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PRESENTATION

Operator

Good day, and thank you for standing by. Welcome to the Simmons First National Corporation First Quarter Earnings Call and Webcast. (Operator Instructions) Please be advised that today's conference is being recorded. (Operator Instructions) I would now like to hand the conference over to your speaker today, Steve Massanelli. Please go ahead.

Stephen Christopher Massanelli - *Simmons First National Corporation - Executive VP, Chief Administrative Officer & IR Officer*

Good morning, and thank you for joining our first quarter earnings call. My name is Steve Massanelli, and I serve as Chief Administrative Officer of Simmons First National Corporation.

Joining me today are George Makris, Chairman and Chief Executive Officer; Bob Fehlman, Chief Financial Officer, and Chief Operating Officer; and David Garner, Executive Director of Finance and Accounting, and Chief Accounting Officer; and Matt Reddin, Chief Banking Officer.

The purpose of this call is to discuss the information and data provided by the company in its quarterly earnings release issued this morning and to discuss the company's outlook for the future. We'll begin with prepared comments followed by a Q&A session. We have invited institutional investors and analysts from the equity firms that provide research on the company to participate in the Q&A session. All other guests in this conference call are in listen-only mode. A recording of today's call, including our prepared remarks and the Q&A session will be posted on our website, simmonsbank.com, under the Investor Relations page for at least 60 days.

During today's call, we'll make forward-looking statements about our future plans, goals, expectations, estimates, projections and outlook. I remind you that actual results could differ materially from those projected in or implied by the forward-looking statements due to a variety of factors.

Additional information concerning some of those factors is contained in the company's SEC filings, including, without limitation, a description of certain risk factors contained in the company's Form 10-K for the year ended December 31, 2020, and the forward-looking information section of the company's earnings press release issued this morning. The company assumes no obligation to update or revise any forward-looking statements or other information.

Lastly, in this presentation, we will discuss certain non-GAAP financial metrics we believe provide useful information to investors. Please note that additional disclosures regarding non-GAAP metrics, including the reconciliations of these non-GAAP metrics to GAAP are contained in the company's earnings press release and first quarter investor presentation, which were included as exhibits to the company's current report filed this morning with the SEC on Form 8-K and available on the Investor Relations page of the company's website, simmonsbank.com.

I'll now turn the call over to George Makris.

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Thanks, Steve, and welcome once again to our first quarter 2021 earnings call. In our press release, we reported net income of $67 million for the first quarter of 2021. Diluted earnings per share were $0.62 for the quarter. Included in the first quarter earnings was net income of $3.4 million related to a gain on the sale of our branches in Illinois and merger related and net branch rightsizing expenses.

Excluding the impact of these items, the company's core earnings were $64 million for the first quarter, and diluted earnings per share were $0.59 per share. Our return on average assets was 1.2%. Our return on average common equity was 9.2%. Our return on tangible common equity was 15.9% and our efficiency ratio was 57.8% for the first quarter.

As of March 31, total assets were $23 billion. Our loan balance was $12 billion, and our deposit balance was $18 billion. Included in total loans at March 31 were $798 million in PPP loans. During the quarter, approximately $335 million in PPP loans were forgiven while we originated $228 million under round 2 of the program.

At the end of the first quarter, nonperforming assets were $128 million, a decrease of $16 million from year-end. Our annualized net charge-offs to total loans were 10 basis points. Our net interest margin for the quarter was 2.99%. The company's core net interest margin, which excludes the accretion, was 2.86% for the first quarter of 2021. Our noninterest income for the quarter was $52 million and included $5.3 million in gains on sale of our branches in Illinois and $5.5 million gain on the sale of securities.

Noninterest expense for the first quarter of 2021 was $115 million, which represented a decrease of $13 million when compared to the first quarter of 2020. Core noninterest expense for the quarter was $114 million. Our capital remains very strong at quarter end.

Our total risk-based capital ratio was 17.5%. Our common equity Tier 1 ratio increased 14%, while our Tier 1 leverage ratio was 9%. At March 31, the ratio of stockholders' equity was 13% and the ratio of tangible common equity was 8%. On our website at www.simmonsbank.com, we have shared an extensive presentation along with the press release and financial data, which gives much more detail regarding our quarterly results and other important information about our company. We are encouraged by the current activity in the economy. We saw consumer spending go up, but credit card balances fell. Our mortgage activity continues to be strong, but we've seen a decrease in the refinance activity in this quarter.

