HOME BANCSHARES INC
Form S-4/A
January 05, 2017
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As filed with the Securities and Exchange Commission on January 4, 2017

Registration No. 333-214957

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1 to

FORM S-4

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

HOME BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Arkansas	**6022**	**71-0682831**
(State or other jurisdiction of	**(Primary standard industrial**	**(IRS Employer**

incorporation or organization) **classification code number)** **Identification Number)**

719 Harkrider Street, Suite 100, Conway, Arkansas 72032

(501) 339-2929

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

C. Douglas Buford, Jr.

Courtney C. Crouch, III

Mitchell, Williams, Selig, Gates &

Woodyard, P.L.L.C.

425 W. Capitol Ave., Ste. 1800

Little Rock, Arkansas 72201

Telephone: (501) 688-8866

John P. Jack Greeley

Smith Mackinnon, PA

255 South Orange Ave., Ste. 1200

Orlando, Florida 32801

Telephone: (407) 843-7300

Approximate date of commencement of proposed sale of securities to the public:

As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed document.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated	Accelerated filer
Non-accelerated filer	Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered**	**Proposed Maximum Offering Price Per Security**	**Proposed Maximum Aggregate Offering Price**	**Amount of Registration Fee(3)(4)**
Common Stock, par value $0.01 per share	4,105,571(1)	N/A	$37,087,421(2)	$4,299(2)
Total				

(1) Represents the maximum number of shares of common stock of Home BancShares, Inc. (HBI) that may be issued to holders of shares of common stock of Giant Holdings, Inc. (GHI) in the merger based on the Merger Consideration (as such term is defined in the Agreement and Plan of Merger dated as of November 7, 2016, among HBI, Centennial Bank, GHI and Landmark Bank, N.A. (the Merger Agreement)) and assuming that the HBI Average Closing Price (as such term is defined in the Merger Agreement) is $17.05, the lowest price permitted in the Merger Agreement.

(2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act and calculated pursuant to Rule 457(f) under the Securities Act. The proposed maximum aggregate offering price of HBI s common stock was calculated based upon the book value of the GHI shares of common stock (the securities to be canceled in the merger) as of September 30, 2016 and is equal to the product of (a) $2.93, calculated according to Rule 457(f)(2) and (3) of the Securities Act, multiplied by (b) 18,971,816 (the maximum number of GHI shares of common stock that may be canceled and exchanged for HBI common stock in the merger) less the amount of cash consideration paid by HBI.

(3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to $115.90 per $1,000,000 of the proposed maximum aggregate offering price.

(4) Previously paid.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION

STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell nor shall there be any sale of these securities in any jurisdiction in which such offer or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED JANUARY 4, 2017

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Home BancShares, Inc. (which we refer to as HBI), along with its subsidiary bank, Centennial Bank, and Giant Holdings, Inc. (which we refer to as GHI), along with its subsidiary bank, Landmark Bank, N.A. (which we refer to as Landmark Bank), have entered into an Agreement and Plan of Merger, dated November 7, 2016 and as amended on December 7, 2016 (which we refer to sometimes as the Merger Agreement), providing for the combination of HBI and GHI. Under the Merger Agreement, GHI will merge with and into HBI, with HBI remaining as the surviving entity (which transaction we refer to as the merger). Landmark Bank will, as soon as reasonably practicable following the merger and as part of a single integrated transaction, merge with and into Centennial Bank, an Arkansas state bank, with Centennial Bank remaining as the surviving entity (we refer to the two mergers together as the mergers). Before we complete the merger, holders of GHI common stock must approve the Merger Agreement. A special meeting of GHI shareholders will be held on February 17, 2017 for that purpose.

