	4,385	(1,232)	(28.1)
Software and technology	10,251	9,445	806	8.5
Operating supplies	570	936	(366)	(39.1)
Amortization of intangibles	3,344	3,413	(69)	(2.0)
Branch right sizing	625	238	387	162.6
Other	6,540	8,739	(2,199)	(25.2)
Total non-interest expense	$ 115,356	$ 128,813	$ (13,457)	(10.5)%

INVESTMENTS AND SECURITIES

Our securities portfolio is the second largest component of earning assets and provides a significant source of revenue. Securities within the portfolio are classified as either HTM or AFS. Our philosophy regarding investments is conservative based on investment type and maturity. Investments in the portfolio primarily include U.S. Treasury securities, U.S. Government agencies, mortgage-backed securities and municipal securities. Our general policy is not to invest in derivative type investments or high-risk securities, except for collateralized mortgage-backed securities for which collection of principal and interest is not subordinated to significant superior rights held by others.

HTM and AFS investment securities were $609.5 million and $4.5 billion, respectively, at March 31, 2021, compared to the HTM amount of $333.0 million and AFS amount of $3.5 billion at December 31, 2020. As anticipated, our security portfolio increased during the first quarter of 2021 as we reinvested PPP loan repayments and utilized additional liquidity held in Cash and Cash Equivalents. We will continue to look for opportunities to maximize the value of the investment portfolio.

Management has the ability and intent to hold the securities classified as HTM until they mature, at which time we expect to receive full value for the securities. The contractual terms of those investments do not permit the issuer to settle the securities at a price less than the amortized cost bases of the investments. Furthermore, as of March 31, 2021, management also had the ability and intent to hold the securities classified as AFS for a period of time sufficient for a recovery of cost. The unrealized losses are largely due to increases in market interest rates over the yields available at the time the underlying securities were purchased. The fair value is expected to recover as the bonds approach their maturity date or repricing date or if market yields for such investments decline. Management does not believe any of the securities are impaired due to reasons of credit quality.

LOAN PORTFOLIO

Our loan portfolio averaged $12.52 billion and $14.55 billion during the first three months of 2021 and 2020, respectively. As of March 31, 2021, total loans were $12.20 billion, a decrease of $705.0 million from December 31, 2020. The decline in the average loan balance during the first quarter of 2021 when compared to the same period in 2020 was due to the tepid loan demand that began in late first quarter of 2020 as a result of the economic uncertainty stemming from the COVID-19 pandemic. The most significant components of the loan portfolio were loans to businesses (commercial loans, commercial real estate loans and agricultural loans) and individuals (consumer loans, credit card loans and single-family residential real estate loans).

We seek to manage our credit risk by diversifying our loan portfolio, determining that borrowers have adequate sources of cash flow for loan repayment without liquidation of collateral, obtaining and monitoring collateral, providing an appropriate allowance for credit losses and regularly reviewing loans through the internal loan review process. The loan portfolio is diversified by borrower, purpose, industry and geographic region. We seek to use diversification within the loan portfolio to reduce credit risk, thereby minimizing the adverse impact on the portfolio, if weaknesses develop in either the economy or a particular segment of borrowers. Collateral requirements are based on credit assessments of borrowers and may be used to recover the debt in case of default. We use the allowance for credit losses as a method to value the loan portfolio at its estimated collectible amount. Loans are regularly reviewed to facilitate the identification and monitoring of deteriorating credits.

The balances of loans outstanding at the indicated dates are reflected in Table 7, according to type of loan.

Table 7: Loan Portfolio

(In thousands)	March 31, 2021	December 31, 2020
Consumer:		
Credit cards	$ 175,458	$ 188,845
Other consumer	172,965	202,379
Total consumer	348,423	391,224
Real estate:		
Construction and development	1,451,841	1,596,255
Single family residential	1,730,056	1,880,673
Other commercial	5,638,010	5,746,863
Total real estate	8,819,907	9,223,791
Commercial:		
Commercial	2,444,700	2,574,386
Agricultural	155,921	175,905
Total commercial	2,600,621	2,750,291
Other	426,922	535,591
Total loans before allowance for credit losses	$ 12,195,873	$ 12,900,897

Consumer loans consist of credit card loans and other consumer loans. Consumer loans were $348.4 million at March 31, 2021, or 2.9% of total loans, compared to $391.2 million, or 3.0% of total loans at December 31, 2020. The decrease in consumer loans from December 31, 2020, to March 31, 2021, was primarily due to the expected seasonal decline in our credit card portfolio as well as loan payoffs and pay downs due to additional customer liquidity driven by the government economic stimulus programs in response to the COVID-19 pandemic.

Real estate loans consist of construction and development ("C&D") loans, single-family residential loans and commercial real estate ("CRE") loans. Real estate loans were $8.82 billion at March 31, 2021, or 72.3% of total loans, compared to $9.22 billion, or 71.5%, of total loans at December 31, 2020, a decrease of $403.9 million, or 4.4%. Our C&D loans decreased by $144.4 million, or 9.0%, single family residential loans decreased by $150.6 million, or 8.0%, and CRE loans decreased by $108.9 million, or 1.9%. The decreases were due to less activity as a result of the pandemic and our effort to manage our real estate portfolio concentration. In the near term, we expect to continue to manage our C&D and CRE portfolio concentration by developing deeper relationships with our customers.

Commercial loans consist of non-real estate loans related to business and agricultural loans. Total commercial loans were $2.60 billion at March 31, 2021, or 21.3% of total loans, compared to $2.75 billion, or 21.3% of total loans at December 31, 2020, a decrease of $149.7 million, or 5.4%. PPP loan balances declined by $334.9 million during the first three months of 2021 as a result of expected reimbursements from the SBA related to PPP loan forgiveness, partially offset by PPP Round 2 loan originations of $227.9 million during the first quarter of 2021. Agricultural loans decreased $20.0 million, or 11.4%, primarily due to seasonality of the portfolio, which normally peaks in the third quarter and is at its lowest point at the end of the first quarter.

Other loans mainly consists of mortgage warehouse lending. Mortgage volume, while still strong, declined during the first quarter of 2021 when compared to 2020, leading to a decrease of $108.7 million in other loans primarily from mortgage warehouse lines of credit.

ASSET QUALITY

Non-performing loans are comprised of (a) nonaccrual loans, (b) loans that are contractually past due 90 days and (c) other loans for which terms have been restructured to provide a reduction or deferral of interest or principal, because of deterioration in the financial position of the borrower. The subsidiary bank recognizes income principally on the accrual basis of accounting. When loans are classified as nonaccrual, generally, the accrued interest is charged off and no further interest is accrued. Loans, excluding credit card loans, are placed on a nonaccrual basis either: (1) when there are serious doubts regarding the collectability of principal or interest, or (2) when payment of interest or principal is 90 days or more past due and either (i) not fully secured or (ii) not in the process of collection. If a loan is determined by management to be uncollectible, the portion of the loan determined to be uncollectible is then charged to the allowance for credit losses.

When credit card loans reach 90 days past due and there are attachable assets, the accounts are considered for litigation. Credit card loans are generally charged off when payment of interest or principal exceeds 150 days past due. The credit card recovery group pursues account holders until it is determined, on a case-by-case basis, to be uncollectible.

Total non-performing assets decreased $16.0 million from December 31, 2020 to March 31, 2021. Nonaccrual loans decreased by $8.0 million during the period and foreclosed assets held for sale and other real estate owned decreased by $7.2 million. The decrease in nonaccrual loans was primarily due to an overall improvement in economic conditions while the decrease in foreclosed assets held for sale and other real estate owned is mainly the result of the disposition of one commercial building in the St. Louis area.

Non-performing assets, including troubled debt restructurings ("TDRs") and acquired foreclosed assets, as a percent of total assets were 0.56% at March 31, 2021, compared to 0.66% at December 31, 2020. From time to time, certain borrowers are experiencing declines in income and cash flow. As a result, these borrowers are seeking to reduce contractual cash outlays, the most prominent being debt payments. In an effort to preserve our net interest margin and earning assets, we are open to working with existing customers in order to maximize the collectability of the debt.

When we restructure a loan to a borrower that is experiencing financial difficulty and grant a concession that we would not otherwise consider, a "troubled debt restructuring" results and the Company classifies the loan as a TDR. The Company grants various types of concessions, primarily interest rate reduction and/or payment modifications or extensions, with an occasional forgiveness of principal.

Once an obligation has been restructured because of such credit problems, it continues to be considered a TDR until paid in full; or, if an obligation yields a market interest rate and no longer has any concession regarding payment amount or amortization, then it is not considered a TDR at the beginning of the calendar year after the year in which the improvement takes place. Our TDR balance remained relatively flat at $7.3 million as of March 31, 2021, decreasing $230,000 from December 31, 2020.

TDRs are individually evaluated for expected credit losses. We assess the exposure for each modification, either by the fair value of the underlying collateral or the present value of expected cash flows, and determine if a specific allowance for credit losses is needed.

We return TDRs to accrual status only if (1) all contractual amounts due can reasonably be expected to be repaid within a prudent period, and (2) repayment has been in accordance with the contract for a sustained period, typically at least six months.

The provisions in the CARES Act included an election to not apply the guidance on accounting for TDRs to loan modifications, such as extensions or deferrals, related to COVID-19 made between March 1, 2020 and the earlier of (i) December 31, 2020 or (ii) 60 days after the President terminates the COVID-19 national emergency declaration. The relief can only be applied to modifications for borrowers that were not more than 30 days past due as of December 31, 2019. The Company elected to adopt these provisions of the CARES Act and is following the Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus (Revised) issued by regulatory agencies. In response to the concerns related to the expiration of the applicable period for which the election to not apply the guidance on accounting for TDRs to loan modifications, the CARES Act was amended late in the fourth quarter of 2020 to extend COVID-19 relief related to loan modifications to the earlier of (i) January 1, 2022 or (ii) 60 days after the President terminates the COVID-19 national emergency declaration.

During 2020 and the first three months of 2021, we processed over 3,700 COVID-19 loan modifications in excess of $3.0 billion. At March 31, 2021, the majority of these balances have returned to regular payments. The table below presents COVID-19 loan modifications outstanding at March 31, 2021 by industry.

Table 8: COVID-19 Loan Modifications Outstanding at March 31, 2021 by Industry

(Dollars in thousands)	Number	Loan Balance	% of Balance
Assisted living	1	$ 17,310	8.3 %
Transportation	5	783	0.4
Consumer	37	3,776	1.8
Hotel	17	152,864	73.3
Food service	3	2,683	1.3
All other	16	31,029	14.9
Total	79	$ 208,445	100.0 %

The COVID-19 pandemic has had an unprecedented impact on the hotel, restaurant and retail industries, causing our borrowers in those industries to require loan modifications. We expect most of the COVID-19 loan modifications listed above to return to regular payments with no credit downgrade or long-term restructure.

We continue to maintain good asset quality, compared to the industry. Strong asset quality remains a primary focus of our strategy. The allowance for credit losses as a percent of total loans was 1.93% as of March 31, 2021. Non-performing loans equaled 0.95% of total loans. Non-performing assets were 0.55% of total assets, a 9 basis point decrease from December 31, 2020. The allowance for credit losses was 204% of non-performing loans. Our annualized net charge-offs to average total loans for the first three months of 2021 was 0.10%. Excluding credit cards, the annualized net charge-offs to average total loans for the same period was 0.07%. Annualized net credit card charge-offs to average total credit card loans were 1.39%, compared to 1.60% during the full year 2020, and 114 basis points better than the most recently published industry average charge-off ratio as reported by the Federal Reserve for all banks.

Table 9 presents information concerning non-performing assets, including nonaccrual loans at amortized cost and foreclosed assets held for sale.

Table 9: Non-performing Assets

(Dollars in thousands)	March 31, 2021	December 31, 2020
Nonaccrual loans [(1)]	$ 114,856	$ 122,879
Loans past due 90 days or more (principal or interest payments)	635	578
Total non-performing loans	115,491	123,457
Other non-performing assets:		
Foreclosed assets held for sale and other real estate owned	11,168	18,393
Other non-performing assets	1,229	2,016
Total other non-performing assets	12,397	20,409
Total non-performing assets	$ 127,888	$ 143,866
Performing TDRs	$ 3,805	$ 3,138
Allowance for credit losses to non-performing loans	204 %	193 %
Non-performing loans to total loans	0.95 %	0.96 %
Non-performing assets (including performing TDRs) to total assets	0.56 %	0.66 %
Non-performing assets to total assets	0.55 %	0.64 %

(1) Includes nonaccrual TDRs of approximately $3,478,000 at March 31, 2021 and $4,375,000 at December 31, 2020.

The interest income on nonaccrual loans is not considered material for the three month periods ended March 31, 2021 and 2020.

ALLOWANCE FOR CREDIT LOSSES

The allowance for credit losses is a reserve established through a provision for credit losses charged to expense which represents management's best estimate of lifetime expected losses based on reasonable and supportable forecasts, historical loss experience, and other qualitative considerations.

Loans with similar risk characteristics such as loan type, collateral type, and internal risk ratings are aggregated into homogeneous segments for assessment. Reserve factors are based on estimated probability of default and loss given default for each segment. The estimates are determined based on economic forecasts over the reasonable and supportable forecast period based on projected performance of economic variables that have a statistical correlation with the historical loss experience of the segments. For contractual periods that extend beyond the one-year forecast period, the estimates revert to average historical loss experiences over a one-year period on a straight-line basis.