The excess liquidity generated by the stimulus programs and development activities taking a pause, have contributed to a continuing decline in loan demand. However, we're starting to see light at the end of the tunnel. Our loan pipeline at the end of the quarter was $1.2 billion, up from approximately $700 million at the end of December including $300 million in approved, ready to close loans. That pipeline growth is reflected across our footprint in both rural and metro markets, indicating a back to business trend. We expect the short-term benefits of the stimulus payments will continue into the second quarter before we return to a more normalized growth trajectory later this year.

This concludes our prepared comments. I'll now turn the line over to our operator and invite questions from our analysts and institutional investors.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from the line of Stephen Scouten with Piper Sandler.

Stephen Kendall Scouten - *Piper Sandler & Co., Research Division - MD & Senior Research Analyst*

I'm just kind of curious, I guess, if you could talk a little bit more about the ideology around the securities investments and kind of how you're thinking about that in an environment where rates have begun to increase and move higher here lately?

Robert A. Fehlman - *Simmons First National Corporation - Senior EVP, COO, CFO & Treasurer*

Yes, Stephen, this is Bob. I'll start off. And as we said at the end of the Q4 in our release end, we plan to invest about $1 billion or so and get close to the $5 billion, and we did this quarter. And as we did, you can still see our liquidity is still -- we've got cash of $3.9 billion. Right now, we're probably, what we would call, fully invested in the security portfolio.

We'll continue to look for opportunities when events come up for sales. Like this quarter, just an example, we had $38 million in sales, and it resulted in a $4.8 million gain. It's hard not to pass on a 4 years' worth of interest at 1 time. So we took advantage of that. But we'll continue to manage at this level. The 10-year has been hovering at that 155 to 165. We'll continue to look at it as we go forward. We will probably -- you may see securities go up in the next quarter. But that really is more a defensive mechanism that we put some short-term very liquid securities in. That probably is about a 15-basis point pickup on the cash overnight money. And really, it would be to park it into the security portfolio. So if you do see it going up, it should improve the duration on the portfolio, and it would really be holding the money there in the interim periods.

Stephen Kendall Scouten - *Piper Sandler & Co., Research Division - MD & Senior Research Analyst*

Got it. Okay. Helpful. And then maybe if I could ask a question around loan growth. I know you guys noted the $1.2 billion pipeline build, which looks very similar to what it was coming out of 1Q '20, but obviously, then we had a very different environment. So I'm just kind of wondering, in the near-term, how you think that could translate into kind of bottom line net growth ex PPP. And then the seasonality around the credit card portfolio, that seemed maybe larger than it was in the past. And I was wondering if there was anything unusual there.

Matthew Steven Reddin - *Simmons First National Corporation - Executive VP & Chief Banking Officer*

Steve, this is Matt. I'll tackle that one first. A couple of things that -- let me talk first about the headwinds, and then I'll talk about the pipeline. You made a really good comment on the credit card. That's seasonal in nature normally, but with the stimulus money that has come in that is more than we ever could have expected, it's down even further at $175 million but as we talked about in Q4, we also have seasonality in our agri portfolio, that's another $40 million, and then you have our mortgage warehouse, which had a tremendous year last year, still doing well, but that's another significant pay down. And then we also knew we talked about our planned exit of energy. We're also seeing -- we also talked about the headwinds in our portfolio of mortgages. Those are the loans that we have originated on book, great customers, but they have -- we have exited them in the secondary market with mortgage refinance.

So we knew that kind of coming into Q1 would be a challenge, but then you throw in the amount of stimulus that our regular borrowers are paying down debt. So that's not compounding, but it's another headwind we face, but now kind of move to the pipeline, which is encouraging. When you look at our investor deck, I'd really point you to Page 7, and that really shows you how we rebounded quarter-over-quarter since the trough. And you're right, we're at $1.2 billion, and I can say that's continuing to increase. And we're seeing continued opportunity. For us, it's all about the opportunity funnel.