Under the terms of the Merger Agreement, the aggregate merger consideration payable by HBI to GHI shareholders will be approximately $88,500,000 consisting of (i) $18,500,000 in cash, and (ii) shares of HBI common stock with a total value of approximately $70,000,000, based upon the volume-weighted average closing price of HBI common stock immediately preceding the closing date of the merger and subject to the collar described below. Based upon that aggregate purchase price, assuming that 18,037,316 shares of GHI stock are outstanding at closing (which is equal to the number of shares outstanding when the Merger Agreement was signed), each share of GHI common stock would be exchanged for consideration valued at $4.91, consisting of a combination of (i) cash payable at closing in the amount of $1.03, and (ii) HBI common stock with a value of approximately $3.88. The number of shares of HBI common stock issuable for each share of GHI common stock will not be determined until the effective time of the merger, and will be based on the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days immediately prior to the date the merger closes, subject to the collar described below as set forth in more detail in the Merger Agreement and described in this proxy statement/prospectus. We expect the mergers, taken together, to be a tax-free transaction for GHI shareholders, to the extent they receive HBI common stock for their shares of GHI common stock.

The market price of HBI common stock will fluctuate before the merger. You should obtain a current stock price quotation for HBI common stock. HBI common stock is traded on The NASDAQ Global Select Market under the symbol HOMB. On January 3, 2017, the closing price of HBI s common stock as reported on The NASDAQ Global

Select Market was $27.52 per share.

The Merger Agreement provides that if the 20-day volume-weighted average closing price of HBI common stock as of the closing date is equal to or greater than $25.57 or is equal to or below $17.05 (which we sometimes refer to collectively as the collar), then the price used to determine the number of shares of HBI common stock issuable for each share of GHI common stock will be fixed at $25.57 or $17.05, respectively (subject to adjustment in the event of a stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or similar transaction). Assuming no adjustments are made to the aggregate merger consideration and that 18,037,316 shares of GHI stock are outstanding at closing (which is equal to the number of shares outstanding when the Merger Agreement was signed), if the 20-day volume-weighted average closing price of the HBI common stock as of the closing date of the merger is equal to or greater than $25.57, the number of shares of HBI common stock to be issued to GHI shareholders in connection with the merger will be approximately 2,737,583 shares. If the 20-day volume-weighted average closing price of HBI common stock as of the closing date of the merger is equal to or below $17.05, the number of shares of HBI common stock to be issued to GHI shareholders in connection with the merger will be approximately 4,105,571 shares.

Because of the collar restriction and the potential issuance of shares upon the termination or exercise of GHI stock options, the final per-share merger consideration will not be determined until after the date of the special meeting of GHI shareholders. Therefore, at the time of the special meeting, you will not know the precise amount of cash or number of shares of HBI common stock you may receive upon the completion of the merger.

GHI s board of directors has determined that the combination of GHI and HBI is in the best interests of GHI shareholders based upon its analysis, investigation and deliberation, and GHI s board of directors recommends that the GHI shareholders vote **FOR** the approval of the Merger Agreement and **FOR** the approval of the other GHI proposal described in this proxy statement/prospectus.

You should read this entire proxy statement/prospectus, including the appendices and the documents incorporated by reference into the document, carefully because it contains important information about the merger and the related transactions. In particular, you should read carefully the information under the section entitled Risk Factors beginning on page 14.

The shares of HBI common stock to be issued to GHI shareholders in the merger are not deposits or savings accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the merger described in this proxy statement/prospectus or the HBI common stock to be issued in the merger, or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated [ ], 2016.

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GIANT HOLDINGS, INC.

6300 NE 1ST AVENUE, SUITE 300

FORT LAUDERDALE, FLORIDA 33334

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON FEBRUARY 17, 2017

NOTICE IS HEREBY GIVEN that a special meeting of shareholders of Giant Holdings, Inc. (GHI) will be held at GHI s principal executive offices located at 6300 N.E. 1st Avenue, Suite 300, Fort Lauderdale, Florida 33334 at 12:00 p.m. (noon), Eastern Time, on February 17, 2017, for the following purposes:

1. To approve the Agreement and Plan of Merger (the Merger Agreement) dated as of November 7, 2016, as amended December 7, 2016, by and among Home BancShares, Inc., Centennial Bank, GHI and Landmark Bank, N.A. (the Merger Proposal).

2. To approve one or more adjournments of the GHI special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the Merger Proposal (the Adjournment Proposal).

GHI will transact no other business at the special meeting.

The Merger Proposal is described in more detail in the attached proxy statement/prospectus, which you should read carefully in its entirety before you vote. A copy of the Merger Agreement is attached as **Appendix A** to the proxy statement/prospectus.