We also include qualitative adjustments to the allowance based on factors and considerations that have not otherwise been fully accounted for. Qualitative adjustments include, but are not limited to:

- *Changes in asset quality* - Adjustments related to trending credit quality metrics including delinquency, non-performing loans, charge-offs, and risk ratings that may not be fully accounted for in the reserve factor.
- *Changes in the nature and volume of the portfolio* - Adjustments related to current changes in the loan portfolio that are not fully represented or accounted for in the reserve factors.
- *Changes in lending and loan monitoring policies and procedures* - Adjustments related to current changes in lending and loan monitoring procedures as well as review of specific internal policy compliance metrics.
- *Changes in the experience, ability, and depth of lending management and other relevant staff* - Adjustments to measure increasing or decreasing credit risk related to lending and loan monitoring management.
- *Changes in the value of underlying collateral of collateralized loans* - Adjustments related to improving or deterioration of the value of underlying collateral that are not fully captured in the reserve factors.
- *Changes in and the existence and effect of any concentrations of credit* - Adjustments related to credit risk of specific industries that are not fully captured in the reserve factors.
- *Changes in regional and local economic and business conditions and developments* - Adjustments related to expected and current economic conditions at a regional or local-level that are not fully captured within our reasonable and supportable forecast.
- *Data imprecision due to limited historical loss data* - Adjustments related to limited historical loss data that is representative of the collective loan portfolio.

Loans that do not share similar risk characteristics are evaluated on an individual basis. These evaluations are typically performed on loans with a deteriorated internal risk rating or that are classified as a TDR. The allowance for credit loss is determined based on several methods including estimating the fair value of the underlying collateral or the present value of expected cash flows.

An analysis of the allowance for credit losses on loans is shown in Table 10.

Table 10: Allowance for Credit Losses

(In thousands)	2021	2020
Balance, beginning of year	$ 238,050	$ 68,244
Impact of CECL adoption	—	151,377
Loans charged off:		
Credit card	1,003	1,441
Other consumer	731	1,379
Real estate	1,687	396
Commercial	830	523
Total loans charged off	4,251	3,739
Recoveries of loans previously charged off:		
Credit card	290	225
Other consumer	314	443
Real estate	403	101
Commercial	310	347
Total recoveries	1,317	1,116
Net loans charged off	2,934	2,623
Provision for credit losses	—	26,197
Balance, March 31,	$ 235,116	$ 243,195
Loans charged off:		
Credit card		2,672
Other consumer		2,643
Real estate		13,392
Commercial		48,213
Total loans charged off		66,920
Recoveries of loans previously charged off:		
Credit card		789
Other consumer		1,022
Real estate		804
Commercial		2,869
Total recoveries		5,484
Net loans charged off		61,436
Provision for credit losses		56,291
Balance, end of year		$ 238,050

Provision for Credit Losses

The amount of provision added to the allowance during the three months ended March 31, 2021 and 2020, and for the year ended December 31, 2020, was based on management's judgment, with consideration given to the composition of the portfolio, historical loan loss experience, assessment of current economic forecasts and conditions, past due and non-performing loans and net loss experience. It is management's practice to review the allowance on a monthly basis, and after considering the factors previously noted, to determine the level of provision made to the allowance.

Allowance for Credit Losses Allocation

As of March 31, 2021, the allowance for credit losses reflected a decrease of approximately $2.9 million from December 31, 2020 while total loans decreased $705.0 million over the same three month period. The allocation in each category within the allowance generally reflects the overall changes in the loan portfolio mix. During the first quarter of 2020, we recorded an additional allowance for credit losses for loans of approximately $151.4 million due to the adoption of CECL.

The significant impact to the allowance for credit losses at the date of CECL adoption was driven by the substantial amount of loans acquired held by the Company. We had approximately one third of total loans categorized as acquired at the adoption date with very little reserve allocated to them due to the previous incurred loss impairment methodology. As such, the amount of the CECL adoption impact was greater on the Company when compared to a non-acquisitive bank.

The decrease in the allowance for credit losses during the first three months of 2021 was predominately related to economic recovery from the effects of the COVID-19 pandemic and the decline in our loan portfolio. While the economic conditions appear to be improving, certain industries continue to be more adversely impacted than others by this pandemic, such as the restaurant, retail and hotel industries, and there remains uncertainty regarding how borrowers in these industries will recover. Our allowance for credit losses at March 31, 2021 was considered appropriate given the considerable amount of uncertainty as to the structure and timing of potential economic recovery, future of government assistance related to COVID-19 recovery efforts, the effects of the recent change in Presidential administrations, and other related factors.

The following table sets forth the sum of the amounts of the allowance for credit losses attributable to individual loans within each category, or loan categories in general. The table also reflects the percentage of loans in each category to the total loan portfolio for each of the periods indicated. The allowance for credit losses by loan category is determined by i) our estimated reserve factors by category including applicable qualitative adjustments and ii) any specific allowance allocations that are identified on individually evaluated loans. The amounts shown are not necessarily indicative of the actual future losses that may occur within individual categories.

Table 11: Allocation of Allowance for Credit Losses

	March 31, 2021		December 31, 2020	
(Dollars in thousands)	Allowance Amount	% of loans (1)	Allowance Amount	% of loans (1)
Credit cards	$ 2,172	1.5 %	$ 7,472	1.4 %
Other consumer	1,266	1.4 %	4,100	1.6 %
Real estate	195,826	72.3 %	182,868	71.5 %
Commercial	34,633	21.3 %	42,093	21.3 %
Other	1,219	3.5 %	1,517	4.2 %
Total	$ 235,116	100.0 %	$ 238,050	100.0 %

(1) Percentage of loans in each category to total loans.

DEPOSITS

Deposits are our primary source of funding for earning assets and are primarily developed through our network of approximately 198 financial centers as of March 31, 2021. We offer a variety of products designed to attract and retain customers with a continuing focus on developing core deposits. Our core deposits consist of all deposits excluding time deposits of $100,000 or more and brokered deposits. As of March 31, 2021, core deposits comprised 85.1% of our total deposits.

We continually monitor the funding requirements along with competitive interest rates in the markets we serve. Because of our community banking philosophy, our executives in the local markets, with oversight by the Chief Deposit Officer, Asset Liability Committee and the Bank's Treasury Department, establish the interest rates offered on both core and non-core deposits. This approach ensures that the interest rates being paid are competitively priced for each particular deposit product and structured to meet the funding requirements. We believe we are paying a competitive rate when compared with pricing in those markets.

We manage our interest expense through deposit pricing. We believe that additional funds can be attracted and deposit growth can be accelerated through deposit pricing if we experience increased loan demand or other liquidity needs. We can also utilize brokered deposits as an additional source of funding to meet liquidity needs. We are continually monitoring and looking for opportunities to fairly reprice our deposits while remaining competitive in this current challenging rate environment.

Our total deposits as of March 31, 2021, were $18.19 billion, an increase of $1.20 billion from December 31, 2020, primarily driven by the government economic stimulus programs and changes in customer spending resulting from the COVID-19 pandemic. Non-interest bearing transaction accounts, interest bearing transaction accounts and savings accounts totaled $15.16 billion at March 31, 2021, compared to $14.15 billion at December 31, 2020, an increase of $1.01 billion. Total time deposits increased $192.4 million to $3.02 billion at March 31, 2021, from $2.83 billion at December 31, 2020. We had $448.6 million and $512.3 million of brokered deposits at March 31, 2021, and December 31, 2020, respectively. Both consumer and commercial deposit balances have grown since the COVID-19 related economic stimulus legislation, including legislation that established the PPP program, was implemented in mid-2020. We are managing our balance sheet and our net interest margin by continuing to eliminate several high-cost deposits related to public funds and brokered deposits.

OTHER BORROWINGS AND SUBORDINATED NOTES AND DEBENTURES

Our total debt was $1.72 billion at March 31, 2021 and December 31, 2020. The outstanding balance for March 31, 2021 includes $1.3 billion in FHLB long-term advances; $330.0 million in subordinated notes; $53.0 million of trust preferred securities and unamortized debt issuance costs; and $33.0 million of other long-term debt.

The FHLB long-term advances outstanding at the end of the first quarter 2021 are primarily FHLB Owns the Option ("FOTO") advances which are a low cost, fixed-rate source of funding in return for granting to FHLB the flexibility to choose a termination date earlier than the maturity date. Our FOTO advances outstanding at March 31, 2021 had original maturity dates of 10 years to 15 years with lockout periods that have expired. We expect the FHLB to not exercise the options to terminate the FOTO advances prior to their stated maturity dates due to the current low interest rate environment. We continually analyze the possibility of the FHLB exercising the options along with the market expected rate outcome. As of March 31, 2021, there were no FHLB short-term advances outstanding.

In March 2018, we issued $330 million in aggregate principal amount of 5.00% Fixed-to-Floating Rate Subordinated Notes ("Notes") at a public offering price equal to 100% of the aggregate principal amount of the Notes. The Company incurred $3.6 million in debt issuance costs related to the offering. The Notes will mature on April 1, 2028 and are subordinated in right of payment to the payment of our other existing and future senior indebtedness, including all our general creditors. The Notes are obligations of the Company only and are not obligations of, and are not guaranteed by, any of its subsidiaries.

CAPITAL

Overview

At March 31, 2021, total capital was $2.93 billion. Capital represents shareholder ownership in the Company – the book value of assets in excess of liabilities. At March 31, 2021, our common equity to asset ratio was 12.55% compared to 13.31% at year-end 2020.

Capital Stock

On February 27, 2009, at a special meeting, our shareholders approved an amendment to the Articles of Incorporation to establish 40,040,000 authorized shares of preferred stock, $0.01 par value. The aggregate liquidation preference of all shares of preferred stock cannot exceed $80,000,000.

On February 12, 2019, we filed Amended and Restated Articles of Incorporation ("February Amended Articles") with the Arkansas Secretary of State. The February Amended Articles classified and designated three series of preferred stock out of our authorized preferred stock: Series A Preferred Stock, Par Value $0.01 Per Share (having 40,000 authorized shares); Series B Preferred Stock, Par Value $0.01 Per Share (having 2,000.02 authorized shares); and 7% Perpetual Convertible Preferred Stock, Par Value $0.01 Per Share, Series C (having 140 authorized shares).

On October 29, 2019, we filed our Amended and Restated Articles of Incorporation ("October Amended Articles") with the Arkansas Secretary of State. The October Amended Articles classified and designated Series D Preferred Stock, Par Value $0.01 Per Share, out of our authorized preferred stock. The October Amended Articles also canceled our 7% Perpetual Convertible Preferred Stock, Par Value $0.01 Per Share, Series C Preferred Stock, of which no shares were ever issued or outstanding.

Stock Repurchase

On July 23, 2012, our Board of Directors approved a stock repurchase program which authorized the repurchase of up to 1,700,000 shares of common stock ("2012 Program"). On October 22, 2019, we announced a new stock repurchase program ("Program") that replaced the 2012 Program, under which we may repurchase up to $60,000,000 of our Class A common stock currently issued and outstanding. On March 5, 2020, we announced an amendment to the Program that increased the maximum amount that may be repurchased under the Program from $60,000,000 to $180,000,000. The Program will terminate on October 31, 2021 (unless terminated sooner).

Under the Program, we may repurchase shares of our common stock through open market and privately negotiated transactions or otherwise. The timing, pricing, and amount of any repurchases under the Program will be determined by management at its discretion based on a variety of factors, including, but not limited to, trading volume and market price of our common stock, corporate considerations, our working capital and investment requirements, general market and economic conditions, and legal requirements. The Program does not obligate us to repurchase any common stock and may be modified, discontinued, or suspended at any time without prior notice. We anticipate funding for this Program to come from available sources of liquidity, including cash on hand and future cash flow.

During the three month periods ended March 31, 2021 and 2020, we repurchased 130,916 shares at an average price per share of $23.53 and 4,922,336 shares at an average price per share of $18.96, respectively, under the Program.

Cash Dividends

We declared cash dividends on our common stock of $0.18 per share for the first three months of 2021 compared to $0.17 per share for the first three months of 2020, an increase of $0.01, or 6%. The timing and amount of future dividends are at the discretion of our Board of Directors and will depend upon our consolidated earnings, financial condition, liquidity and capital requirements, the amount of cash dividends paid to us by our subsidiaries, applicable government regulations and policies and other factors considered relevant by our Board of Directors. Our Board of Directors anticipates that we will continue to pay quarterly dividends in amounts determined based on the factors discussed above. However, there can be no assurance that we will continue to pay dividends on our common stock at the current levels or at all.

Parent Company Liquidity

The primary liquidity needs of the Parent Company are the payment of dividends to shareholders, the funding of debt obligations and cash needs for acquisitions. The primary sources for meeting these liquidity needs are the current cash on hand at the parent company and the future dividends received from Simmons Bank. Payment of dividends by Simmons Bank is subject to various regulatory limitations. See the Liquidity and Market Risk Management discussions of Item 3 – Quantitative and Qualitative Disclosures About Market Risk for additional information regarding the parent company's liquidity. The Company continually assesses its capital and liquidity needs and the best way to meet them, including, without limitation, through capital raising in the market via stock or debt offerings.

Risk Based Capital

The Company and Simmons Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, we must meet specific capital guidelines that involve quantitative measures of our assets, liabilities and certain off-balance-sheet items as calculated under regulatory accounting practices. Our capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

The Company and Simmons Bank, must hold a capital conservation buffer composed of common equity Tier 1 capital above its minimum risk-based capital requirements. Failure to meet this capital conservation buffer would result in additional limits on dividends, other distributions and discretionary bonuses.

Quantitative measures established by regulation to ensure capital adequacy require us to maintain minimum amounts and ratios (set forth in the table below) of total, Tier 1 and common equity Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined) and of Tier 1 capital (as defined) to average assets (as defined). Management believes that, as of March 31, 2021, we meet all capital adequacy requirements to which we are subject.

As of the most recent notification from regulatory agencies, Simmons Bank was well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Company and Simmons Bank must maintain minimum total risk-based, Tier 1 risk-based, common equity Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the institution's categories.

