



January 3, 2011

To: Peter Rosasco, CPA
Key Largo Volunteer Fire & EMS District

As one of the strongest banks in the nation, and one of the most active in Monroe County, we proudly and respectfully ask for the Key Largo Volunteer Fire & EMS District's banking relationship.

In the following pages, we describe a recommended account structure designed to maximize earnings for the District, and a banking relationship that will provide the best overall value possible. Following the pricing recommendation, we provide an organizational overview of Centennial Bank, as well as our philosophy of customer service – it is our driving force.

At Centennial Bank, we believe in supporting organizations that support and grow our communities. We want to be your bank.

Thank you again for your time and consideration. We look forward to your questions.

A handwritten signature in black ink, appearing to be "Teresa Condas".

Teresa Condas
Regional President
South Florida Region
305.676.3002

A handwritten signature in black ink, appearing to be "Stephanie Scuderi".

Stephanie Scuderi
Vice President, Director of Sales
South Florida Region
305.676.3127

Pricing, Structure & Value

Centennial Bank recommends the Key Largo Volunteer Fire & EMS District checking account be an interest-bearing Public Fund NOW Account, free from service charges.

Centennial Bank will waive activity fees for checks posted, items deposited, ACH deposits and miscellaneous debits and credits. This includes direct deposits.

Centennial Bank will pay the $\frac{3}{4}$ Fed Funds Target Rate on all balances with a floor of 0.45%. The Fed Funds Target Rate is currently 0.25%, thus the District will earn 0.45% until the Fed Funds rate climbs above 0.60%. At that point, the rate paid will be the $\frac{3}{4}$ Fed Funds Target Rate, at least 0.45%. It is important to note that Centennial Bank established floors to protect the earnings for its public funds accounts tied to the Fed Funds rate when the Fed Funds rate dropped in 2008.

Upon receipt of deposits, Centennial Bank will pledge security pursuant to law and will provide evidence to the Key Largo Fire & EMS District that this condition has been met. Collateral pledged shall be at the percentage required of the organization by the State Treasurer under Chapter 280, Florida Statutes.

Main Operating Account Fed Funds Target with a floor of 0.45%

Certificates of Deposit

Centennial Bank will continue to add a variance to the board interest rate at the time the CD is purchased, as exemplified with the interest rates offered on the CDs currently with Centennial Bank. The variance will be calculated at the time. Our current CD rates are listed below for reference.

Centennial Bank-FL	CERTIFICATE OF DEPOSIT RATES EFFECTIVE 12-23-11			
	MINIMUM OPENING BALANCE	INTEREST RATE	ANNUAL PERCENTAGE YIELD (APY)	INTEREST CREDITING FREQUENCY
	90 Day	\$ 500.00	0.15%	0.15%
6 Month	\$ 500.00	0.30%	0.30%	Quarterly
1 Year	\$ 500.00	0.55%	0.55%	Quarterly
18 Month	\$ 500.00	0.65%	0.65%	Quarterly
2 Year	\$ 500.00	0.75%	0.75%	Quarterly
3 Year	\$ 500.00	0.85%	0.85%	Quarterly
4 Year	\$ 500.00	1.00%	1.00%	Quarterly
5 Year	\$ 500.00	1.15%	1.15%	Quarterly
IRA	\$ 100.00	Follow rates & terms of CD's		Quarterly

Minimum balance of \$500. Penalties for early withdrawal on CDs.



Described below are outlined points regarding the management of checking accounts (including banking supplies, payroll direct deposit, night depository and payroll)

- ❖ Centennial Bank will provide a starter kit, which includes first order of checks, endorsement stamp and deposit tickets at no charge.
- ❖ Centennial Bank will provide 24 hours a day/7 days a week internet banking services at no charge with free bill pay service.
- ❖ Centennial Bank will provide a daily courier service at no charge
- ❖ Centennial Bank will provide unlimited zipper deposit bags at no charge.
- ❖ Our Cash Management product is available for an additional charge, which we will waive for the Key Largo Fire and EMS District.
 - Cash Management accepts and processes standard NACHA formatted ACH files and allows you to create ACH files for direct deposit of employee payroll, direct deposit and vendor payments if desired. ACH credit and debit files can be sent in advance as early as 30 days and as late as one day.
 - Direct deposits to employee accounts held with Centennial Bank will be made into the employee accounts by 8am on payday. Those deposits going to accounts at other institutions will post at the discretion and timing dictated by those institutions.
 - Through Cash Management, Centennial Bank will provide wire transfer services. Wire Transfers incoming will be available for investment that evening. You may also initiate wire transfers through a branch representative, if desired.
 - Centennial Bank's Cash Management system also allows:
 - User security which controls multiple user access
 - Report writing
 - E-Mail alerts
 - Account updates in real time
- ❖ Centennial Bank will cash all checks issued by the District at no charge.
- ❖ Centennial Bank will offer VIP checking accounts to all volunteers and employees of the District. We look forward to presenting the benefits of this account.
 - Free checks
 - Free Automatic Nationwide ATM access (no fees, no receipt necessary)
 - Free instant issue debit card
 - Free Online Banking and Bill Pay Service
 - No minimum balance and no monthly service charge
 - One free overdraft per year



