

ServisFirst Bancshares, Inc.
Form DEF 14A
March 05, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No. ____)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement.

Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2)).

Definitive Proxy Statement.

Definitive Additional Materials.

Soliciting Material under § 240.14a-12.

SERVISFIRST BANCSHARES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

- (4) Date Filed:

SERVISFIRST BANCSHARES, INC.

2500 Woodcrest Place

Birmingham, Alabama 35209

March 5, 2019

Dear Fellow Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of ServisFirst Bancshares, Inc. Our Annual Meeting will be held at the company's corporate headquarters, located at 2500 Woodcrest Place, Birmingham, Alabama 35209, on April 17, 2019, at 9:00 a.m., Central Daylight Time.

The enclosed proxy materials describe the formal business to be transacted at the Annual Meeting, which includes a report on our operations. Many of our directors and officers will be present to answer any questions that you and other stockholders may have. Included in the materials is our Annual Report to Stockholders, which contains detailed information concerning our activities and operating performance including our Annual Report on Form 10-K for the year ended December 31, 2018.

The business to be conducted at the Annual Meeting consists of (1) the election of six directors; (2) an advisory vote on executive compensation; (3) the ratification of the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the year ending December 31, 2019; and (4) such other business as may properly come before the Annual Meeting. Our board of directors unanimously recommends a vote "FOR" the election of the director nominees; "FOR" the "Say on Pay" advisory vote approving our executive compensation; and "FOR" the ratification of the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the year ending December 31, 2019.

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You may vote your shares by following your broker's voting instructions, by submitting voting instructions by telephone or by Internet, by voting in person at the Annual Meeting or, if you requested to receive printed proxy materials, by completing and returning your proxy card. Instructions regarding the methods of voting are contained in the enclosed Proxy Statement and on the Notice of Internet Availability of Proxy Materials or proxy card.

On behalf of our board of directors, we request that you vote your shares now, even if you currently plan to attend the Annual Meeting. This will not prevent you from voting in person, but will assure that your vote is counted. Your vote is important.

The proxy materials are first being made available to stockholders on or about March 5, 2019.

Sincerely,

Thomas A. Broughton III
Chairman, President and Chief Executive Officer

SERVISFIRST BANCSHARES, INC.

2500 Woodcrest Place

Birmingham, Alabama 35209

NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 17, 2019

To Our Stockholders:

Notice is hereby given that our Annual Meeting of Stockholders will be held at the company's corporate headquarters, located at 2500 Woodcrest Place, Birmingham, Alabama 35209, on Wednesday, April 17, 2019, at 9:00 a.m., Central Daylight Time, for the following purposes:

1. to elect six nominees to serve on our board of directors until the next Annual Meeting of Stockholders and until their successors are duly elected and qualified, as set forth in the accompanying Proxy Statement;
2. to conduct a "Say on Pay" advisory vote on our executive compensation;
3. to ratify the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the year ending December 31, 2019; and
4. to transact such other business as may properly come before the Annual Meeting or any postponement or adjournment thereof.

Our board of directors unanimously recommends a vote "FOR" the election of the director nominees, "FOR" the "Say on Pay" advisory vote approving our executive compensation, and "FOR" the ratification of the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the year ending December 31, 2019. Our board of directors is not aware of any other business to come before the Annual Meeting. Directions to the

Annual Meeting location at the company's corporate headquarters, are available at www.edocumentview.com/SFBS.

Stockholders of record as of the close of business on February 22, 2019 are entitled to notice of, and to vote their shares in person or by proxy at, the Annual Meeting. The proxy materials are first being made available to stockholders on or about March 5, 2019.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR

THE STOCKHOLDER MEETING TO BE HELD APRIL 17, 2019:

Our Proxy Statement, form of proxy and 2018 Annual Report on Form 10-K are available at:
www.edocumentview.com/SFBS.

YOUR VOTE IS IMPORTANT

IT IS IMPORTANT THAT YOU SUBMIT VOTING INSTRUCTIONS BY TELEPHONE OR BY INTERNET OR, IF YOU REQUESTED TO RECEIVE PRINTED PROXY MATERIALS, BY RETURNING YOUR PROXY CARD. THEREFORE, WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE VOTE BY TELEPHONE OR BY INTERNET, SUBMIT VOTING INSTRUCTIONS OR SIGN, DATE AND RETURN THE PROXY CARD AS SOON AS POSSIBLE. STOCKHOLDERS OF RECORD WHO VOTE OVER THE TELEPHONE OR THE INTERNET, SUBMIT VOTING INSTRUCTIONS OR EXECUTE A PROXY CARD MAY NEVERTHELESS ATTEND THE ANNUAL MEETING, REVOKE THEIR PROXY AND VOTE THEIR SHARES IN PERSON.