Our risk-based capital ratios at March 31, 2021 and December 31, 2020 are presented in Table 12 below:

Table 12: Risk-Based Capital

(Dollars in thousands)	March 31, 2021	December 31, 2020
Tier 1 capital:		
Stockholders' equity	$ 2,930,775	$ 2,976,656
CECL transition provision	131,637	131,430
Goodwill and other intangible assets	(1,159,720)	(1,163,797)
Unrealized loss (gain) on available-for-sale securities, net of income taxes	37,176	(59,726)
Total Tier 1 capital	1,939,868	1,884,563
Tier 2 capital:		
Trust preferred securities and subordinated debt	383,008	382,874
Qualifying allowance for credit losses and reserve for unfunded commitments	87,251	89,546
Total Tier 2 capital	470,259	472,420
Total risk-based capital	$ 2,410,127	$ 2,356,983
Risk weighted assets	$ 13,771,244	$ 14,048,608
Assets for leverage ratio	$ 21,668,406	$ 20,765,127
Ratios at end of period:		
Common equity Tier 1 ratio (CET1)	14.08 %	13.41 %
Tier 1 leverage ratio	8.95 %	9.08 %
Tier 1 leverage ratio, excluding average PPP loans (non-GAAP)[1]	9.34 %	9.50 %
Tier 1 risk-based capital ratio	14.09 %	13.41 %
Total risk-based capital ratio	17.50 %	16.78 %
Minimum guidelines:		
Common equity Tier 1 ratio (CET1)	4.50 %	4.50 %
Tier 1 leverage ratio	4.00 %	4.00 %
Tier 1 risk-based capital ratio	6.00 %	6.00 %
Total risk-based capital ratio	8.00 %	8.00 %

(1) PPP loans are 100% federally guaranteed and have a zero percent risk-weight for regulatory capital ratios. Tier 1 leverage ratio, excluding average PPP loans is a non-GAAP measurement.

Regulatory Capital Changes

In December 2018, the Federal Reserve, Office of the Comptroller of the Currency and Federal Deposit Insurance Corporation ("FDIC") (collectively, the "agencies") issued a final rule revising regulatory capital rules in anticipation of the adoption of ASU 2016-13 that provided an option to phase in over a three year period on a straight line basis the day-one impact of the adoption on earnings and Tier 1 capital (the "CECL Transition Provision").

In March 2020 and in response to the COVID-19 pandemic, the agencies issued a new regulatory capital rule revising the CECL Transition Provision to delay the estimated impact on regulatory capital stemming from the implementation of ASU 2016-13. The rule provides banking organizations that implement CECL before the end of 2020 the option to delay for two years an estimate of CECL's effect on regulatory capital, followed by a three-year transition period (the "2020 CECL Transition Provision"). The Company elected to apply the 2020 CECL Transition Provision.

In July 2013, the Company's primary federal regulator, the Federal Reserve, published final rules (the "Basel III Capital Rules") establishing a new comprehensive capital framework for U.S. banks. The rules implement the Basel Committee's December 2010 framework known as "Basel III" for strengthening international capital standards. The Basel III Capital Rules introduced substantial revisions to the risk-based capital requirements applicable to bank holding companies and depository institutions.

The Basel III Capital Rules define the components of capital and address other issues affecting the numerator in banking institutions' regulatory capital ratios. The rules also address risk weights and other issues affecting the denominator in banking institutions' regulatory capital ratios and replace the existing risk-weighting approach with a more risk-sensitive approach.

The Basel III Capital Rules expanded the risk-weighting categories from four Basel I-derived categories (0%, 20%, 50% and 100%) to a much larger and more risk-sensitive number of categories, depending on the nature of the assets, generally ranging from 0% for U.S. government and agency securities, to 600% for certain equity exposures, and resulting in higher risk weights for a variety of asset categories, including many residential mortgages and certain commercial real estate.

The final rules included a new common equity Tier 1 capital to risk-weighted assets ratio of 4.5% and a common equity Tier 1 capital conservation buffer of 2.5% of risk-weighted assets. The rules also raised the minimum ratio of Tier 1 capital to risk-weighted assets from 4.0% to 6.0% and require a minimum leverage ratio of 4.0%. The Basel III Capital Rules became effective for the Company and its subsidiary bank on January 1, 2015, with full compliance with all of the final rule's requirements on January 1, 2019.

Prior to December 31, 2017, Tier 1 capital included common equity Tier 1 capital and certain additional Tier 1 items as provided under the Basel III Capital Rules. The Tier 1 capital for the Company consisted of common equity Tier 1 capital and trust preferred securities. The Basel III Capital Rules include certain provisions that require trust preferred securities to be phased out of qualifying Tier 1 capital when assets surpass $15 billion. As of December 31, 2017, the Company exceeded $15 billion in total assets and the grandfather provisions applicable to its trust preferred securities no longer apply and trust preferred securities are no longer included as Tier 1 capital. Trust preferred securities and qualifying subordinated debt of $383.0 million is included as Tier 2 and total capital as of March 31, 2021.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

See the *Recently Issued Accounting Standards* section in Note 1, Preparation of Interim Financial Statements, in the accompanying Condensed Notes to Consolidated Financial Statements included elsewhere in this report for details of recently issued accounting pronouncements and their expected impact on the Company's ongoing financial position and results of operation.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this quarterly report may not be based on historical facts and should be considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by reference to a future period(s) or by the use of forward-looking terminology, such as “anticipate,” “believe,” “budget,” “contemplate,” “continue,” “estimate,” “expect,” “foresee,” “intend,” “indicate,” “target,” “plan,” positions,” “prospects,” “project,” “predict,” or “potential,” by future conditional verbs such as “could,” “may,” “might,” “should,” “will,” or “would,” or by variations of such words or by similar expressions. These forward-looking statements include, without limitation, those relating to the Company’s future growth, revenue, expenses, assets, asset quality, profitability, earnings, accretion, customer service, investment in digital channels, critical accounting policies, net interest margin, non-interest revenue, market conditions related to and the impact of the Company’s stock repurchase program, consumer behavior and liquidity, the adequacy of the allowance for credit losses, the impacts of the COVID-19 pandemic and the ability of the Company to manage the impacts of the COVID-19 pandemic, the impacts of the Company’s and its customers’ participation in the Paycheck Protection Program, the expected performance of COVID-19 loan modifications, income tax deductions, credit quality, the level of credit losses from lending commitments, net interest revenue, interest rate sensitivity, loan loss experience, liquidity, the Company’s expectations regarding actions by the FHLB including with respect to the FHLB’s option to terminate FOTO advances, capital resources, market risk, plans for investments in securities, effect of future litigation, including the results of the overdraft fee litigation against the Company that is described in this quarterly report, acquisition strategy, legal and regulatory limitations and compliance and competition.

These forward-looking statements involve risks and uncertainties, and may not be realized due to a variety of factors, including, without limitation: changes in the Company’s operating, acquisition, or expansion strategy; the effects of future economic conditions (including unemployment levels and slowdowns in economic growth), governmental monetary and fiscal policies, as well as legislative and regulatory changes, including in response to the COVID-19 pandemic; the impacts of the COVID-19 pandemic on the Company’s operations and performance; the ultimate effect of measures the Company takes or has taken in response to the COVID-19 pandemic; the severity and duration of the COVID-19 pandemic, including the effectiveness of vaccination efforts; the pace of recovery when the COVID-19 pandemic subsides and the heightened impact it has on many of the risks described herein; changes in real estate values; changes in interest rates; changes in the level and composition of deposits, loan demand, and the values of loan collateral, securities and interest sensitive assets and liabilities; changes in the securities markets generally or the price of the Company’s common stock specifically; developments in information technology affecting the financial industry; cyber threats, attacks or events; reliance on third parties for the provision of key services; further changes in accounting principles relating to loan loss recognition; uncertainty and disruption associated with the discontinued use of the London Inter-Bank Offered Rate; the costs of evaluating possible acquisitions and the risks inherent in integrating acquisitions; possible adverse rulings, judgements, settlements, and other outcomes of pending or future litigation, including litigation or actions arising from the Company’s participation in and administration of programs related to the COVID-19 pandemic (including, among others, the PPP); 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 such competitors offering banking products and services by mail, telephone, computer and the internet; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans, other real estate owned, and other cautionary statements set forth elsewhere in this report. Please also refer to the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of this quarterly report and the Company’s annual report on Form 10-K for the year ended December 31, 2020, and related disclosures in other filings, which have been filed with the SEC and are available on the SEC’s website at www.sec.gov. Many of these factors are beyond our ability to predict or control, and actual results could differ materially from those in the forward-looking statements due to these factors and others. In addition, as a result of these and other factors, our past financial performance should not be relied upon as an indication of future performance.

We believe the assumptions and expectations that underlie or are reflected in our forward-looking statements are reasonable, based on information available to us on the date hereof. However, given the described uncertainties and risks, we cannot guarantee our future performance or results of operations or whether our future performance will differ materially from the performance reflected in or implied by our forward-looking statements, and you should not place undue reliance on these forward-looking statements. Any forward-looking statement speaks only as of the date hereof, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and all written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this section.

GAAP RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The tables below present computations of core earnings (net income excluding non-core items {gain on sale of branches, merger related costs, and the net branch right sizing costs}) (non-GAAP) and core diluted earnings per share (non-GAAP) as well as a computation of tangible book value per share (non-GAAP), tangible common equity to tangible assets (non-GAAP), the core net interest margin (non-GAAP), core other income (non-GAAP) and core non-interest expense (non-GAAP). Non-core items are included in financial results presented in accordance with generally accepted accounting principles (US GAAP). The tables below also present computations of certain figures that are exclusive of the impact of PPP loans: the ratios of common equity to total assets and tangible common equity to tangible assets, each adjusted for PPP loans (each non-GAAP), Tier 1 leverage ratio excluding average PPP loans (non-GAAP), net interest income and net interest margin, each adjusted for PPP loans and additional liquidity (each non-GAAP), and loan yield excluding PPP loans (non-GAAP).

We believe the exclusion of these non-core items in expressing earnings and certain other financial measures, including "core earnings," provides a meaningful basis for period-to-period and company-to-company comparisons, which management believes will assist investors and analysts in analyzing the core financial measures of the Company and predicting future performance. These non-GAAP financial measures are also used by management to assess the performance of the Company's business because management does not consider these non-core items to be relevant to ongoing financial performance. Management and the Board of Directors utilize "core earnings" (non-GAAP) for the following purposes:

- Preparation of the Company's operating budgets
- Monthly financial performance reporting
- Monthly "flash" reporting of consolidated results (management only)
- Investor presentations of Company performance

We believe the presentation of "core earnings" on a diluted per share basis, "core diluted earnings per share" (non-GAAP) and core net interest margin (non-GAAP), provides a meaningful basis for period-to-period and company-to-company comparisons, which management believes will assist investors and analysts in analyzing the core financial measures of the Company and predicting future performance. These non-GAAP financial measures are also used by management to assess the performance of the Company's business, because management does not consider these non-core items to be relevant to ongoing financial performance on a per share basis. Management and the Board of Directors utilize "core diluted earnings per share" (non-GAAP) for the following purposes:

- Calculation of annual performance-based incentives for certain executives
- Calculation of long-term performance-based incentives for certain executives
- Investor presentations of Company performance

We have $1.182 billion and $1.186 billion total goodwill and other intangible assets for the periods ended March 31, 2021 and December 31, 2020, respectively. Because our acquisition strategy has resulted in a high level of intangible assets, management believes useful calculations include tangible book value per share (non-GAAP) and tangible common equity to tangible assets (non-GAAP).

We believe the exclusion of PPP loans or their impact, as applicable, in expressing earnings and certain other financial measures provides a meaningful basis for period-to-period and company-to-company comparisons because PPP loans are 100% federally guaranteed and have very low interest rates. The Company's non-GAAP financial measures that exclude PPP loans or their impact include the ratios of "common equity to total assets" and "tangible common equity to tangible assets," each adjusted for PPP loans (each non-GAAP), "Tier 1 leverage ratio excluding average PPP loans" (non-GAAP), and "net interest margin," adjusted for PPP loans and additional liquidity (non-GAAP), and "loan yield excluding PPP loans" (non-GAAP). Additional liquidity is defined as average interest-bearing balances due from banks greater than normal liquidity levels. Management believes these non-GAAP presentations will assist investors and analysts in analyzing the core financial measures of the Company, including the performance of the Company's loan portfolio and the Company's regulatory capital position, and predicting future performance. Management and the Board of Directors utilize these non-GAAP financial measures for financial performance reporting and investor presentations of Company performance.

We believe that presenting these non-GAAP financial measures will permit investors and analysts to assess the performance of the Company on the same basis as that is applied by management and the Board of Directors.

Non-GAAP financial measures have inherent limitations, are not required to be uniformly applied and are not audited. To mitigate these limitations, we have procedures in place to identify and approve each item that qualifies as non-core to ensure that the Company's "core" results are properly reflected for period-to-period comparisons. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analyses of results as reported under GAAP. In particular, a measure of earnings that excludes non-core items does not represent the amount that effectively accrues directly to stockholders (i.e., non-core items are included in earnings and stockholders' equity). Additionally, similarly titled non-GAAP financial measures used by other companies may not be computed in the same or similar fashion.

See Table 13 below for the reconciliation of non-GAAP financial measures, which exclude non-core items for the periods presented.

Table 13: Reconciliation of Core Earnings (non-GAAP)

	Three Months Ended March 31,	
(In thousands, except per share data)	2021	2020
Net income available to common stockholders	$ 67,407	$ 77,223
Non-core items:		
Gain on sale of branches	(5,477)	(5,889)
Merger related costs	233	1,068
Branch right sizing	625	238
Tax effect (1)	1,207	1,198
Net non-core items	(3,412)	(3,385)
Core earnings (non-GAAP)	$ 63,995	$ 73,838
Diluted earnings per share(2)	$ 0.62	$ 0.68
Non-core items:		
Gain on sale of branches	(0.05)	(0.05)
Merger related costs	—	0.01
Branch right sizing	0.01	—
Tax effect (1)	0.01	0.01
Net non-core items	(0.03)	(0.03)
Core diluted earnings per share (non-GAAP)	$ 0.59	$ 0.65

(1) Effective tax rate of 26.135%.
(2) See Note 16, Earnings Per Share, for number of shares used to determine EPS.

See Table 14 below for the reconciliation of core other income and core non-interest expense for the periods presented.

Table 14: Reconciliation of Core Other Income and Core Non-Interest Expense (non-GAAP)

(In thousands)	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Other income	$ 10,260	$ 12,801
Gain on sale of branches	(5,477)	(5,889)
Core other income (non-GAAP)	$ 4,783	$ 6,912
Non-interest expense	$ 115,356	$ 128,813
Non-core items:		
Merger related costs	(233)	(1,068)
Branch right sizing	(625)	(238)
Total non-core items	(858)	(1,306)
Core non-interest expense (non-GAAP)	$ 114,498	$ 127,507

See Table 15 below for the reconciliation of tangible book value per common share.