- ❖ A Monthly statement will include:
 - Beginning and ending balances;
 - Daily balances;
 - Check number, date paid, and amount paid in check number sequence;
 - Cancelled check images – Centennial Bank check processing is handled via image transmission. The Federal Reserve no longer returns actual checks to Centennial Bank;
 - Credits and miscellaneous debits will be listed separately from cancelled checks including wire transfers;
 - Monthly statements will be for a full calendar month and will reflect all debit and credit activity arranged by date;
 - The statements will be delivered electronically within three (3) working days from the statement date;
 - The bank will provide images of all debit and credit memos in date order on a monthly basis.

- ❖ Centennial Bank offers a business credit card program. Limits and rate would be subject to application and review.

Serving our Community

Lastly, Centennial Bank believes in supporting the community, and will gladly provide our Hospitality Wagon and grilling services for fundraising, appreciation or other special Fire Department events. From the July 4th celebration to the Healthy Kids day in Key Largo Park, Centennial Bank and the Key Largo Fire Department are at many of the same community events. We look forward to joining forces!



Organizational Structure

You won't hear "sending it up the flagpole" at Centennial Bank. To facilitate decision-making, and to ensure those decisions are made in consideration of our local market context, Centennial Bank maintains a fairly flat organizational structure. In addition to board members living throughout Monroe County, we have a market executive and vice president in Key West, our Regional President in the Middle Keys, and two Vice Presidents in the Upper Keys overseeing Bank activities and community decisions.

From our start as Marine Bank in 1995, we have maintained many of the key founding directors and leadership through today. In Monroe County, including our Regional President, Teresa Condas, we have an active board that meets every Thursday for community lending decisions, and monthly for discussion of governance. With three local directors also sitting on the board of our holding company, our regional interests and concerns are well-represented in Home Bancshares (NASDAQ: HOMB) corporate discussions.

➤ **John Allison**

- Chairman of the Board of Home Bancshares
- Founding director of Home Bancshares
- Founding Director of Marine Bank
- Key Colony Beach homeowner for 20 years

➤ **Scott Oropeza**

- Director of Centennial Bank, Florida
- Lifelong resident of Key West
- Partner, Oropeza & Parks, Certified Public Accountants

➤ **Richard Buckheim**

- Chairman of the Board, Centennial Bank, Florida
- Founding Director of Marine Bank
- 30-year resident of the Keys

➤ **Tim Koenig**

- Director of Centennial Bank, Florida
- Lifelong resident of Key West
- Senior Managing Partner, Feldman Koenig Highsmith & Van Loon, P.A.

➤ **Dale Bruns**

- Director of Home Bancshares
- Director of Centennial Bank, Florida
- Key Colony Beach homeowner

➤ **Jerry Mayette**

- Founding Director of Marine Bank
- Lifelong resident of Marathon
- Retired commercial fisherman

➤ **Joseph Roth, III**

- Director of Centennial Bank, Florida
- Lifelong resident of Islamorada
- President of Regan Insurance



Priority #1: Our Customers

More than a philosophy, the importance we place on customer service characterizes our company's Vision and Mission. As a community bank, what could be more important than our commitment to, and the service we provide our community?

Vision

Home BancShares, Inc.'s vision is to be a high performing community banking organization with first-class customer service.

Mission

Utilize our community banking philosophy to provide us a competitive advantage in serving our communities and customers. The local commitment to customers and community will provide results that enhance the return to shareholders, allow us to make a difference in the communities we serve and allow for associates to thrive in a challenging and meaningful banking career.

Philosophy

- Manage our community banking franchise with experienced bankers and local boards who are empowered to make customer-related decisions quickly;
- Provide exceptional customer service and develop strong customer relationships;
- Pursue the business relationships of our local boards of directors, executive officers, shareholders, and customers to actively promote our community banks, and
- Maintain our commitment to the communities we serve by supporting civic and nonprofit organizations.

Without highly satisfied customers, our bank is nothing. First-class customer service is our primary focus and is on the forefront of everything we do. To this point, customer comments are reviewed by our Board of Directors each month. We want our customers to be "raving fans." Customer referrals continue to be our primary channel of new business, and we rarely, if ever, see customers leave because of poor service.

We believe, given the opportunity, Centennial Bank will exceed all expectations of a financial institution and the Key Largo Volunteer Fire & EMS District will become a highly satisfied, raving fan.

Thank you again for your time and consideration.