By Order of the Board of Directors,

William M. Foshee
Secretary and Chief Financial Officer

Birmingham, Alabama
March 5, 2019

Agenda and Voting Recommendations

Proposal 1: Election of Directors

The board of directors unanimously recommends a vote FOR each director nominee.

¹
The six director nominees presented in this proposal are recommended for election to the board of directors.

Additional information about each director and his or her qualifications may be found on page 1.

Name	Age	Director Since	Primary Occupation	Independent	Committee Memberships		
					AC	CC	CGNC
Thomas A. Broughton III	63	2007	Chairman, President and Chief Executive Officer of ServisFirst Bancshares, Inc. and ServisFirst Bank				
J. Richard Cashio	61	2007	Retired Chief Executive Officer of TASSCO, LLC				
James J. Filler	75	2007	Retired Chief Executive Officer of Jefferson Iron & Metal Brokerage, Inc.				
Michael D. Fuller	65	2007	President of Double Oak Water Reclamation				
Hatton C. V. Smith	68	2007	President of National Accounts, Royal Cup Coffee				
Irma L. Tudor	57	2018	Manager of Tudor Investments, LLC				

AC: Audit Committee **CC:** Compensation Committee **CGNC:** Corporate Governance & Nominations Committee

Committee Chair Committee Member Financial Expert

2 Proposal 2:

3 Proposal 3:

**Advisory Vote on Executive
Compensation**

The board of directors unanimously recommends a vote FOR the resolution.

Additional information about executive compensation may be found on page 15.

**Ratify Appointment of the Independent Registered Public
Accounting Firm**

The board of directors unanimously recommends a vote FOR the resolution.

Additional information about the independent registered public accounting firm may be found on page 27.

TABLE OF CONTENTS

<u>PROPOSAL 1: ELECTION OF DIRECTORS</u>	<u>1</u>
<u>CORPORATE GOVERNANCE</u>	<u>3</u>
<u>Governance Practices</u>	<u>4</u>
<u>Board Independence</u>	<u>6</u>
<u>The Role of Our Board of Directors</u>	<u>6</u>
<u>Board Committees and Their Functions</u>	<u>7</u>
<u>Certain Relationships and Related Transactions</u>	<u>11</u>
<u>Code of Conduct for Directors and Employees</u>	<u>11</u>
<u>Communications with the Board</u>	<u>12</u>
<u>DIRECTOR COMPENSATION</u>	<u>12</u>
<u>Director Compensation for Fiscal 2018</u>	<u>12</u>
<u>OWNERSHIP OF SERVISFIRST COMMON STOCK BY DIRECTORS, OFFICERS AND CERTAIN BENEFICIAL OWNERS</u>	<u>13</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>14</u>
<u>PROPOSAL 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	<u>15</u>
<u>EXECUTIVE COMPENSATION</u>	<u>15</u>
<u>Compensation Discussion and Analysis</u>	<u>15</u>
<u>Compensation Committee Report</u>	<u>21</u>
<u>Summary Compensation Table</u>	<u>22</u>
<u>Grants of Plan-Based Awards for Fiscal 2018</u>	<u>22</u>
<u>Outstanding Equity Awards at 2018 Fiscal Year-End</u>	<u>23</u>
<u>Option Exercises and Stock Vested for Fiscal 2018</u>	<u>23</u>
<u>Pension Benefits</u>	<u>24</u>
<u>Nonqualified Deferred Compensation Plans</u>	<u>24</u>
<u>Effect of Compensation Policies and Practices on Risk Management and Risk-Taking Incentives</u>	<u>24</u>
<u>Potential Payments Upon Termination or Change in Control</u>	<u>24</u>
<u>PROPOSAL 3: RATIFY APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>27</u>
<u>Independent Registered Public Accounting Firm Fees</u>	<u>27</u>
<u>Audit Committee Report</u>	<u>28</u>
<u>GENERAL INFORMATION</u>	<u>29</u>
<u>Other Business</u>	<u>29</u>
Agenda and Voting Recommendations	11

<u>Questions and Answers About the 2019 Annual Meeting and Voting</u>	<u>29</u>
<u>Stockholder Proposals</u>	<u>33</u>
<u>Solicitation of Proxies</u>	<u>33</u>

Throughout this Proxy Statement, unless the context indicates otherwise, when we use the terms “the company,” “we,” “our” or “us,” we are referring to ServisFirst Bancshares, Inc. and its wholly-owned subsidiary, ServisFirst Bank (which we refer to as the “bank”). When we use the term “Annual Meeting,” we intend to include both the Annual Meeting to be held on the date and at the time and place identified above and any adjournment or postponement of such Annual Meeting.