Table 15: Reconciliation of Tangible Book Value per Common Share (non-GAAP)

(In thousands, except per share data)	March 31, 2021	December 31, 2020
Total stockholders' equity	$ 2,930,775	$ 2,976,656
Preferred stock	(767)	(767)
Total common stockholders' equity	2,930,008	2,975,889
Intangible assets:		
Goodwill	(1,075,305)	(1,075,305)
Other intangible assets	(107,091)	(111,110)
Total intangibles	(1,182,396)	(1,186,415)
Tangible common stockholders' equity	$ 1,747,612	$ 1,789,474
Shares of common stock outstanding	108,345,732	108,077,662
Book value per common share	$ 27.04	$ 27.53
Tangible book value per common share (non-GAAP)	$ 16.13	$ 16.56

See Table 16 below for the calculation of tangible common equity and the reconciliation of tangible common equity to tangible assets.

Table 16: Reconciliation of Tangible Common Equity and the Ratio of Tangible Common Equity to Tangible Assets (non-GAAP)

(Dollars in thousands)	March 31, 2021	December 31, 2020
Total common stockholders' equity	$ 2,930,008	$ 2,975,889
Intangible assets:		
Goodwill	(1,075,305)	(1,075,305)
Other intangible assets	(107,091)	(111,110)
Total intangibles	(1,182,396)	(1,186,415)
Tangible common stockholders' equity	$ 1,747,612	$ 1,789,474
Total assets	$ 23,348,117	$ 22,359,752
Intangible assets:		
Goodwill	(1,075,305)	(1,075,305)
Other intangible assets	(107,091)	(111,110)
Total intangibles	(1,182,396)	(1,186,415)
Tangible assets	$ 22,165,721	$ 21,173,337
Paycheck Protection Program ("PPP") loans	(797,629)	(904,673)
Total assets excluding PPP loans	$ 22,550,488	$ 21,455,079
Tangible assets excluding PPP loans	$ 21,368,092	$ 20,268,664
Ratio of common equity to assets	12.55 %	13.31 %
Ratio of tangible common equity to tangible assets (non-GAAP)	7.88 %	8.45 %
Ratio of common equity to assets excluding PPP loans (non-GAAP)	13.00 %	13.87 %
Ratio of tangible common equity to tangible assets excluding PPP loans (non-GAAP)	8.18 %	8.83 %

See Table 17 below for the calculation of Tier 1 leverage ratio excluding average PPP loans for the period presented.

Table 17: Reconciliation of Tier 1 Leverage Ratio Excluding Average PPP Loans (non-GAAP)

(Dollars in thousands)	Three Months Ended March 31, 2021
Total Tier 1 capital	$ 1,939,868
Adjusted average assets for leverage ratio	$ 21,668,406
Average PPP loans	(891,070)
Adjusted average assets excluding average PPP loans	$ 20,777,336
Tier 1 leverage ratio	8.95 %
Tier 1 leverage ratio excluding average PPP loans (non-GAAP)	9.34 %

See Table 18 below for the calculation of core net interest margin and net interest margin adjusted for PPP loans and additional liquidity for the periods presented.

Table 18: Reconciliation of Core Net Interest Margin (non-GAAP)

	Three Months Ended March 31,	
(Dollars in thousands)	2021	2020
Net interest income	$ 146,681	$ 167,483
FTE adjustment	4,163	2,305
Fully tax equivalent net interest income	150,844	169,788
Total accretable yield	(6,630)	(11,837)
Core net interest income	$ 144,214	$ 157,951
PPP loan and additional liquidity [(1)] interest income	(12,257)	
Net interest income adjusted for PPP loans and additional liquidity [(1)]	$ 138,587	
Average earning assets – quarter-to-date	$ 20,484,908	$ 18,581,491
Average PPP loan balance and additional liquidity [(1)]	(3,617,567)	
Average earning assets adjusted for PPP loans and additional liquidity [(1)]	$ 16,867,341	
Net interest margin	2.99 %	3.68 %
Core net interest margin (non-GAAP)	2.86 %	3.42 %
Net interest margin adjusted for PPP loans and additional liquidity [(1)] (non-GAAP)	3.33 %	

(1) Additional liquidity is estimated as the average interest bearing balances due from banks and federal funds sold greater than $750.0 million.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company has leveraged its investment in its subsidiary bank and depends upon the dividends paid to it, as the sole shareholder of the subsidiary bank, as a principal source of funds for dividends to shareholders, stock repurchases and debt service requirements. At March 31, 2021, undivided profits of Simmons Bank were approximately $442.1 million, of which approximately $153.5 million was available for the payment of dividends to the Company without regulatory approval. In addition to dividends, other sources of liquidity for the Company are the sale of equity securities and the borrowing of funds.

Subsidiary Bank

Generally speaking, the Company's subsidiary bank relies upon net inflows of cash from financing activities, supplemented by net inflows of cash from operating activities, to provide cash used in investing activities. Typical of most banking companies, significant financing activities include: deposit gathering; use of short-term borrowing facilities, such as federal funds purchased and repurchase agreements; and the issuance of long-term debt. The subsidiary bank's primary investing activities include loan originations and purchases of investment securities, offset by loan payoffs and investment cash flows and maturities.

Liquidity represents an institution's ability to provide funds to satisfy demands from depositors and borrowers by either converting assets into cash or accessing new or existing sources of incremental funds. A major responsibility of management is to maximize net interest income within prudent liquidity constraints. Internal corporate guidelines have been established to constantly measure liquid assets as well as relevant ratios concerning earning asset levels and purchased funds. The management and Board of Directors of the subsidiary bank monitors these same indicators and makes adjustments as needed.

Liquidity Management

The objective of our liquidity management is to access adequate sources of funding to ensure that cash flow requirements of depositors and borrowers are met in an orderly and timely manner. Sources of liquidity are managed so that reliance on any one funding source is kept to a minimum. Our liquidity sources are prioritized for both availability and time to activation.

Our liquidity is a primary consideration in determining funding needs and is an integral part of asset/liability management. Pricing of the liability side is a major component of interest margin and spread management. Adequate liquidity is a necessity in addressing this critical task. There are seven primary and secondary sources of liquidity available to the Company. The particular liquidity need and timeframe determine the use of these sources.

The first source of liquidity available to the Company is federal funds. Federal funds are available on a daily basis and are used to meet the normal fluctuations of a dynamic balance sheet. The Bank has approximately $415 million in federal funds lines of credit from upstream correspondent banks that can be accessed, when needed. In order to ensure availability of these upstream funds we test these borrowing lines at least annually. Historical monitoring of these funds has made it possible for us to project seasonal fluctuations and structure our funding requirements on a month-to-month basis.

Second, Simmons Bank has lines of credit available with the Federal Home Loan Bank. While we use portions of those lines to match off longer-term mortgage loans, we also use those lines to meet liquidity needs. Approximately $2.8 billion of these lines of credit are currently available, if needed, for liquidity.

A third source of liquidity is that we have the ability to access large wholesale deposits from both the public and private sector to fund short-term liquidity needs.

A fourth source of liquidity is the retail deposits available through our network of financial centers throughout Arkansas, Kansas, Missouri, Oklahoma, Tennessee and Texas. Although this method can be a somewhat more expensive alternative to supplying liquidity, this source can be used to meet intermediate term liquidity needs.

Fifth, we use a laddered investment portfolio that ensures there is a steady source of intermediate term liquidity. These funds can be used to meet seasonal loan patterns and other intermediate term balance sheet fluctuations. Approximately 88.1% of the investment portfolio is classified as available-for-sale. We also use securities held in the securities portfolio to pledge when obtaining public funds.

Sixth, we have a network of downstream correspondent banks from which we can access debt to meet liquidity needs.

Finally, we have the ability to access funds through the Federal Reserve Bank Discount Window.

We believe the various sources available are ample liquidity for short-term, intermediate-term and long-term liquidity.

Market Risk Management

Market risk arises from changes in interest rates. We have risk management policies to monitor and limit exposure to market risk. In asset and liability management activities, policies designed to minimize structural interest rate risk are in place. The measurement of market risk associated with financial instruments is meaningful only when all related and offsetting on- and off-balance-sheet transactions are aggregated, and the resulting net positions are identified.

Interest Rate Sensitivity

Interest rate risk represents the potential impact of interest rate changes on net income and capital resulting from mismatches in repricing opportunities of assets and liabilities over a period of time. A number of tools are used to monitor and manage interest rate risk, including simulation models and interest sensitivity gap analysis. Management uses simulation models to estimate the effects of changing interest rates and various balance sheet strategies on the level of the Company's net income and capital. As a means of limiting interest rate risk to an acceptable level, management may alter the mix of floating and fixed-rate assets and liabilities, change pricing schedules and manage investment maturities during future security purchases, or enter into derivative contracts such as interest rate swaps.

The simulation model incorporates management's assumptions regarding the level of interest rates or balance changes for indeterminate maturity deposits for a given level of market rate changes. These assumptions have been developed through anticipated pricing behavior. Key assumptions in the simulation models include the relative timing of prepayments, cash flows and maturities. These assumptions are inherently uncertain and, as a result, the model cannot precisely estimate net interest income or precisely predict the impact of a change in interest rates on net income or capital. Actual results will differ from simulated results due to the timing, magnitude and frequency of interest rate changes and changes in market conditions and management strategies, among other factors.

As of March 31, 2021, the model simulations projected that 100 and 200 basis point increases in interest rates would result in a positive variance in net interest income of 6.00% and 12.48%, respectively, relative to the base case over the next 12 months, while decreases in interest rates of 25 basis points would result in a negative variance in net interest income of (0.48)% relative to the base case over the next 12 months. The likelihood of a decrease in interest rates in excess of 25 basis points as of March 31, 2021, is considered remote given current interest rate levels. These are good faith estimates and assume that the composition of our interest sensitive assets and liabilities existing at each period-end will remain constant over the relevant twelve month measurement period and that changes in market interest rates are instantaneous and sustained across the yield curve regardless of duration of pricing characteristics of specific assets or liabilities. Also, this analysis does not contemplate any actions that we might undertake in response to changes in market interest rates. We believe these estimates are not necessarily indicative of what actually could occur in the event of immediate interest rate increases or decreases of this magnitude. As interest-bearing assets and liabilities reprice in different time frames and proportions to market interest rate movements, various assumptions must be made based on historical relationships of these variables in reaching any conclusion. Since these correlations are based on competitive and market conditions, we anticipate that our future results will likely be different from the foregoing estimates, and such differences could be material.

The table below presents our sensitivity to net interest income at March 31, 2021:

Table 19: Net Interest Income Sensitivity

Interest Rate Scenario	% Change from Base
Up 200 basis points	12.48%
Up 100 basis points	6.00%
Down 25 basis points	(0.48)%

Item 4. Controls and Procedures

Management, under the supervision and with the participation of the Company's Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer has reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer have concluded that the Company's current disclosure controls and procedures were effective as of the end of the period covered by this report to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, as appropriate to allow timely decisions regarding required disclosure. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that the Company's disclosure controls and procedures will detect or uncover every situation involving the failure of persons within the Company or its subsidiary to disclose material information required to be set forth in the Company's periodic reports.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal controls over financial reporting during the quarter ended March 31, 2021, which materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II: Other Information

Item 1. Legal Proceedings

The information contained in Note 12, Contingent Liabilities, of the Condensed Notes to Consolidated Financial Statements in Part I, Item 1 of this report is incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes in the risk factors faced by the Company from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 ("2020 Form 10-K").

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On October 22, 2019, we announced that our Board of Directors authorized a new stock repurchase program ("Program") under which we may repurchase up to $60,000,000 of our Class A common stock currently issued and outstanding. On March 5, 2020, we announced an amendment to the Program that increased the maximum amount that may be repurchased under the Program from $60,000,000 to $180,000,000. The Program will terminate on October 31, 2021 (unless terminated sooner) and replaced our previous stock repurchase program, which was announced on July 23, 2012, that authorized us to repurchase up to 1,700,000 shares of common stock. The timing, pricing, and amount of any repurchases under the Program will be determined by management at its discretion based on a variety of factors, including but not limited to, trading volume and market price of our common stock, corporate considerations, our working capital and investment requirements, general market and economic conditions, and legal requirements. Information concerning our purchases of common stock during the quarter ended March 31, 2021 is as follows:

Period	Total Number of Shares Purchased [1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2021 - January 31, 2021	120,592	$ 23.41	120,592	$ 53,720,000
February 1, 2021 - February 28, 2021	10,324	24.86	10,324	$ 53,463,000
March 1, 2021 - March 31, 2021	846	30.01	—	$ 53,463,000
Total	131,762	$ 23.57	130,916	

(1) Total number of shares purchased includes 846 shares with an average price $30.01 of restricted stock purchased in connection with employee tax withholding obligations under employee compensation plans, which are not purchases under any publicly announced plan.