GHI s board of directors has set December 31, 2016, as the record date for the GHI special meeting. All holders of record of GHI common stock at the close of business on the record date will be notified of the special meeting. Only holders of record of GHI common stock at the close of business on December 31, 2016, will be entitled to vote at the GHI special meeting and any adjournments or postponements thereof. Any shareholder entitled to attend and vote at the GHI special meeting is entitled to appoint a proxy to attend and vote on such shareholder s behalf. Such proxy need not be a holder of GHI common stock.

Holders of GHI common stock are entitled to assert appraisal rights pursuant to Florida Statutes §607.1301 to §607.1333 in connection with the approval of the Merger Agreement. A copy of those statutes is included with this notice and the accompanying proxy statement/prospectus as **Appendix D**. The appraisal rights law provides that, if the merger is consummated, a shareholder will be entitled to payment in cash of the fair value of only those shares held by the shareholder (i) which are not voted in favor of approval of the Merger Agreement, and (ii) with respect to which the shareholder has given written notice to GHI before the vote regarding the Merger Agreement is taken that such shareholder is asserting appraisal rights.

Your vote is very important. To ensure your representation at the GHI special meeting, please complete and return the enclosed proxy card. Please vote promptly whether or not you expect to attend the GHI special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the GHI special meeting.

GHI s board of directors has adopted and approved the Merger Agreement and the transactions contemplated thereby and recommends that you vote **FOR** the Merger Proposal and **FOR** the Adjournment Proposal.

By Order of the Board of Directors

/s/ Perry A. LaCaria

Perry A. LaCaria

January [ ], 2017

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WHERE YOU CAN FIND MORE INFORMATION

HBI files annual, quarterly and special reports, proxy statements and other business and financial information with the Securities and Exchange Commission (the SEC). You may read and copy any materials that HBI files with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the SEC at (800) SEC-0330 ((800) 732-0330) for further information on the public reference room. In addition, HBI files reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at *www.sec.gov* containing this information. You will also be able to obtain these documents, free of charge, from HBI by accessing HBI s website at *www.homebancshares.com* under the heading Investor Relations. Copies can also be obtained, free of charge, by directing a written request to Home BancShares, Inc., Attention: Corporate Secretary, 719 Harkrider Street, Suite 100, Conway, Arkansas 72032.

HBI has filed a registration statement on Form S-4 to register with the SEC up to 4,105,571 shares of HBI common stock (the number of shares has been calculated based on an volume-weighted average closing price of HBI common stock of $17.05 (which is the lowest stock price listed on the chart on page 33)). This proxy statement/prospectus is a part of that registration statement. As permitted by SEC rules, this proxy statement/prospectus does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits at the addresses set forth below. Statements contained in this proxy statement/prospectus as to the contents of any contract or other documents referred to in this proxy statement/prospectus are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This proxy statement/prospectus incorporates important business and financial information about HBI and GHI that is not included in or delivered with this proxy statement/prospectus, including incorporating by reference documents that HBI has previously filed with the SEC. These documents contain important information about HBI and its financial condition. See Documents Incorporated by Reference on page 94. These documents are available without charge to you upon written or oral request to HBI s principal executive offices. The address and telephone number of such principal executive office is listed below:

Home BancShares, Inc.

719 Harkrider Street, Suite 100

Conway, Arkansas 72032

Attention: Corporate Secretary

(501) 339-2929

To obtain timely delivery of these documents, you must request the information no later than February 3, 2017, in order to receive them before GHI s special meeting of shareholders.

HBI common stock is traded on The NASDAQ Global Select Market under the symbol HOMB.

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QUESTIONS AND ANSWERS

The following questions and answers briefly address some commonly asked questions about the merger and the special meeting of GHI shareholders. They may not include all the information that is important to the shareholders of GHI. Shareholders of GHI should read this entire proxy statement/prospectus carefully, including the appendices and other documents referred to in this proxy statement/prospectus.

Q: Why am I receiving these materials?

A: GHI is sending these materials to the holders of its common stock (which we sometimes refer to as GHI shareholders) to help them decide how to vote their shares of GHI common stock with respect to the proposed merger and the other matter to be considered at the GHI special meeting described below.