Stephen, we've got to get that one bigger and bigger because right now, that's a $487, but pre-COVID in Q4 '19, that was $1 billion. And we're getting that bigger. We're getting that opportunity funnel, getting more and more opportunities coming into us. But hopefully, that gives you some color on -- we knew the planned headwinds that were in front of us, but we also have this growing pipeline, and they are starting to hit the book. But we need that -- those hem to book to outpace those -- the seasonality in those planned payoffs.

Stephen Kendall Scouten - *Piper Sandler & Co., Research Division - MD & Senior Research Analyst*

Yes. That's super helpful. And I guess, you guys did note kind of mid- single-digit growth in the back half of '21. So is it fair to say we could see another little bit of decline based on your expectations in the second quarter here? Or do you think this might have been the last quarter of outright declines on the loan book?

Matthew Steven Reddin - *Simmons First National Corporation - Executive VP & Chief Banking Officer*

That's a really good question. I would tell you, until stimulus 2 came, yes, Q1 would have been the low watermark. But now with this new amount of stimulus that's in the market, and I'll give you an example. I had a conversation with one of our great clients last week that has about a $5 million just owner-occupied real estate. Great business, and he explained to me on our lunch that through all the cash that he has to stimulus, it's paid off now. He went ahead and just paid that off. So that -- those are the unknowns that we did not anticipate coming into Q -- or into 2021. So I believe we could hit the low watermark, but it could trail a little bit further. But like we've said, we feel really good about the back half of the year reporting to normal growth rates.

Operator

And our next question comes from the line of David Feaster with Raymond James.

David Pipkin Feaster - *Raymond James & Associates, Inc., Research Division - Research Analyst*

I just want to kind of follow-up on the growth line. Glad to see the improvement in the pipeline. Could you just maybe give us a sense of where you're seeing increased demand maybe by both segment and region?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Sure. Yes, Dave. Glad to do that. I'll first start with this kind of geographically. Right now, we're seeing nice opportunities in Texas, honestly, Little Rock, Memphis, Nashville, Northwest Arkansas, Kansas, see, they're all bringing nice opportunities to us. I think it's also important to know if you look at all of our community markets, just where the low trough was to now, they're up $300 million in their pipeline. So each one of those community markets for us are also building back for new business opportunities.

Around the segments, it continues to be owner-occupied real estate. Equipment has been a nice space for us back half of '20 and then going into 2021. Industrial warehouse continues to do well, single-family construction. We're seeing some nice opportunities and very conservative leverage finance opportunities meaning businesses buying business, some private equity that's out there with this amount of liquidity. So we're able to do some transactions there. We're also, right now, David, retooling some of our consumer products, our portfolio mortgage pricing. Those are areas that now that we have so much more solid footing on the economy, we're getting a little more competitive in those core products as well.

David Pipkin Feaster - *Raymond James & Associates, Inc., Research Division - Research Analyst*

Okay. That's helpful. And then just, I guess, again, it's great to see the growth there. I guess, how much of the growth would you estimate from improvement of the economy and improving demand for credit versus maybe a higher appetite for credit on your front, just given the improved economic outlook and maybe an acceleration of your sales efforts and hiring efforts?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Okay. Yes, good question. I think it's a little bit of a combination of both. But really, it's -- our bankers being back into the market and our borrowers seeing now visibility on opportunities that they can see how they play out more than anything else.

David Pipkin Feaster - *Raymond James & Associates, Inc., Research Division - Research Analyst*

Okay. And then on asset quality, I mean, it's -- asset quality has continued to improve, had a lower provision this quarter, but the reserve ratio actually increased. Just in light of the improved economic outlook and the improved credit quality, how do you think about the opportunity to release reserves at some point? Would you prefer to maybe grow into your reserve base or maybe outright release reserves? Just how are you thinking about that? And maybe where do you see a more normalized reserve ratio on the other side?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

David, this is George. I'll start that conversation. During this quarter, we're going to do a deep dive into 2 areas of our portfolio. It'd be office and retail, like we've done with hotel previously. We are very comfortable today with our credit coverage.