Item 6. Exhibits

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of Simmons First National Corporation, as amended on October 29, 2019 (incorporated by reference to Exhibit 3.1 to Simmons First National Corporation's Current Report on Form 8-K filed November 1, 2019 (File No. 000-06253)).
3.2	As Amended By-Laws of Simmons First National Corporation, as amended on October 21, 2020 (incorporated by reference to Exhibit 3.1 to Simmons First National Corporation's Current Report on Form 8-K filed October 22, 2020 (File No. 000-06253)).
4.1	Instruments defining the rights of security holders, including indentures. Simmons First National Corporation hereby agrees to furnish copies of instruments defining the rights of holders of long-term debt of the Corporation and its consolidated subsidiaries to the U.S. Securities and Exchange Commission upon request. No issuance of debt exceeds ten percent of the total assets of the Corporation and its subsidiaries on a consolidated basis.
10.1	Form of Indemnification Agreement.*
10.2	First Amended and Restated Executive Change in Control Severance Agreement for George A. Makris, Jr. dated March 26, 2021 (incorporated by reference to Exhibit 10.2 to Simmons First National Corporation's Current Report on Form 8-K filed April 1, 2021 (File No. 000-06253)).
10.3	First Amended and Restated Executive Change in Control Severance Agreement for Stephen C. Massanelli dated March 26, 2021 (incorporated by reference to Exhibit 10.3 to Simmons First National Corporation's Current Report on Form 8-K filed April 1, 2021 (File No. 000-06253)).
10.4	First Amended and Restated Executive Change in Control Severance Agreement for Matthew S. Reddin dated March 26, 2021.*
10.5	First Amended and Restated Executive Change in Control Severance Agreement for Jennifer B. Compton dated March 26, 2021.*
10.6	First Amended and Restated Executive Change in Control Severance Agreement for George A. Makris III dated March 26, 2021.*
10.7	First Amended and Restated Executive Change in Control Severance Agreement for David Garner dated March 26, 2021.*
10.8	First Amended and Restated Executive Change in Control Severance Agreement for Paul Kanneman dated March 26, 2021.*
10.9	First Amended and Restated Executive Change in Control Severance Agreement for John Barber dated March 26, 2021.*
14.1	Amended and Restated Simmons First National Corporation Code of Ethics (as amended and restated on July 23, 2020) (incorporated by reference to Exhibit 14.1 to Simmons First National Corporation's Current Report on Form 8-K filed July 28, 2020 (File No. 000-06253)).
15.1	Awareness Letter of BKD, LLP.*
31.1	Rule 13a-15(e) and 15d-15(e) Certification – George A. Makris, Jr., Chairman and Chief Executive Officer.*
31.2	Rule 13a-15(e) and 15d-15(e) Certification – James M. Brogdon, Executive Vice President, Chief Financial Officer, and Treasurer.*
31.3	Rule 13a-15(e) and 15d-15(e) Certification – David W. Garner, Executive Vice President, Executive Director of Finance and Accounting and Chief Accounting Officer.*
32.1	Certification Pursuant to 18 U.S.C. Sections 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – George A. Makris, Jr., Chairman and Chief Executive Officer.*
32.2	Certification Pursuant to 18 U.S.C. Sections 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – James M. Brogdon, Executive Vice President, Chief Financial Officer, and Treasurer.*
32.3	Certification Pursuant to 18 U.S.C. Sections 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – David W. Garner, Executive Vice President, Executive Director of Finance and Accounting and Chief Accounting Officer.*

Exhibit No.	Description
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. **
101.SCH	Inline XBRL Taxonomy Extension Schema.**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.**
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase.**
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase.**
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.**
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).**

* Filed herewith

** Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SIMMONS FIRST NATIONAL CORPORATION
(Registrant)

Date: May 6, 2021	/s/ George A. Makris, Jr. George A. Makris, Jr. Chairman and Chief Executive Officer
Date: May 6, 2021	/s/ James M. Brogdon James M. Brogdon Executive Vice President, Chief Financial Officer, and Treasurer
Date: May 6, 2021	/s/ David W. Garner David W. Garner Executive Vice President, Executive Director of Finance and Accounting and Chief Accounting Officer

INDEMNIFICATION AGREEMENT

This INDEMNIFICATION AGREEMENT ("Agreement"), dated as of [•], 202[•] (the "Effective Date"), is made by and between Simmons First National Corporation, an Arkansas corporation ("Company"), and the undersigned indemnitee ("Indemnitee").

RECITALS

A. The Company recognizes that competent and experienced persons are increasingly reluctant to serve or to continue to serve as directors or officers of corporations unless they are protected by comprehensive liability insurance or indemnification, or both, due to increased exposure to litigation costs and risks resulting from their service to such corporations, and due to the fact that the exposure frequently bears no reasonable relationship to the compensation of such directors and officers;

B. The statutes and judicial decisions regarding the duties of directors and officers are often difficult to apply, ambiguous, or conflicting, and therefore fail to provide such directors and officers with adequate, reliable knowledge of legal risks to which they are exposed or information regarding the proper course of action to take;

C. The Company believes that it is unfair for its directors and officers to assume the risk of large judgments and other expenses which may occur in cases in which the director or officer received no personal profit and in cases where the director or officer was not culpable;

D. The Company, after reasonable investigation, has determined that the liability insurance coverage presently available to the Company may be inadequate in certain circumstances to cover all possible exposure for which Indemnitee should be protected. The Company believes that the interests of the Company and its shareholders would best be served by a combination of such insurance and the indemnification by the Company of the directors and officers of the Company;

E. The indemnification provisions applicable to directors and officers contained in the Company's Amended and Restated Articles of Incorporation ("Articles") and the Company's By-laws ("By-laws") expressly provide that such right of indemnification is not exclusive, and contemplate that agreements may be entered into between the Company and its directors and officers with respect to indemnification;

F. Section 850 of the Arkansas Business Corporation Act of 1987 ("Act") (Arkansas Code Section 4-27-850) ("Section 850") empowers the Company to indemnify its officers, directors, employees and agents by agreement and to indemnify persons who serve, at the request of the Company, as the directors, officers, employees or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 850 is not exclusive;

G. The Board of Directors of the Company ("Board") has determined that contractual indemnification as set forth herein is not only reasonable and prudent but also promotes the best interests of the Company and its shareholders;

H. The Company desires and has requested Indemnitee to serve or continue to serve as a director and/or officer of the Company, or an affiliate or subsidiary thereof, free from undue concern for unwarranted claims for damages arising out of or related to such services to the Company, or an affiliate or subsidiary thereof; and

I. Indemnitee is willing to serve, continue to serve or to provide additional service for or on behalf of the Company, or an affiliate or subsidiary thereof, on the condition that Indemnitee is furnished the indemnity provided for herein.

AGREEMENT

NOW, THEREFORE, in consideration of Indemnitee's service or continued service as a director, officer, and/or other key employee of the Company or an affiliate or subsidiary thereof, the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Generally. To the fullest extent permitted by the laws of the State of Arkansas:

   a. The Company shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to, or is involved in, any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent (which, for purposes of this Agreement, shall include, without limitation, a trustee, partner or manager or similar capacity) of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise). For the avoidance of doubt, the foregoing indemnification obligation includes, without limitation, claims for monetary damages against Indemnitee in respect of an alleged breach of fiduciary duties, to the fullest extent permitted under Section 202(b)(3) of the Act as in existence on the date hereof.

   b. The indemnification provided by this Section 1 shall be from and against all expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by Indemnitee or on Indemnitee's behalf in connection with such action, suit or proceeding, but shall only be provided if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action, suit or proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

   c. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful.

   d. **[Include only for ERISA fiduciaries]** The provisions of the attached Addendum A are hereby incorporated into and made a part of the Agreement.

2. Partial Indemnification. If Indemnitee is entitled under any provision of the Agreement to indemnification by the Company for some or a portion of the expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by Indemnitee or on Indemnitee's behalf in connection with any action, suit or proceeding, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) to which Indemnitee is entitled.

3. Advance Payment of Expenses; Notification and Defense of Claim.

a. Expenses incurred by Indemnitee or on Indemnitee's behalf in defending any action, suit or proceeding by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise) or in connection with an enforcement action pursuant to Section 4(b) shall be paid by the Company in advance of the final disposition of such action, suit or proceeding within ten (10) days after receipt by the Company of (i) a statement or statements from Indemnitee requesting such advance or advances from time to time, and (ii) an undertaking by or on behalf of Indemnitee to repay such amount if it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Company as authorized by the Act, the Agreement or otherwise. Such undertaking shall be accepted without reference to the financial ability of Indemnitee to make such repayment. Advances shall be unsecured and interest-free. For the avoidance of doubt, advances shall include, without limitation, any and all expenses incurred pursuing an action to enforce this right of advancement.

b. Promptly after receipt by Indemnitee of notice of the commencement of any action, suit or proceeding, Indemnitee shall, if a claim thereof is to be made against the Company hereunder, notify the Company of the commencement thereof. The failure to promptly notify the Company of the commencement of the action, suit or proceeding, or of Indemnitee's request for indemnification, will not relieve the Company from any liability that it may have to Indemnitee hereunder or otherwise.

c. In the event the Company shall be obligated to pay the expenses of Indemnitee with respect to an action, suit or proceeding as provided in the Agreement, the Company, if appropriate, shall be entitled to assume the defense of such action, suit or proceeding with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under the Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same action, suit or proceeding, provided that (1) Indemnitee shall have the right to employ Indemnitee's own counsel in such action, suit or proceeding at Indemnitee's expense and (2) if (i) the employment of counsel by Indemnitee has been previously authorized in writing by the Company, (ii) counsel to the Company or Indemnitee shall have reasonably concluded that there may be a conflict of interest or position, or reasonably believes that a conflict is likely to arise, on any significant issue between the Company and Indemnitee in the conduct of any such defense or (iii) the Company shall not, in fact, have employed counsel to assume the defense of such action, suit or proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company, except as otherwise expressly provided by the Agreement. The Company shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company or as to which counsel for the Company or Indemnitee shall have reasonably made the conclusion provided for in clause (ii) above.

d. Notwithstanding any other provision of the Agreement to the contrary, to the extent that Indemnitee is, by reason of Indemnitee's corporate status with respect to the Company or any corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise which Indemnitee is or was serving or has agreed to serve at the request of the Company, a witness or otherwise participates in any action, suit or proceeding at a time when Indemnitee is not a party in the action, suit or proceeding, the Company shall indemnify Indemnitee against all expenses (including, without limitation, attorneys' fees) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

4. Procedure for Indemnification.

a. To obtain indemnification, Indemnitee shall promptly submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

b. The Company shall determine whether to grant Indemnitee's indemnification request promptly, and in any event within sixty (60) days following receipt of a request for indemnification pursuant to Section 4(a), and in accordance with applicable law. The right to indemnification as granted by the Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction if the Company denies such request, in whole or in part, or fails to respond within such 60-day period. Any such action shall be conducted as a de novo trial, on the merits. It shall be a defense to any such action (other than an action brought to enforce a claim for the advancement of expenses under Section 3 hereof where the required undertaking, if any, has been received by the Company) that Indemnitee has not met the standard of conduct set forth in Section 1 hereof, but the burden of proving such defense by clear and convincing evidence shall be on the Company. Neither the failure of the Company (including its Board, its independent legal counsel, and its shareholders) to have made a determination prior to the commencement of such action that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in Section 1 hereof, nor the fact that there has been an actual determination by the Company (including its Board, its independent legal counsel, or its shareholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has or has not met the applicable standard of conduct or otherwise prejudice Indemnitee. The Company shall also indemnify the Indemnitee from and against the Indemnitee's expenses (including, without limitation, attorneys' fees) incurred in connection with (1) successfully establishing Indemnitee's right to indemnification, in whole or in part, in any such proceeding or otherwise, and (2) successfully establishing Indemnitee's right to advancement of expenses, in whole or in part, in any proceeding or otherwise.

c. The Indemnitee shall be presumed to be entitled to indemnification under the Agreement upon submission of a request for indemnification pursuant to this Section 4, and the Company shall have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. Such presumption shall be used as a basis for a determination of entitlement to indemnification unless the Company overcomes such presumption by clear and convincing evidence. If a determination that Indemnitee is entitled to indemnification has been made pursuant this Section 4 or otherwise pursuant to the terms of this Agreement, the Company shall be bound by such determination in the absence of (i) misrepresentation of a material fact by Indemnitee or (ii) a specific finding (which has become final) by an appropriate court that all or any part of such indemnification is expressly prohibited by law.

5. Insurance and Subrogation.

a. The Company may purchase and maintain insurance on behalf of Indemnitee who is or was a director or officer of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise) against any liability asserted against Indemnitee and incurred by Indemnitee or on Indemnitee’s behalf in any such capacity or arising out of such status, whether or not the Company would have the power to indemnify Indemnitee against such liability. To the extent that the Company maintains liability insurance for directors and officers of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise on which any such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for such director or officer under such policy or policies. If the Company has such insurance in effect at the time the Company receives from Indemnitee any notice of the commencement of an action, suit or proceeding, the Company shall give prompt notice of the commencement of such action, suit or proceeding to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such action, suit or proceeding in accordance with the terms of such policy.

b. In the event of any payment by the Company under the Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee or on Indemnitee’s behalf in connection with such subrogation.

c. The Company shall not be liable under the Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, without limitation, ERISA excise taxes or penalties, judgments, fines and amounts paid or to be paid in settlement) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

6. Certain Definitions. For purposes of the Agreement:

a. The term “action, suit or proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether instituted by, in the right of, or on behalf of the Company or any other party or parties.

b. The term “by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise)” shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act by Indemnitee in such capacity.

c. The term “expenses” shall be broadly and reasonably construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys’ fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnitee for which Indemnitee is not otherwise compensated by the Company or any third party, provided that the rate of compensation and estimated time involved is approved by the Board, which approval shall not be unreasonably withheld) actually and reasonably incurred by Indemnitee in connection with the investigation, preparation, prosecution, defense, settlement, arbitration or appeal of (or the giving of testimony in) an action, suit or proceeding or establishing or enforcing a right to indemnification or advancement under the Agreement, Section 850 or otherwise.

d. The term “judgments, fines and amounts paid or to be paid in settlement” shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever (including, without limitation, all penalties and amounts required to be forfeited or reimbursed to the Company), as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan.

e. The term “Company” shall include, without limitation and in addition to the resulting corporation, any constituent corporation (including, without limitation, any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors or officers, so that any person who is or was a director or officer of such constituent corporation (or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise) shall stand in the same position under the provisions of the Agreement with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

f. The term “other enterprise” shall include, without limitation, employee benefit plans.

g. The term “fines” shall include, without limitation, any excise taxes assessed on a person with respect to an employee benefit plan.

h. The term “serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise”, as well as variations thereof, shall include (without limitation) in each case service to or actions taken while a director, officer, trustee, employee or agent of any subsidiary or affiliate of the Company.

i. The term “serving at the request of the Company” shall also include, without limitation, any service as a director, officer, employee or agent of the Company or an affiliate or subsidiary thereof which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries.

j. With respect to matters involving employee benefit plans, a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Company” as referred to in the Agreement.