PROPOSAL 1: ELECTION OF DIRECTORS

Under our bylaws, our board of directors consists of six directors unless a different number is fixed from time to time by resolution passed by a majority of our board of directors, which is the only means of fixing a different number. In October 2018, following the announcement of Mr. Stanley M. Brock’s resignation from our board effective December 31, 2018, our board voted to increase the size of the board to seven directors and appointed Irma L. Tudor to serve on our board, and the independent directors unanimously voted to appoint Thomas A. Broughton III, our President and Chief Executive Officer, to serve as chairman of our board effective January 1, 2019. At a regularly scheduled meeting of our board in January 2019 following the retirement of Mr. Brock, our board voted to decrease the size of the board to six directors. Six directors will be elected at the Annual Meeting to hold office until our 2020 Annual Meeting of Stockholders and until their successors are elected and have qualified.

Our board has nominated the six persons named below, all of whom currently serve as directors, for election as directors at the 2019 Annual Meeting. Other than Ms. Tudor, who began serving as a director of the bank and the company on October 15, 2018, each of our director nominees has served as a director of the bank since its inception in 2005 and as a director of the company since our formation in 2007. Each of these nominees has consented to serve as a director, if re-elected. Unless otherwise instructed, the management proxies intend to vote the proxies received by them for the election of all six of these nominees. If any nominee identified below becomes unable to serve as a director before the Annual Meeting, the management proxies will vote the proxies received by them for the election of a substitute nominee selected by our board of directors.

Annual Election of Directors

The six nominees receiving the most votes cast in the election of directors by holders of shares of common stock present or represented by proxy and entitled to vote at the Annual Meeting will be elected to serve as directors of the company for the next year. As a result, although shares as to which the authority to vote is withheld will be counted, such “withhold” votes will have no effect on the outcome of the election of directors, except with respect to our director resignation policy.

Information regarding directors and director nominees and their ages as of the record date is as follows:

Name	Age	Director Since	Primary Occupation	Committee Memberships			
				Independent	AC	CC	CGNC
Thomas A. Broughton III	63	2007	Chairman, President and Chief Executive Officer of ServisFirst Bancshares, Inc. and ServisFirst Bank				
J. Richard Cashio	61	2007	Retired Chief Executive Officer of TASSCO, LLC	X	[M]	[M]	[C][M]
James J. Filler	75	2007	Retired Chief Executive Officer of Jefferson Iron & Metal Brokerage, Inc.	X		[M]	
Michael D. Fuller	65	2007	President of Double Oak Water Reclamation	X	[C][M]		[M]
Hatton C. V. Smith	68	2007	President of National Accounts, Royal Cup Coffee	X		[C][M]	
Irma L. Tuder	57	2018	Manager of Tuder Investments, LLC	X	[FE][M]		[M]

AC: Audit Committee **CC:** Compensation Committee **CGNC:** Corporate Governance & Nominations Committee

[C] Committee Chair [M] Committee Member [FE] Financial Expert

SERVISFIRST BANCSHARES, INC. – *Notice of 2019 Annual Meeting of Stockholders and Proxy Statement* 1

Age: 75

Committees: Compensation **Position:** Lead Independent Director

Director Since: 2007 **Bank Director Since:** 2005

Mr. Filler has served as a director of the company since 2007 and as a director of the bank since its inception in May 2005. In January 2019, following Mr. Broughton becoming chairman of our board of directors, Mr. Filler was appointed to serve as the board's lead independent director. Mr. Filler has been a private investor since his retirement in 2006. Prior to his retirement, Mr. Filler spent 44 years in the metals recycling industry with Jefferson Iron & Metal, Inc. and Jefferson Iron & Metal Brokerage Co., Inc. We believe that Mr. Filler's extensive business experience and strong ties to the Birmingham business community offer us valuable strategic insights and make him highly qualified to serve as a director.