And we would certainly prefer to grow into that allowance base. I'm not sure that's actually going to happen in the second quarter. But until we do a deep dive into those areas that we believe will see some lag in deterioration and that is office and retail. We're not comfortable releasing any of the provision today. Now at the end of the second quarter, we may see things differently after we do this deep dive. But we need to go in and check renewals, renewal rates, demand for office space in some of our key markets. We need to make sure that our strip centers are renewing at normal rates, all of that kind of deep dive will be done this quarter.

So we'll have a better idea of those portfolio segments then. I will say this that we think we did a great job in our hotel portfolio, identifying risk. You can see that there is a substantial allowance against that market segment. Those hotels are starting to perform much better. So it could be that we see an improved outlook in that segment as well. So stay tuned, second quarter is going to be a really key quarter for us as we evaluate what we believe is in each one of those segments.

Operator

And our next question comes from the line of Brady Gailey with KBW.

Brady Matthew Gailey - *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

I wanted to start with the net interest margin. It might be easier to look at it in NII dollars instead of margin. But do you think that this quarter, do you think that the first quarter of '21 is kind of the bottom from an NII or NIM perspective, and we should see growth in both of those going forward?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Brady, I'm going to start that, and then Bob can talk about the overall outlook, but there is a measurement that we use internally, that's really a core measurement compares our loan deal to our deposit costs. We call it our raw net interest yield. That's really what we take a look at to see how we're performing in the market from a pricing and profitability standpoint. That number turns out to be around 4%, and it has been consistent for well over a year. So even with the decline in our loan portfolio, we've been able to manage the yield on our loan portfolio and our deposit costs proportionately during that period of time. So we're very pleased with that.

Our net interest margin's getting killed because of the liquidity. I mean it's just as everybody else is. And you saw our continued deposit growth in the first quarter probably outpacing most other banks. We're not turning away any deposits. We're pricing them appropriately. So to the extent that liquidity keeps coming in the bank, our margin is going to be, or our net interest income is going to be challenged. But from a loan and deposit standpoint, we feel very good about how we're managing that in the marketplace. Bob, you may want to talk more.

Robert A. Fehlman - *Simmons First National Corporation - Senior EVP, COO, CFO & Treasurer*

Yes, George hit it. But Brady, if you look at the quarter, I think we thought at the end of the year, we were at the low end of our -- at the margin when you look at it. But for the quarter when loans are down, what they were down, PPP paid down, seasonality and ag, which we would expect in credit card, as Matt said. On the other side, our deposits grew $1.2 billion, and we put about $1.3 billion in the security portfolio. So we expected to see slight -- flat to slight improvement.

However, again, you can't grow your earning assets and put it in cash and improve the margin, and that's what happened. So as George said, it all comes back to liquidity, and we're still estimating it's about 35 basis points on the -- related to the liquidity, some on the PPP. So it's still -- we're still in that low 230 range when you look at our NIM, I'm sorry, 330, George corrects me again, 330 on the NIM. So on a more normalized basis. And again, our cash, while we thought cash would go down in the quarter because deposits went up, were in at $3.9 billion in cash at the end of the quarter.

Brady Matthew Gailey - *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

Okay. And then I also just wanted to ask, the stock has done well here recently. So now you're trading at about 1.9x tangible book value, which I guess, makes buybacks a little less compelling. But on the flip side, you have a currency that is stronger than it's been for a while. So that helps out on your M&A efforts. How do you think about relative to the stock price, how buybacks and M&A fits into Simmons this year?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Well, we still have an active buyback program. And quite honestly, dips in the market like we're experiencing today when the whole industry goes down a little bit, creates good buying opportunities. So we'll consider that. Again, from an M&A perspective, I would say our dance card is filling up. We're very active in discussions today. Many of those were ongoing before COVID hit. So we just picked them back up. So we think that that is a great opportunity for us, especially with the value of our currency, today. So I would tell you, both of those are certainly viable uses of our capital.

Brady Matthew Gailey - *Keefe, Bruyette, & Woods, Inc., Research Division - MD*

Yes. And George, remind us, we've seen several transactions in the space with notable kind of transformational deals, kind of like Bancorp South and cadence that we saw, I think, last week. How would you guys consider doing a merger that's almost like MOE, where you're partnering with a very large institution and putting the 2 companies together?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Well, we -- those are always tough, and they don't happen overnight. The social issues, Brady, associated with something like that are tremendous. And I'll be honest with you. We've been a real beneficiary of some of those MOEs in our ability to hire some really good folks who come over and are making a huge contribution at Simmons. That's a natural thing to expect in an MOE. You don't need 2 of everything or 4 of everything. And how that plays out is a real key to whether or not that's a successful transaction or not.