7. Limitations on Indemnification. Notwithstanding any other provision herein to the contrary, the Company shall not be obligated pursuant to the Agreement:

   a. Claims Initiated by Indemnitee. To indemnify or advance expenses to Indemnitee with respect to an action, suit or proceeding (or part thereof) initiated by Indemnitee, except with respect to an action, suit or proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Agreement, any other agreement, any insurance policy, the Articles, the By-laws, any law or otherwise, unless such action, suit or proceeding (or part thereof) was authorized or consented to by the Board.

   b. Improper Benefits. To indemnify or advance expenses to Indemnitee with respect to an action, suit or proceeding (or part thereof) based upon or attributable to the Indemnitee gaining in fact any remuneration, personal profit or advantage to which Indemnitee was not legally entitled.

   c. Section 16 Violations. To indemnify Indemnitee on account of any action, suit or proceeding with respect to which final judgment is rendered against Indemnitee for payment or an accounting of profits arising from the purchase or sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute.

   d. Reimbursement of the Company. To indemnify Indemnitee for any reimbursement of the Company by Indemnitee of any bonus, other incentive-based or equity-based compensation, or of any profits realized by Indemnitee from the sale of securities of the Company, in each case as may be required pursuant to any applicable federal or other law or regulation (including, without limitation, any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002), any applicable listing standard of a national securities exchange or system on which the common stock of the Company is then listed or reported or pursuant to any incentive compensation recovery or clawback policy as may be adopted from time to time by the Board or one of its committees, or any expenses incurred by Indemnitee in connection with any action, suit or proceeding to enforce such reimbursement obligation.

   e. Non-compete, Non-solicitation, Non-disclosure, Non-disparagement. To indemnify Indemnitee in connection with any action, suit or proceeding involving the enforcement of non-compete, non-solicitation, non-disclosure and/or non-disparagement agreements, or the non-compete, non-solicitation, non-disclosure and/or non-disparagement provisions of employment, consulting, severance or similar agreements, to which the Indemnitee may be a party with the Company, or any subsidiary of the Company or any other applicable foreign or domestic corporation, partnership, joint venture, trust or other enterprise, if any.

   f. Payments Prohibited by Law. To indemnify or advance expenses to Indemnitee where such indemnification or advancement of expenses related thereto are prohibited by any applicable law or regulation promulgated by any federal or state legislation or banking regulatory agency.

8. Certain Settlement Provisions. The Company shall have no obligation to indemnify Indemnitee under the Agreement for amounts paid in settlement of any action, suit or proceeding without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not settle any action, suit or proceeding in any manner that would impose any fine, judgment, penalty, liability, loss, expense, limitation or other obligation on Indemnitee without Indemnitee's prior written consent; provided, however, that, with respect to settlements requiring solely the payment of money either by the Company or by Indemnitee for which the Company is obligated to reimburse Indemnitee promptly and completely, in either case without recourse to Indemnitee, no such consent of Indemnitee shall be required.

9. Severability. If any provision or provisions of the Agreement shall be held to be invalid, illegal, void, or unenforceable on any ground by any court of competent jurisdiction, then (1) this Agreement shall be deemed automatically modified to the extent necessary to (a) make such provision or provisions valid, legal, and enforceable and (b) as closely as possible maintain and accomplish the original intent of the provision or provisions in question, and (2) the remaining provisions of this Agreement shall not be affected and shall remain in full force and effect.

10. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to Indemnitee in whole or in part, it is agreed that, in such event, the Company shall, to the fullest extent permitted by law, contribute to the payment of Indemnitee's costs, charges and expenses (including, without limitation, attorneys' fees), judgments, fines and amounts paid or to be paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, in an amount that is just and equitable in light of all the circumstances in order to reflect (1) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving rise to such action, suit or proceeding; and (2) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s); provided, that, without limiting the generality of the foregoing, such contribution shall not be required where such holding by the court is due to any limitation on indemnification set forth in Section 5(c), 7 or 8 hereof. The relative fault of the Company and of Indemnitee shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such action, suit or proceeding. The Company agrees that it would not be just and equitable if contribution pursuant to this Section 10 were determined by pro rata allocation or any other method of allocation which does not take account of the foregoing equitable considerations.

11. Form and Delivery of Communications. Any notice, request or other communication required or permitted to be given to the parties under the Agreement shall be in writing and either delivered in person or sent by overnight mail or courier service, or certified or registered mail, return receipt requested, postage prepaid, addressed to Indemnitee at Indemnitee's most recent address on the Company's records, and to the Company as follows:

Simmons First National Corporation
501 Main Street
Pine Bluff, Arkansas 71601
Attention: General Counsel

or to such other address as the Company or Indemnitee may, from time to time, designate in writing by notice hereunder.

12. Subsequent Legislation. If the Act is amended after the Effective Date to expand further the indemnification permitted to directors or officers, then the Company shall indemnify Indemnitee to the fullest extent permitted by the Act, as so amended.

13. Additional Indemnification Rights; Non-exclusivity.

a. Notwithstanding any other provision of this Agreement, the Company hereby agrees to indemnify the Indemnitee to the fullest extent permitted by law, notwithstanding that such indemnification is not specifically authorized by the other provisions of this Agreement, the Articles, the By-Laws or by statute.

b. The provisions for indemnification and advancement of expenses set forth in the Agreement shall not be deemed exclusive of any other rights which Indemnitee may have under any provision of law, the Articles, the By-laws, the vote of the Company's shareholders or disinterested directors, insurance policies, other agreements or otherwise; and nothing in this Agreement shall be used to interpret or otherwise affect such other rights. Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as a director, officer, employee or agent of the Company and shall inure to the benefit of the heirs, executors and administrators of Indemnitee. However, no amendment or alteration after the Effective Date of the Articles or By-laws or any other agreement shall adversely affect the rights provided to Indemnitee under the Agreement.

14. Enforcement. The Company shall be precluded from asserting in any judicial proceeding that the procedures and presumptions of the Agreement are not valid, binding and enforceable. The Company agrees that its execution of the Agreement shall constitute a stipulation by which it shall be irrevocably bound in any court of competent jurisdiction in which a proceeding by Indemnitee for enforcement of Indemnitee's rights hereunder shall have been commenced, continued or appealed, that its obligations set forth in the Agreement are unique and special, and that failure of the Company to comply with the provisions of the Agreement will cause irreparable and irremediable injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy Indemnitee may have at law or in equity with respect to breach of the Agreement, Indemnitee shall be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under the Agreement.

15. Interpretation of Agreement. It is understood that the parties hereto intend the Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee to the fullest extent now or hereafter permitted by law.

16. Modification and Waiver. No supplement, modification or amendment of the Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of the Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. No waiver of any of the provisions of the Agreement shall be effective unless in a writing signed by the party against whom enforcement of the waiver is sought.

17. Successor and Assigns. All of the terms and provisions of the Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement in form and substance reasonably satisfactory to Indemnitee, expressly to assume and agree to perform the Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

18. Service of Process and Venue. For purposes of any claims or proceedings to enforce the Agreement, the Company consents to the jurisdiction and venue of any federal or state court of competent jurisdiction in the State of Arkansas, and waives and agrees not to raise any defense that any such court is an inconvenient forum or any similar claim.

19. Governing Law. The Agreement shall be governed exclusively by and construed according to the laws of the State of Arkansas, as applied to contracts between Arkansas residents entered into and to be performed entirely within Arkansas. If a court of competent jurisdiction shall make a final determination that the provisions of the law of any state other than Arkansas govern indemnification by the Company of its directors and officers, then the indemnification provided under the Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of the Agreement to the contrary.

20. Employment Rights; Board Service. Nothing in the Agreement is intended to create in Indemnitee any right to employment or continued employment. Nothing in the Agreement is intended to create in Indemnitee any right to continued service on the Board.

21. Counterparts. The Agreement shall become legally binding when the last party hereto executes and delivers the Agreement. The Agreement may be executed and delivered in multiple counterparts (including, without limitation, by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including, without limitation, .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

22. Headings. The section and subsection headings contained in the Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of the Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have executed and delivered the Agreement to be effective as of the Effective Date.

SIMMONS FIRST NATIONAL CORPORATION

By:
Name:
Title:

INDEMNITEE

Signature

Printed or Typed Name

[*Signature Page to Indemnification Agreement*]

Addendum A

FIDUCIARY INDEMNITY ADDENDUM

This FIDUCIARY INDEMNITY ADDENDUM (this “Addendum”) is entered into as part of, and is specifically incorporated into, the Agreement by reference under Section 1(d) of the Agreement and provides the following additional contractual provisions (with all capitalized terms having the meaning as provided in the Agreement):

RECITALS

Indemnitee is currently serving as a member of the committee (“Committee”) that constitutes the Administrator as defined in Section 3(16)(A) of the Employee Retirement Income Security Act (“ERISA”) and is a "named fiduciary" within the meaning of Section 402(a)(2) of ERISA of the Simmons First National Corporation 401(k) Plan (the “Plan”). The Company and Indemnitee agree that the scope of liability arising from ERISA as a fiduciary to the Plan can be unclear; the Company wishes Indemnitee to continue in such capacity; and wishes the Agreement to cover Indemnitee as a member of the Committee and as a named fiduciary.

AGREEMENT

1. In order to induce Indemnitee to continue to serve as a member of the Committee and in consideration for such continued service, the Company hereby agrees to indemnify Indemnitee, and Indemnitee’s executors, administrators or assigns, for any amount which Indemnitee is or becomes legally obligated to pay because of any claim or claims made against Indemnitee because of any act or omission or neglect or breach of duty, including, without limitation, any actual or alleged error or misstatement or misleading statement, which Indemnitee commits or suffers while acting in Indemnitee’s capacity as a member of the Committee and solely because of Indemnitee’s being a member of the Committee.

2. All provisions of the Agreement shall apply to the additional indemnification provided in Section 1 of this Addendum as if this Addendum were included in Section 1(a) of the Agreement.

3. The Company expressly confirms and agrees that it has entered into the Agreement, including this Addendum, and assumed the obligations imposed on the Company thereunder and hereunder in order to, without limitation, induce Indemnitee to continue as a member of the Committee that constitutes the Administrator of the Plan, and acknowledges that Indemnitee is relying upon the Agreement, including this Addendum, in continuing in such capacity.

4. The Agreement, including this Addendum, is not to be construed as an exculpatory provision intended to relieve Indemnitee from responsibility or liability under the Plan in violation of Section 410(a) of the ERISA, but is intended to be a contract of private indemnification between the Company, as an employer with employees covered by the Plan, or an affiliate (as defined in Section 407(d)(7) of ERISA) of such employer, and a fiduciary of the Plan as permitted by the Department of Labor Regulation §2509.75-4.

Schedule of Material Differences to Exhibit 10.1

The following directors and executive officers are parties to an Indemnification Agreement with the Company, each of which are substantially identical in all material respects to the form of Indemnification Agreement filed herewith as Exhibit 10.1 except as noted below. The actual Indemnification Agreements are omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

Indemnitee	**Dated**	**Includes Addendum A**
George A. Makris, Jr.	March 26, 2021	
Robert A. Fehlman	March 26, 2021	X
Matthew S. Reddin	March 26, 2021	
Stephen C. Massanelli	March 26, 2021	
George A. Makris, III	March 26, 2021	X
Jennifer B. Compton	March 26, 2021	X
David W. Garner	March 26, 2021	
Paul D. Kanneman	March 26, 2021	
Johnathan R. Barber	March 26, 2021	
Jay D. Burchfield	March 30, 2021	
Marty D. Casteel	March 30, 2021	
William E. Clark, II	March 30, 2021	
Steven A. Cossé	March 30, 2021	
Mark C. Doramus	March 30, 2021	
Edward Drilling	March 30, 2021	
Eugene Hunt	March 30, 2021	
Jerry M. Hunter	March 30, 2021	
Susan S. Lanigan	March 30, 2021	
W. Scott McGeorge	March 30, 2021	
Tom Purvis	March 30, 2021	
Robert L. Shoptaw	March 30, 2021	
Julie L. Stackhouse	March 30, 2021	
Russell Teubner	March 30, 2021	
Malynda K. West	March 30, 2021	

Exhibit 10.4

**FIRST AMENDED AND RESTATED EXECUTIVE
CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and Matt Reddin ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Executive Severance Agreement effective October 25, 2019 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to his service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the "**Release**") is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform his duties as established by Simmons; (ii) a material breach by the Executive of his fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to him in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without his written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate his employment more than fifty (50) miles from his place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive’s written consent, in the Executive’s (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30^{th}) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7^{th}) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) his annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive’s employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive’s employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a “specified employee” (within the meaning of Section 409A (as defined below)) of Simmons (or any related “service recipient” within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing his rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive's termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive's termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor his designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons' independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of his or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to "Simmons" shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce his rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and his heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank ("**Successor Corporation**") to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive's change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on his or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: Matt Reddin
15 Courts Drive
Little Rock, Arkansas 72223

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

/s/ *Matt Reddin*______________________________

Matt Reddin

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: /s/ *Bob Fehlman*___________________________

Title: SEVP CFO, COO and Treasurer____________

BANK: SIMMONS BANK

By: /s/ *Jena Compton*_________________________

Title:EVP Chief People and Strategy Officer______

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), Matt Reddin (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive his right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i. The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii. By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii. By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv. By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ___________ ________
Matt Reddin

Exhibit 10.5

FIRST AMENDED AND RESTATED EXECUTIVE
CHANGE IN CONTROL SEVERANCE AGREEMENT

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and Jena Compton ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Executive Severance Agreement effective February 5, 2016 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to her service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the “**Release**”) is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform her duties as established by Simmons; (ii) a material breach by the Executive of her fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to her in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without her written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate her employment more than fifty (50) miles from her place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive's written consent, in the Executive's (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30^{th}) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7^{th}) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) her annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive's employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive's employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a "specified employee" (within the meaning of Section 409A (as defined below)) of Simmons (or any related "service recipient" within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing her rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive’s termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive’s termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for her affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due her estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of her spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor her designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons' independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of her or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to “Simmons” shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce her rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and her heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank ("**Successor Corporation**") to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive's change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on her or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: Jena Compton
3901 Lakeview Road
North Little Rock, Arkansas 72116