SERVISFIRST BANCSHARES, INC. – *Notice of 2019 Annual Meeting of Stockholders and Proxy Statement* 2

Michael D. Fuller

Age: 65 **Committees:** Audit (Chair); Corporate Governance and Nominations **Position:** Director

Director Since: 2007 **Bank Director Since:** 2005

Mr. Fuller has served as a director of the company since 2007 and as a director of the bank since its inception in May 2005. For over 20 years, Mr. Fuller has been a private investor in real estate investments. Prior to that time, Mr. Fuller played professional football for nine years. Mr. Fuller has served as President of Double Oak Water Reclamation, a private wastewater collection and treatment facility in Shelby County, Alabama, since 1998. We believe that Mr. Fuller's experience in the real estate sector, which is a major focus of our business, as well as his overall business experience and community presence, make him highly qualified to serve as a director.

Hatton C. V. Smith

Age: 68 **Committees:** Compensation (Chair) **Position:** Director

Director Since: 2007 **Bank Director Since:** 2005

Mr. Smith has served as a director of the company since 2007 and as a director of the bank since its inception in May 2005. Mr. Smith served as the Chief Executive Officer of Royal Cup Coffee from 1996 until 2014 and in various other positions with Royal Cup Coffee prior to 1996. He is involved in many different charities and served as Chair of the United Way and President of the Baptist Health System. We believe that Mr. Smith's business experience, his strong roots in the greater Birmingham business and civic community, and his high profile and extensive community contacts make him highly qualified to serve as a director.

Irma L. Tudor

Age: 57 **Committees:** Audit; Corporate Governance and Nominations **Position:** Director

Director Since: 2018 **Bank Director Since:** 2018

Ms. Tudor has served as a manager of Tudor Investments, LLC, a private investment firm, since its formation in November 2007. Ms. Tudor founded Analytical Services, Inc. ("ASI") in 1992, and served as its Chief Executive Officer and Chair of its board of directors until its sale to Artic Slope Regional Corporation in 2007. During Ms. Tudor's time with ASI, it became nationally recognized for providing management and technical solutions to federal government agencies, including the Department of Defense and NASA. Prior to founding ASI, Ms. Tudor was employed as a corporate controller and previously practiced as a certified public accountant. Ms. Tudor has over 30 years of experience in accounting, finance, business management and strategic planning and execution. Ms. Tudor currently serves on the Company's Audit Committee and Corporate Governance and Nominations Committee. Ms. Tudor received a BBA in accountancy from the University of Notre Dame and an MBA from Troy University. She is a

certified public accountant. Ms. Tudor has served on our Huntsville advisory board since its inception. Ms. Tudor also serves on the board of directors of HudsonAlpha Institute for Biotechnology and The University of Alabama in Huntsville Foundation, is a past chairperson of the Huntsville/Madison County Chamber of Commerce and the Alabama Science and Exhibit Commission and currently is the chairperson of the St. John Paul II Catholic High School Board of Trustees. We believe that Ms. Tudor's experience as a CPA and controller, as the CEO of a successful company, as manager of a private investment firm and her history of community involvement in our Huntsville market and elsewhere, makes her highly qualified to serve as a director.

The Board of Directors Unanimously Recommends a Vote "FOR" the Election of Each of the Board Nominees Named Above.

CORPORATE GOVERNANCE

Our business is managed under the direction of our board of directors. The board has the legal responsibility for overseeing the affairs and performance of the company. The primary responsibility of the board is to exercise their business judgment in what they believe to be in the best interests of the company and its stockholders.

SERVISFIRST BANCSHARES, INC. – *Notice of 2019 Annual Meeting of Stockholders and Proxy Statement* 3

Governance Practices

Our board of directors believes that sound governance practices and policies provide an important framework to assist them in fulfilling their oversight duty. In March 2014, our board formally adopted the Corporate Governance Guidelines of ServisFirst Bancshares, Inc. (the “Governance Guidelines”), which include a number of the practices and policies under which our board has operated for some time, together with concepts suggested by various authorities in corporate governance and the requirements under the NASDAQ Global Select Market’s listed company rules and the Sarbanes-Oxley Act of 2002.

Each year, our board of directors reviews our Governance Guidelines and other governance documents and modifies them as it deems appropriate. These documents include the Governance Guidelines, the committee charters, our Code of Business Conduct and Ethics, our Related Party Transactions Policy and other key policies and practices. Copies of the currently effective charters for each board committee, the Code of Business Conduct and Ethics, the Governance Guidelines and certain other corporate governance policies are available on the company’s website at www.servisfirstbancshares.com under the “IR Menu” tab.