We're not in a position where we have any reason to believe that we need to downsize Simmons organization through an MOE. In fact, we're building for the future, creating that next generation of leadership and we expect Simmons to be a real survivor going forward. So I would tell you that it would have to be a very special circumstance for us to consider an MOE. We see great opportunity, particularly in the footprint that we're in currently to continue to build share in key markets. And we've mentioned those 4, Nashville, Memphis, St. Louis, Kansas City, the DFW footprint, Oklahoma City, Tulsa. All of those are great opportunities for us, either through organic growth or M&A. So we'll just stay the course and continue to do what we've proven we do pretty well.

Operator

And our next question comes from the line of Gary Tenner with D.A. Davidson.

Gary Peter Tenner - *D.A. Davidson & Co., Research Division - Senior VP & Senior Research Analyst*

One of the -- just to kind of get a sense of how you're thinking about expectations for liquidity. I think you made a comment that you kind of view the [security] portfolio as being pretty fully invested.

And even a more typical pace of loan growth in the back half of the year, obviously, will be plenty of funding availability there. So I'm just wondering, as you're thinking about the back half of the year and deposit flows, how much of your expectations there being conservative in case of deposit outflow? Or do you have a better beat on where you think things may head back half of the year.

Robert A. Fehlman - *Simmons First National Corporation - Senior EVP, COO, CFO & Treasurer*

Well, this is Bob. I'd say, first off. Liquidity has been a challenge to gauge this last year. If you go back to the beginning of the crisis, we built up liquidity to be able to protect our company. Since then, we've had more liquidity just like everybody else, than we really know what to do with it this time. So we don't -- I don't think any bank can tell you what is this temporary funding on liquidity today. Our estimate is it's in that $1 billion to $1.5 billion. That's what we're preparing for in case it runs off, take all the stimulus money came into individuals, all the stimulus that came into businesses through PPP.

When those loans pay off, it's going to continue. So we're still at another, I would say, the balance of this year, still trying to manage through this liquidity to try and figure out how do we best invest it but yet protect our company and be ready for when there is some runoff on it.

Stephen Christopher Massanelli - *Simmons First National Corporation - Executive VP, Chief Administrative Officer & IR Officer*

Gary, I'll give you an example. We're getting into agri, so we have looked at renewing all of our agri production loans, but our farmers had a great year last year, even without the stimulus. And when you add that money on top of a profitable year for the farmers, typically, what we would see is they'll use their money first and our money last. So I would expect that from a normal year perspective, we will see a delay in funding and maybe a top level of funding that may or may not hit what we did last year.

So there is just so much money available to borrowers who are going to use that first before they come and borrow more money. And I -- that's the wildcard to me is, I don't know what the velocity of that is going to be. It could happen in the second quarter, and they could use most of them, we'd be back into the ball game in the third quarter. I just don't know. And that's why we're trying to stay as flexible as we can. $3.9 billion of cash is much more cash than we would normally keep. But we also don't feel comfortable investing most of that in a multiyear securities portfolio. And that's why Bob said, we're taking a look at some variable rate short-term instruments to protect that liquid aspect of that cash.

Robert A. Fehlman - *Simmons First National Corporation - Senior EVP, COO, CFO & Treasurer*

One other point to make is cost of deposits did improve 4 basis points. We think there's still some room that there's probably another 3 to 5 basis points in the coming quarters. We're continuing to work on that a little bit by a little bit and still retain core customers but still realize the benefit we can on that. So it was a positive for the quarter.