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

/s/ *Jena Compton*______________________________

Jena Compton

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: _/s/ *Bob Fehlman*_________________________

Title: SEVP CFO, COO and Treasurer___________

BANK: SIMMONS BANK

By: _/s/ *Bob Fehlman*_________________________

Title: SEVP CFO, COO and Treasurer___________

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), Jena Compton (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive her right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i. The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii. By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii. By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv. By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ___________ ________

Jena Compton

Exhibit 10.6

FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and George Makris III ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Executive Severance Agreement effective July 28, 2020 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to his service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the "**Release**") is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform his duties as established by Simmons; (ii) a material breach by the Executive of his fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to him in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without his written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate his employment more than fifty (50) miles from his place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive's written consent, in the Executive's (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30th) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7th) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) his annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive's employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive's employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a "specified employee" (within the meaning of Section 409A (as defined below)) of Simmons (or any related "service recipient" within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing his rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive's termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive's termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor his designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons' independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of his or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to "Simmons" shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce his rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and his heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank ("**Successor Corporation**") to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive's change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on his or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: George Makris III
2522 N. Pierce Street
Little Rock, Arkansas 72207

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

_/s/ *George Makris III*_______________________

George Makris III

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: /s/ *Bob Fehlman*_________________________

Title: SEVP CFO, COO and Treasurer___________

BANK: SIMMONS BANK

By: /s/ *Jena Compton*________________________

Title:EVP Chief People and Strategy Officer______

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), George Makris III (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive his right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i.The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii.By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii.By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv.By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ___________ ________

George Makris III

Exhibit 10.7

**FIRST AMENDED AND RESTATED EXECUTIVE
CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and David Garner ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Amended Executive Severance Agreement effective April 30, 2014 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to his service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the “**Release**”) is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform his duties as established by Simmons; (ii) a material breach by the Executive of his fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to him in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without his written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate his employment more than fifty (50) miles from his place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive's written consent, in the Executive's (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30th) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7th) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) his annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive's employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive's employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a "specified employee" (within the meaning of Section 409A (as defined below)) of Simmons (or any related "service recipient" within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing his rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive's termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive's termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor his designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons’ independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of his or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to "Simmons" shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce his rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and his heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank (“**Successor Corporation**”) to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive’s change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on his or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: David Garner
916 Parkway Drive
White Hall, Arkansas 71602

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

_/s/ *David Garner*___________________________

David Garner

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: _/s/ *Bob Fehlman*__________________________

Title: SEVP CFO, COO and Treasurer____________

BANK: SIMMONS BANK

By: _/s/ *Jena Compton*_________________________

Title:EVP Chief People and Strategy Officer______

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), David Garner (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive his right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i. The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii. By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii. By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv. By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ____________ ________

David Garner

Exhibit 10.8

FIRST AMENDED AND RESTATED EXECUTIVE
CHANGE IN CONTROL SEVERANCE AGREEMENT

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and Paul Kanneman ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Executive Severance Agreement effective January 2, 2017 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to his service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the "**Release**") is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform his duties as established by Simmons; (ii) a material breach by the Executive of his fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to him in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without his written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate his employment more than fifty (50) miles from his place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive’s written consent, in the Executive’s (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30^{th}) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7^{th}) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) his annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive’s employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive’s employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a “specified employee” (within the meaning of Section 409A (as defined below)) of Simmons (or any related “service recipient” within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing his rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive's termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive's termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor his designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons' independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of his or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to “Simmons” shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce his rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and his heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank ("**Successor Corporation**") to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive's change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on his or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: Paul Kanneman
2201 Grafton Lane
McKinney, Texas 75071

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

/s/ *Paul Kanneman*___________________________

Paul Kanneman

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: _/s/ *Bob Fehlman*________________________
Title: SEVP CFO, COO and Treasurer___________

BANK: SIMMONS BANK

By: /s/ *Jena Compton*________________________
Title: EVP Chief People and Strategy Officer_____

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), Paul Kanneman (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive his right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i. The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii. By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii. By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv. By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ___________ _______________

Paul Kanneman

Exhibit 10.9

FIRST AMENDED AND RESTATED EXECUTIVE
CHANGE IN CONTROL SEVERANCE AGREEMENT

THIS FIRST AMENDED AND RESTATED EXECUTIVE CHANGE IN CONTROL SEVERANCE AGREEMENT ("**Agreement**") is made and entered into as of March 26, 2021 (the "**Effective Date**"), by and among Simmons First National Corporation ("**Company**"), an Arkansas corporation, Simmons Bank ("**Bank**" and together with the Company (as more fully described in Article 12), "**Simmons**"), an Arkansas state bank and John Barber ("**Executive**").

R E C I T A L S:

WHEREAS, Simmons acknowledges that the Executive is to significantly contribute to the growth and success of Simmons, and as a publicly held corporation, a Change in Control of the Company may occur with or without the approval of the Board of Directors of the Company ("**Company Board**"), and the Company Board also recognizes that the possibility of such a Change in Control may contribute to uncertainty on the part of senior management resulting in distraction from their operating responsibilities or in the departure of senior management;

WHEREAS, the Company Board believes that outstanding management is critical to advancing the best interests of the Bank, the Company and its shareholders and that it is essential that the management of Simmons' business be continued with a minimum of disruption during any proposed bid to acquire Simmons or to engage in a business combination with Simmons, and Simmons believes that the objective of securing and retaining outstanding management will be achieved if certain of Simmons' senior management employees are given assurances of employment security so they will not be distracted by personal uncertainties and risks created by such circumstances;

WHEREAS, the Company and the Executive previously entered into an Executive Severance Agreement effective July 24, 2020 ("**Prior Agreement**"), which is hereby superseded in its entirety by this Agreement; and

WHEREAS, concurrently with executing this Agreement, the Company and the Executive have executed and delivered an indemnification agreement providing the Executive with indemnification with respect to his service to Simmons as a member of senior management.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and the compensation Simmons agrees herein to pay the Executive, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Simmons and the Executive agree as follows:

ARTICLE 1
TERM OF AGREEMENT

1.1 Term. This Agreement shall be effective for thirtysix (36) months from the Effective Date and will automatically be extended for twelve (12) months as of each anniversary date of the Effective Date ("**Agreement Term**") unless the Agreement is terminated by Simmons upon written notification to the Executive, within thirty (30) days before an anniversary date of the Effective Date, that the Agreement will terminate as of last day of the Agreement Term as in effect immediately prior to such anniversary date.

Unless Simmons has effectively terminated this Agreement as prescribed above in this Section 1.1, in the event of a Change in Control, the Agreement Term shall be amended to twenty-four (24) months commencing upon the Control Change Date (as defined in Section 1.3) and shall then expire at the end of such twenty-four (24) month period.

1.2 Change in Control. Change in Control shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, each as defined in Treasury Regulation Section 1.409A-3(i)(5) or any subsequently applicable Treasury Regulation.

1.3 Control Change Date. Control Change Date means the date on which an event described in Section 1.2 occurs. If a Change in Control occurs on account of a series of transactions, the Control Change Date is the date of the last of such transactions.

ARTICLE 2
TERMINATION OF EMPLOYMENT

2.1 General. The Executive shall be entitled to receive Termination Compensation, as defined in Section 2.5, according to this Article if:

(a) the Executive's employment is involuntarily terminated as specified in Section 2.2, or

(b) the Executive voluntarily terminates employment as specified in Section 2.3;

provided, however, that no Termination Compensation shall be payable to the Executive, and the Executive shall forfeit all rights, under Section 2.5 of this Agreement unless a Release in substantially the form attached as **Exhibit A** (the "**Release**") is signed and becomes irrevocable within the time period specified by the Release for review and revocation. To the extent any Termination Compensation under Section 2.5 has been paid and the Release requirement of this Section 2.1 is not met, then any such Termination Compensation previously paid shall be forfeited and the Executive shall repay such forfeited Termination Compensation to Simmons within thirty (30) days following demand by Simmons.

2.2 Termination by Simmons.

(a) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause on or after a Control Change Date.

(b) The Executive shall be entitled to receive Termination Compensation (as described in Section 2.5) if during an Agreement Term, all employment of the Executive is terminated by Simmons without Cause within the 180 days immediately preceding a Control Change Date.

(c) Cause means, for purposes of this Agreement, (i) willful and continued failure by the Executive to perform his duties as established by Simmons; (ii) a material breach by the Executive of his fiduciary duties of loyalty or care to Simmons; (iii) conviction of a felony; or (iv) willful, flagrant, deliberate and repeated infractions of material published policies and procedures of Simmons of which the Executive has actual knowledge ("**Cause Exception**"). If Simmons desires to discharge the Executive under the Cause Exception, it shall give notice to the Executive as provided in Section 2.7 and the Executive shall have thirty (30) days after notice has been given to him in which to cure the reason for Simmons' exercise of the Cause Exception. If the reason for Simmons' exercise of the Cause Exception is timely cured by the Executive (as determined by a committee appointed by the Board of Directors of Simmons), Simmons' notice shall become null and void.

2.3 Voluntary Termination. The Executive shall be entitled to receive Termination Compensation (as defined in Section 2.5) if a Change in Control occurs during an Agreement Term, and the Executive voluntarily terminates employment after a Control Change Date during an Agreement Term and within six (6) months following the occurrence of a Trigger Event.

2.4 Trigger Event. A Trigger Event means, for purposes of this Agreement, the occurrence of any one of the following events:

(a) the failure by the Company or the Bank to reelect or appoint the Executive to a position with duties, functions and responsibilities substantially equivalent to the position held by the Executive on the Control Change Date;

(b) a material modification by the Company or the Bank of the title, duties, functions or responsibilities of the Executive without his written consent;

(c) the failure of the Company or the Bank to permit the Executive to exercise such responsibilities as are consistent with the Executive's position and of such a nature as are usually associated with such office of a corporation engaged in substantially the same business as Simmons;

(d) the Company or the Bank requires the Executive to relocate his employment more than fifty (50) miles from his place of employment, without the written consent of the Executive, excluding reasonably required business travel or temporary assignments for a reasonable period of time;

(e) any decrease, without the Executive's written consent, in the Executive's (i) annual base salary, (ii) target or maximum annual cash incentive award opportunity or (iii) target annual equity incentive award opportunity;

(f) the Company or the Bank shall fail to make a payment when due to the Executive; or

(g) a breach by Simmons of the obligations set forth in Article 15 of this Agreement.

2.5 Termination Compensation. Termination Compensation equal to two (2) times the Executive's Base Period Income shall be paid to the Executive in a single sum payment in cash on the thirtieth (30^{th}) business day after the later of (a) the Control Change Date and (b) the date of the Executive's employment termination; provided that if at the time of the Executive's termination of employment the Executive is a Specified Employee, then payment of the Termination Compensation to the Executive shall be made on the first day of the seventh (7^{th}) month following the Executive's employment termination.

2.6 Base Period Income. The Executive's Base Period Income equals the sum of (a) his annual base salary as of the Executive's termination date, and (b) the greater of: (i) the average of any annual cash incentive award paid or payable to the Executive for the Company's last two completed fiscal years prior to the Executive's employment termination or (ii) the Executive's target annual cash incentive award opportunity for the year in which the Executive's employment termination occurs.

2.7 Notice of Termination. Any termination by Simmons under the Cause Exception or by the Executive after a Trigger Event shall be communicated by Notice of Termination to the other party hereto. A "**Notice of Termination**" shall be a written notice which (a) indicates the specific termination provision in this Agreement relied upon, (b) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (c) if the termination date is other than the date of receipt of such notice, specifies the effective date of termination.

2.8 Specified Employee. Specified Employee is a "specified employee" (within the meaning of Section 409A (as defined below)) of Simmons (or any related "service recipient" within the meaning of Section 409A).

ARTICLE 3
ATTORNEYS' FEES

In the event that the Executive incurs any attorneys' fees in protecting or enforcing his rights under this Agreement and the Executive prevails on at least one material point in such dispute or claim, Simmons shall reimburse the Executive for such reasonable attorneys' fees and for any other reasonable expenses related thereto. Such reimbursement shall be made within thirty (30) days following the Executive's written request (which must include a detailed description of such fees and expenses) which must be submitted within thirty (30) days following final resolution of the dispute or claim giving rise to such fees and expenses.

ARTICLE 4
LIFE INSURANCE POLICIES

In connection with the Executive's termination of employment, the life insurance and accidental death and dismemberment coverage provided by Simmons for the Executive and his or her eligible dependents will terminate as of the date specified in the applicable policy or contract unless the Executive elects to convert such coverage to an individual policy in accordance with the terms of such policy or contract; provided, however, that the Executive will be responsible for payment of any premiums on any such continued coverage elected. Upon the Executive's termination of employment, Simmons shall not be obligated to continue the Executive's participation in the Simmons First Endorsement Split-Dollar Life Insurance Program or provide any alternative benefits to such program after termination of the Executive's employment, except as specifically provided pursuant to the terms of the program documents governing such program.

ARTICLE 5
MITIGATION OF PAYMENT

Simmons and the Executive agree that, following the termination of employment by the Executive with Simmons, the Executive has no obligation to take any steps whatsoever to secure other employment and such failure by the Executive to search for or to find other employment upon termination from Simmons shall in no way impact the Executive's right to receive payment under any of the provisions of this Agreement.

ARTICLE 6
DECISIONS BY SIMMONS; FACILITY OF PAYMENT

Any powers granted to the Board of Directors of Simmons hereunder may be exercised by a committee, appointed by the Board of Directors of Simmons, and such committee, if appointed, shall have general responsibility for the administration and interpretation of this Agreement. If the Board of Directors of Simmons or the committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or has died, then the Board of Directors of Simmons or the committee, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefore has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by the Board of Directors of Simmons or committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board of Directors of Simmons or committee may deem proper. Any such payment shall be in complete discharge of the liability of Simmons therefor.