Some of the principal subjects covered by our Governance Guidelines comprise:

Director Qualifications, which include: a board candidate’s independence, experience, knowledge, skills, expertise, integrity, ability to make independent analytical inquiries; his or her understanding of our business and the business environment in which we operate; and the candidate’s ability and willingness to devote adequate time and effort to board responsibilities, taking into account the candidate’s employment and other board commitments.

Responsibilities of Directors, which include: acting in the best interests of all stockholders; maintaining independence; developing and maintaining a sound understanding of our business and the industry in which we operate; preparing for and attending board and board committee meetings; and providing active, objective and constructive participation at those meetings.

Director Access to Management and, as Necessary and Appropriate, Independent Advisors, which covers: encouraging presentations to our board from the officers responsible for functional areas of our business and from outside consultants who are engaged to conduct periodic reviews of various aspects of our operations or the quality of certain of our assets, such as the bank’s loan portfolio.

Director Orientation and Continuing Education, such as: programs to familiarize directors with any changes to our business, strategic plans, and significant financial, accounting and risk management issues; our compliance programs and conflicts policies; our code of business conduct and ethics and our corporate governance guidelines. In addition,

each director is expected to participate in continuing education programs relating to developments in our business and in corporate governance.

Regularly Scheduled Executive Sessions, without Management, will be held by our board, led by our Lead Independent Director, and by the Audit Committee, which meets separately with our independent auditors.

Director Resignation Policy

In October 2016, our board approved and adopted a Director Resignation Policy. This policy provides that, in an uncontested election, any director nominee who receives a greater number of “Withhold” votes than votes “For” his or her election shall promptly tender his or her resignation to the Chairman of our board following the certification of the election results. The company’s Corporate Governance and Nominations Committee (“CG&N Committee”) will consider the offer of resignation and recommend to the Board whether to accept or reject the resignation. Our board must then act on the recommendation within 90 days following certification of the election results following receipt of the recommendation. After the board makes a formal decision on the CG&N Committee’s recommendation, the company must publicly disclose the action on a Current Report on Form 8-K within four business days of the decision. If the board determines to take any action other than accepting such resignation, the Current Report must also include the board’s rationale supporting its decision. A copy of our Director Resignation Policy is available on our website www.servisfirstbancshares.com under the “IR Menu” tab.

SERVISFIRST BANCSHARES, INC. – *Notice of 2019 Annual Meeting of Stockholders and Proxy Statement* 4

Incentive Compensation Clawback Policy

Our board has approved and adopted a Clawback Policy for recovery of incentive compensation from the company's current and former executive officers under certain circumstances. The Clawback Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934 (the "Exchange Act") and proposed Rule 10D-1. The Clawback Policy provides that, in the event the company is required to restate financial results due to material noncompliance with any financial reporting requirement under the securities laws, the board may adjust future compensation, cancel outstanding awards, seek recoupment of previous awards and take any other remedial and recovery action permitted by law, to recoup all or a portion of any incentive compensation approved, awarded or granted to an executive officer of the company after the date of adoption of the Clawback Policy and such award, vesting or payment occurred or was received during the three completed fiscal years immediately preceding the date on which the company is required to prepare the restatement. The Clawback Policy applies when the Compensation Committee has determined that the incentive compensation approved, awarded or granted was predicated upon the achievement of certain financial results that were the subject of the restatement and that a lesser amount of incentive compensation would have been approved, awarded or granted to the executive officer based upon the restated financial results. In each such instance, the company will seek to recoup the amounts by which an executive officer's incentive compensation that was awarded, vested or paid during the three-year period referenced above exceeded the amounts that would have been awarded, vested or paid based on the restated financial results.

Stock Ownership of Board and Executives

Long-term stock ownership is deeply engrained in our culture and reflects our board's strong commitment to the company's success. We have reviewed the stock ownership policies of other financial institutions, the criteria identified by certain proxy advisory firms in determining whether a stock ownership policy is "rigorous" or "robust," and the stock ownership of our directors and executive officers. We ultimately concluded not to adopt a formal stock ownership policy at this stage of the company's existence primarily because the current ownership levels of our directors and, with one exception, our named executive officers far exceed the ownership requirements of even the most rigorous policies we reviewed. Using the market price and the number of shares of common stock beneficially owned as of December 31, 2018, each of our non-employee directors held common stock valued at over 50 times such director's annual retainer, our Chief Executive Officer held common stock valued at over 65 times his annual base salary, and each of our other named executive officers, with the exception of Mr. Abbott, held common stock valued at over 35 times his annual base salary.