Gary Peter Tenner - *D.A. Davidson & Co., Research Division - Senior VP & Senior Research Analyst*

Great. And then just a follow-up. You've been pretty active the past year plus in terms of rationalizing the branch infrastructure, selling some branches, closing others. Just wondering, is there anything of size left within the branch footprint to rationalize? Or would it be more one-offs, if anything, from here?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Gary, we have a little bit of room left. I think we've gotten the low-hanging fruit. But here's really what you should expect from us going forward. Particularly in metro markets where we have multiple branches, we will probably reduce the number of locations, but we will also establish corporate offices in many of those markets. So we will support hiring new lenders, new treasury management folks, new wealth folks, into more of a corporate headquarters facility instead of spreading them out throughout the marketplace. We'll still have branches, but we won't need as many from a transactional perspective. As all banks have realized the use of our digital medium has just continued to go up and up and up.

And the use of our branches for deposits and cashing cheques has become less and less. So fewer need for transactional branches, more need for corporate offices in these communities. That's going to translate into fewer locations. I'm not sure it's really going to translate into cost rate.

Operator

(Operator Instructions) And our next question comes from the line of Jordan (inaudible) with Stephens, Inc.

Unidentified Analyst

I'm in for Matt Olney. I have a question regarding your core loan yield. So the outlook calls for stable core loan yields. And I'm assuming this means the 4.53% that you guys have on Slide 24. Can you guys help me appreciate why there won't be additional loan compression when on Slide 7, it has loan yields around 3.8%?

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

That's just commercial.

Robert A. Fehlman - *Simmons First National Corporation - Senior EVP, COO, CFO & Treasurer*

Yes. That's a really good -- good question. But the pipeline you see there, that is just our commercial loan pipeline. That does not encompass all our other opportunities there that would drive that yield higher.

Stephen Christopher Massanelli - *Simmons First National Corporation - Executive VP, Chief Administrative Officer & IR Officer*

Some of that would be equipment finance, credit card, ag lending, a lot of those others that are not in those numbers you see in the pipeline are at much higher yields.

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

As you can see, we had a blip down in Q3, but that was really not -- that was just for that 1 quarter. We've been maintaining in that 4 50 for the last 4 or 5 quarters.

Operator

And I'm showing no further questions, and I would like to turn the conference over to Mr. Makris for any further remarks.

George A. Makris - *Simmons First National Corporation - Non Independent Chairman & CEO*

Okay. Thank you very much. So just to recap, I want to say this. We are functioning in an artificial economy right now. And to be able to predict and project-based on the last few quarters, is an effort in futility. And we just have to be flexible and maintain our ability to take advantage of the opportunities that our customers see in the marketplace. And I think we've done a good job of that.

If you recall, we began 2020 before COVID, telling you that 2020 was an adjustment period for us, and that included exiting our energy portfolio, exiting nonrelationship credits, particularly in commercial real estate, branch rationalization. I think when you look back over 2020, we hit all 3 of those out of the park.

I want to give a perspective because I think these 4 metrics really define what we're going through today. If you will notice our deposits year-over-year are up 17%. Our credit card fees are up 14%. So people that have money are spending money. However, our service charges are down 27% year-over-year, which reflects that excess liquidity that's in the marketplace today. And while our card fees are up 14%, our card balances are down 7%.

Until we work through that artificial liquidity, it's hard for us to really gauge what normal looks like going forward. We're trying to keep an eye on it. But I've been wrong more than I've been right. And I would hate to try to predict the timing of back to normal. So once again, flexibility in our system is extremely important. And I think we've set ourselves up to be extremely successful, not only for the bank but for the communities we serve as we come out of COVID in this artificial economy.

Now I want to end on a really high note here, and I want to take the opportunity to recognize the young man that we got to know a little over 1.5 years ago, and that's Will Zalatoris. You all may know Will because he got a lot of airtime a couple of weeks ago. Will is a professional golfer. He's on Team Simmons, and he finished second at the Masters last week, losing about 1-shot. You probably may not remember that earlier last year, Will finished 6 in the U.S. open, a real success story and the epitome of dreams realized, which is our tagline here at Simmons. We also have 3 other members of Team Simmons, Dawson Armstrong, Kevin Dougherty, and Braden Thornberry, who've had great success on the Korn Ferry Tour and will be highlighted at the Simmons Bank opened in 2 weeks in Nashville.

So just a shout out to those fine young men, and we appreciate what they've done in representing Simmons Bank in a very important demographic segment for us. Thanks for joining us today, and hope you have a great day.

Operator

This concludes today's conference call. Thank you for participating. You may now disconnect. Everyone, have a great day.