ARTICLE 7
SOURCE OF PAYMENTS; NO TRUST

The obligations of Simmons to make payments hereunder shall constitute an unsecured liability of Simmons to the Executive. Such payments shall be made from the general funds of Simmons, and Simmons shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and neither the Executive nor his designated beneficiary shall have any interest in any particular asset of Simmons by reason of its obligations hereunder. Nothing contained in this Agreement shall create or be construed as creating a trust of any kind or any other fiduciary relationship between Simmons and the Executive or any other person. To the extent that any person acquires a right to receive payments from Simmons hereunder, such right shall be no greater than the right of an unsecured creditor of Simmons.

ARTICLE 8
REDUCTION IN BENEFITS, EXCISE TAX

In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Article 8, would be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits will be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code.

If a reduction in severance and other payments and benefits constituting "parachute payments" is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (I) reduction of cash payments; (II) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Code Section 280G), (III) cancellation of accelerated vesting of equity awards, and (IV) reduction of employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards.

Any determination required under this Article 8 will be made in writing by Simmons' independent tax accountants engaged by Simmons for general tax purposes immediately prior to the Change in Control ("**Accountants**"), whose good faith determination will be conclusive and binding upon the Executive and Simmons for all purposes. If the tax accounting firm so engaged by Simmons is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, or if such firm otherwise cannot perform the calculations, Simmons shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. For purposes of making the calculations, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. Simmons and the Executive will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. Simmons will bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Article 8.

ARTICLE 9
SEVERABILITY

All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

ARTICLE 10
ASSIGNMENT PROHIBITED

This Agreement is personal to each of the parties hereto, and no party may assign or delegate any of his or its rights or obligations hereunder except as specified in Article 15. Any attempt to assign any rights or delegate any obligations under this Agreement shall be void.

ARTICLE 11
NO ATTACHMENT

Except as otherwise provided in this Agreement or required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

ARTICLE 12
HEADINGS AND INTERPRETATION

The headings of articles, paragraphs and sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement. References herein to "Simmons" shall refer to both the Company and the Bank or the Company or the Bank, as the context requires, and the Company and the Bank shall have the option to perform the obligations provided herein, in their sole discretion, through either entity; provided, however, that for purposes of such obligations and the rights of Simmons under this Agreement, the Company and Bank shall be treated as one and the same; provided, further, that this statement shall not be deemed ineffective or construed to have any effect other than the effect expressly stated herein by reference in this Agreement to both the Company and the Bank, such references included solely to emphasize in certain places the intent of this statement and the Agreement as a whole. The Executive may enforce his rights against either the Company, the Bank, or both the Company and the Bank.

ARTICLE 13
GOVERNING LAW

The parties intend that this Agreement and the performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with and under and pursuant to the laws of the State of Arkansas, and that in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Arkansas, shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

ARTICLE 14
BINDING EFFECT

This Agreement shall be binding upon, and inure to the benefit of, the Executive and his heirs, executors, administrators and legal representatives and Simmons and its permitted successors and assigns.

ARTICLE 15
MERGER OR CONSOLIDATION

Simmons shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or the Bank ("**Successor Corporation**") to assume expressly and agree to perform this Agreement in the same manner and to the same extent that Simmons would be required to perform it if no such succession had taken place. Upon such assumption, the Executive and the Successor Corporation shall become obligated to perform the terms and conditions of this Agreement.

ARTICLE 16
ENTIRE AGREEMENT

This Agreement expresses the whole and entire agreement between the parties with reference to the Executive's change in control-related severance and, as of the Effective Date, supersedes and replaces any prior employment agreement, understanding or arrangement (whether written or oral) between Simmons and the Executive on this subject, including the Prior Agreement; provided, however, that, for the avoidance of doubt, nothing herein shall affect the rights of the Executive and the Company under (a) the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive, (b) any Associate Agreement and (c) the terms and conditions associated with any grant of restricted stock units or other equity award. Each of the parties hereto has relied on his or its own judgment in entering into this Agreement.

ARTICLE 17
NOTICES

All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by notice to the other party:

(a) If to the Executive: John Barber
17248 Clear Water Drive
Hensley, Arkansas 72065

(b) If to the Company or the Bank:

Simmons First National Corporation / Simmons Bank
Attention: Chairman
P. O. Box 7009
Pine Bluff, Arkansas 71611

Each such notice, request or other communication shall be effective (i) if given by mail, 72 hours after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means, when delivered at the address specified in this Article 17.

ARTICLE 18
MODIFICATION OF AGREEMENT

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver of modification shall be offered or received in evidence at any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this Article 18 may not be waived except as herein set forth.

ARTICLE 19
TAXES

To the extent required by applicable law, Simmons shall deduct and withhold all necessary Social Security taxes and all necessary federal and state withholding taxes and any other similar sums required by laws to be withheld from any payments made pursuant to the terms of this Agreement. This term shall be construed in conjunction with Article 8 and shall not supersede or modify it in any way.

ARTICLE 20
409A COMPLIANCE

(a) The intent of the parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(b) Neither the Executive, the Company, nor the Bank shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits in any matter which would not be in compliance with Section 409A.

(c) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the form or timing of payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Section 409A) and, for purposes of any such provision of this Agreement under which (and to the extent) deferred compensation subject to Section 409A is paid, references to a "termination" or "termination of employment" or like references shall mean separation from service. A "separation from service" shall not occur under

Section 409A unless such Executive has completely severed the Executive's relationship with the Company and Bank or the Executive has permanently decreased Executive's services to twenty percent (20%) or less of the average level of bona fide services over the immediately preceding thirty-six (36) month period (or the full period if the Executive has been providing services for less than thirty-six (36) months). A leave of absence shall only trigger a termination of employment that constitutes a separation from service at the time required under Section 409A.

(d) Notwithstanding any other provision of this Agreement, the Executive shall be solely liable, and neither the Company nor the Bank shall be liable in any way to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Section 409A otherwise fails to comply with, or be exempt from, the requirements of Section 409A.

ARTICLE 21
RECITALS

The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

ARTICLE 22
COUNTERPARTS

This Agreement shall become legally binding when the last party hereto executes and delivers this Agreement. This Agreement may be executed and delivered in multiple counterparts (including by Docusign/Echosign or a similarly accredited secure signature service or other electronic transmission or signature), each of which when so executed and delivered shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Counterparts may be delivered by facsimile, e-mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[Remainder of page intentionally blank. Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

EXECUTIVE:

/s/ *John Barber*_____________________________

John Barber

COMPANY: SIMMONS FIRST NATIONAL CORPORATION

By: /s/ *Bob Fehlman* _______________________

Title: SEVP CFO, COO and Treasurer_________

BANK: SIMMONS BANK

By: /s/ *Jena Compton*_______________________

Title: EVP Chief People and Strategy Officer_____

Exhibit A

RELEASE

In consideration of the benefits promised in the First Amended and Restated Executive Change in Control Severance Agreement to which this Release is attached as **Exhibit A** (and further defined below), John Barber (the "**Executive**"), hereby irrevocably and unconditionally releases, acquits, and forever discharges Simmons First National Corporation (the "**Company**") and Simmons Bank (the "**Bank**"), and each of their agents, directors, members, shareholders, affiliated entities, officers, employees, former employees, attorneys, and all persons acting by, through, under or in concert with any of them (collectively "**Releasees**") from any and all charges, complaints, claims, liabilities, grievances, obligations, promises, agreements, controversies, damages, policies, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected, including, but not limited to, any rights arising out of alleged violations or breaches of any contracts, express or implied, or any tort, or any legal restrictions on Releasees' right to terminate employees, or any federal, state or other governmental statute, regulation, law or ordinance, including without limitation, (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, (2) the Americans with Disabilities Act, (3) 42 U.S.C. § 1981, (4) the federal Age Discrimination in Employment Act (age discrimination), (5) the Older Workers Benefit Protection Act, (6) the Equal Pay Act, (7) the Family and Medical Leave Act, (8) the Employee Retirement Income Security Act, and (9) the Arkansas Civil Rights Act ("**Claim**" or "**Claims**"), which the Executive now has, owns or holds, or claims to have, own or hold, or which the Executive at any time heretofore had owned or held, or claimed to have owned or held, against each or any of the Releasees at any time up to and including the date of the execution of this Release.

Nothing in this Release shall restrict or prohibit the Executive or the Executive's counsel from filing a charge or complaint with, initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before a self-regulatory authority or a governmental, law enforcement or other regulatory authority, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Congress, and any Office of Inspector General (collectively, the "**Regulators**"), from participating in any reporting of, investigation into, or proceeding regarding suspected violations of law, or from making other disclosures that are protected under or from receiving an award for information provided under the whistleblower award programs administered by a state or federal agency. The Executive does not need the prior authorization of the Company or the Bank to engage in such communications with the Regulators, respond to such inquiries from the Regulators, provide confidential information or documents containing confidential information to the Regulators, or make any such reports or disclosures to the Regulators. The Executive is not required to notify the Company or the Bank that the Executive has engaged in such communications with the Regulators. The Executive recognizes and agrees that, in connection with any such activity outlined above, the Executive must inform the Regulators that the information the Executive is providing is confidential. To the

extent, that any such charge or complaint is made against the Releasees, the Executive expressly waives any claim or right to any form of monetary relief or other damages, or any form of individual recovery or relief in connection with any such charge or complaint, except that the Executive does not waive his right with respect to any government-issued award for information provided under the whistleblower award programs administered by a state or federal agency.

In addition, pursuant to the Defend Trade Secrets Act of 2016, the Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

The Executive hereby acknowledges and agrees that the execution of this Release and the cessation of the Executive's employment and all actions taken in connection therewith are in compliance with the federal Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth above shall be applicable, without limitation, to any claims brought under these Acts. The Executive further acknowledges and agrees that:

i.The Release given by the Executive is given solely in exchange for the benefits set forth in the First Amended and Restated Executive Change in Control Severance Agreement dated as of March 26, 2021 between the Company, the Bank and the Executive to which this Release was initially attached and such consideration is in addition to anything of value which the Executive was entitled to receive prior to entering into this Release;

ii.By entering into this Release, the Executive does not waive any rights the Executive may have to indemnification, including without limitation indemnification for attorneys' fees, costs and/or expenses, pursuant to applicable statute, the articles of incorporation and by-laws of the Company or the Bank or pursuant to the Indemnification Agreement dated as of March 26, 2021 between the Company and the Executive;

iii.By entering into this Release, the Executive does not waive rights or claims that may arise after the date this Release is executed;

iv.By entering into this Release, and subject to the limitations above, the Executive agrees not to knowingly make any statement or engage in any conduct which may reasonably be expected to have the effort of disparaging the Company or the Bank to any: (i) media; (ii) potential, current or former employees; or (iii) third parties. The Executive acknowledges that the Company and the Bank will be irreparably harmed by a breach of this provision and that there may be no adequate remedy at law;

v. The Executive has been advised to consult an attorney prior to entering into this Release, and this provision of the Release satisfies the requirements of the Older Workers Benefit Protection Act that the Executive be so advised in writing;

vi. The Executive has been offered twenty-one (21) days [or 45 days if applicable] from receipt of this Release within which to consider whether to sign this Release; and

vii. For a period of seven (7) days following the Executive's execution of this Release, the Executive may revoke this Release by delivering the revocation to the Chief People Officer of the Company, and it shall not become effective or enforceable until such seven (7) day period has expired.

This Release shall be binding upon the heirs and personal representatives of the Executive and shall inure to the benefit of the successors and assigns of the Company and the Bank.

Date ___________ ________

John Barber

Exhibit 15.1

Awareness of Independent Registered Public Accounting Firm

We acknowledge the incorporation by reference on Form S-3ASR (Registration No. 333-223764) and the Registration Statements on Form S-8 (Registration Nos. 333-134240, 333-134241, 333-134276, 333-134301, 333-134356, 333-138629, 333-186253, 333-186254, 333-197708, 333-206160, 333-234166 and 333-239309) of Simmons First National Corporation (the Company) of our report dated May 6, 2021, included with the Quarterly Report on Form 10-Q for the quarter ended March 31, 2021. Pursuant to Rule 436(c) under the Securities Act of 1933 (the Act), this report should not be considered part of the registration statement prepared or certified by us within the meaning of Sections 7 and 11 of the Act

BKD, LLP

/s/ BKD, LLP

Little Rock, Arkansas
May 6, 2021

Exhibit 31.1

CERTIFICATION

I, George A. Makris, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Simmons First National Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

/s/ George A. Makris, Jr.

George A. Makris, Jr.
Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, James M. Brogdon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Simmons First National Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

/s/ James M. Brogdon

James M. Brogdon
Executive Vice President, Chief Financial Officer,
and Treasurer

Exhibit 31.3

CERTIFICATION

I, David W. Garner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Simmons First National Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

/s/ David W. Garner

David W. Garner
Executive Vice President, Executive Director of Finance
and Accounting and Chief Accounting Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Simmons First National Corporation (the "Company"), on Form 10-Q for the period ending March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, George A. Makris, Jr., Chairman and Chief Executive Officer of the Company, hereby certifies that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2021

/s/ George A. Makris, Jr.
George A. Makris, Jr.
Chairman and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Simmons First National Corporation (the “Company”), on Form 10-Q for the period ending March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, James M. Brogdon, Executive Vice President, Chief Financial Officer, and Treasurer of the Company, hereby certifies that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2021

/s/ James M. Brogdon

James M. Brogdon
Executive Vice President, Chief Financial Officer
and Treasurer

Exhibit 32.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Simmons First National Corporation (the “Company”), on Form 10-Q for the period ending March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, David W. Garner, Executive Vice President, Executive Director of Finance and Accounting and Chief Accounting Officer of the Company, hereby certifies that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2021

/s/ David W. Garner

David W. Garner
Executive Vice President, Executive Director of Finance
and Accounting and Chief Accounting Officer