Our board annually reviews our Governance Guidelines and other governance documents and practices and modifies them as it deems appropriate. Although we will reconsider adopting stock ownership guidelines in the future, including in the event of board or management changes, we intend to operate the company in a way that we believe makes the most sense taking into account numerous factors.

Policy Against Hedging Activities

The company is dedicated to growing its business and enhancing stockholder value in an ethical way while being mindful of the need to avoid taking actions that pose undue risk or have the appearance of posing undue risk to the company. Our goal is to grow stockholder value in both the short term and in the longer term, and we expect our directors, officers and employees to have the same goals as the company. Consistent with these goals, our insider trading policy prohibits any of our directors, officers and employees from engaging in hedging activities involving the company's securities, including short sales, puts, calls, collars, swaps, forward sale contracts, or other derivative securities based on the company's securities.

Policy Against Pledging Activities

Our Insider Trading Policy prohibits our directors, officers and employees from pledging our securities as collateral for loans unless approved by our Insider Trading Compliance Officer. While being mindful of the need to avoid taking actions that pose undue risk or appear to pose undue risk to our company, we also appreciate that our situation may be unique. We are a public company that has, since the bank's inception in 2005 and our formation in 2007, experienced a relative amount of success. As a result of this success, a significant portion of the wealth of some of our officers and employees resides in their ownership of our common stock. As detailed above, all of our directors and all but one of our executive officers own enough shares of common stock to far exceed the multiples of base salary or annual cash retainer typically required by stock ownership guidelines. Accordingly, we provide our Insider Trading Compliance Officer with the discretion to permit pledges in certain limited circumstances.

SERVISFIRST BANCSHARES, INC. – *Notice of 2019 Annual Meeting of Stockholders and Proxy Statement* 5

Board Independence

The cornerstone of our corporate governance program is an independent and qualified board of directors. The board has established guidelines consistent with the current listing standards of the NASDAQ Global Select Market for determining director independence. You can find these guidelines in our Governance Guidelines, which are posted on the company's website at www.servisfirstbancshares.com under the "IR Menu" tab.

During its most recent review, our board considered transactions and relationships between each director or any member of a director's immediate family and us and the bank. Our board also considered whether there were any transactions or relationships between our company and any entity of which a director or an immediate family member of a director is an executive officer, general partner or significant equity holder. The purpose of this review was to determine whether any such relationships or transactions existed that were inconsistent with a determination that a director is independent. Independent directors must be free of any relationship with us or our management that may impair the director's ability to make independent judgments.

Our CG&N Committee has determined in its business judgment that five of the company's six directors are independent as defined in the applicable NASDAQ Global Select Market listing standards, and that each member is free of any relationships that would interfere with his individual exercise of independent judgment. Our independent directors are Messrs. Cashio, Filler, Fuller and Smith, and Ms. Tudor. Mr. Broughton is considered an inside director because of his employment as our President and Chief Executive Officer (see "*Certain Relationships and Related Transactions*" for a list of other relationships the board considered when determining independence).

The Role of Our Board of Directors

The members of our board also are members of the board of directors of the bank, which accounts for substantially all of our consolidated operating results. The members of our board keep informed about our business through discussions with senior management and other officers and managers of the company and the bank, by reviewing analyses and reports sent to them by management and outside consultants, and by participating in meetings of the board and meetings of those board committees on which they serve.

Board Leadership Structure

We believe that our stockholders are best served by a strong, independent board of directors with extensive business experience and strong ties to our markets. We believe that objective oversight of the performance of our management team is critical to effective corporate governance, and we believe our board provides such objective oversight.

As of January 2019, our board is led by a combination of Mr. Filler, who was appointed by our board to serve as Lead Independent Director following Mr. Brock's retirement, and Mr. Broughton, our Chairman, President and CEO, supplemented by engaged, independent committee chairs and directors. Although we previously have kept separate the offices of chairman and CEO, our independent directors unanimously voted for Mr. Broughton to serve as the chairman of our board following Mr. Brock's retirement.

The board believes that the company has been well served by Mr. Broughton's leadership since the bank's inception in 2005 and our formation in 2007. The board further believes that Mr. Broughton's combined role as chairman and CEO will allow him to set the overall tone and direction for the company, maintain consistency in the internal and external communication of our strategic and business pri