The merger cannot be completed unless GHI shareholders approve the Merger Agreement. GHI is holding a special meeting of shareholders to vote on the Merger Agreement as described in GHI Special Meeting of Shareholders. Information about the special meeting and the merger is contained in this proxy statement/prospectus.

This proxy statement/prospectus constitutes a prospectus of HBI and a proxy statement of GHI. It is a prospectus because HBI will issue shares of its common stock in exchange for shares of GHI common stock in the merger. It is a proxy statement because the board of directors of GHI is soliciting proxies from GHI s shareholders.

Q: What will GHI shareholders receive in the merger?

A: Under the terms of the Merger Agreement, GHI shareholders will receive their pro rata share of the total consideration (which we refer to sometimes as the Purchase Price) of approximately $88,500,000. The aggregate consideration consists of (i) cash equal to $18,500,000; and (ii) shares of HBI common stock valued at the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days immediately prior to the date the merger closes with a total value of approximately $70,000,000. The calculation of the amount of the Purchase Price assumes that the value of HBI common stock to be issued in the merger is not less than $17.05 nor more than $25.57 and is based upon the volume-weighted average closing price of HBI common stock described above. To the extent that the value of the HBI common stock issued in the merger is greater than or less than the range described in the previous sentence, the value of the merger consideration to be issued by HBI would change accordingly. See The Merger Terms of the Merger beginning on page 32 for a more detailed discussion of the calculation of the Purchase Price.

Q: What will a GHI shareholder receive for each share of GHI common stock?

A: Based on a Purchase Price of $88,500,000 and 18,037,316 shares of GHI common stock outstanding at closing, each share of GHI common stock will be exchanged for consideration valued at $4.91, consisting of a combination of (i) cash payable at closing in the amount of approximately $1.03, and (ii) HBI common stock with a value of approximately $3.88.

The number of shares of HBI common stock issuable for each share of GHI common stock will not be determined until the effective time of the merger, and will be based on the volume-weighted average closing price of HBI common stock on The NASDAQ Global Select Market reporting system for the 20 trading days immediately prior to the date the merger closes, as set forth in more detail in the Merger Agreement and described in this proxy statement/prospectus. See The Merger Terms of the Merger beginning on page 32 for a more detailed discussion of the per-share merger consideration.

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Q: How are outstanding GHI stock options addressed in the Merger Agreement?

A: At or prior to the closing of the merger, each outstanding and unexercised GHI stock option will be terminated by GHI and shall entitle the holder to a cash payment at the effective time of the merger equal to the positive difference, if any, between the option exercise price and the equivalent dollar value of the merger consideration.

Q: When do HBI and GHI expect to complete the merger?

A: HBI and GHI expect to complete the merger after all conditions to the merger in the Merger Agreement are satisfied or waived, including after shareholder approval is received at the special meeting of GHI shareholders and all required regulatory approvals are received. HBI and GHI currently expect to complete the merger in the first quarter of 2017. It is possible, however, that as a result of factors outside of either company s control, the merger may be completed at a later time or may not be completed at all.

Q: How will the merger consideration received by GHI shareholders affect HBI shareholders?

A: As a result of HBI s issuance of new shares to GHI shareholders, current HBI shareholders will experience dilution in terms of percentage of ownership. Following the closing of the merger, current HBI shareholders will own approximately 97.8% of the outstanding common stock of HBI, and current GHI shareholders will own approximately 2.2% of the outstanding common stock of HBI. These percentages assume an issuance of 3,185,390 shares based on an HBI common stock price of $21.97 (the closing price on the date the Merger Agreement was signed). The percentages will increase or decrease based on the HBI common stock price as described in more detail in the chart on page 33.

Q: What am I being asked to vote on?

A: GHI shareholders are being asked to vote on the following proposals:

1. To approve the Merger Agreement (referred to as the Merger Proposal); and

2. To approve one or more adjournments of the GHI special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the Merger Proposal (referred to as the Adjournment Proposal).

Q: How does the board of directors of GHI recommend that I vote?

A: GHI s board of directors recommends that GHI shareholders vote **FOR** the GHI proposals described in this proxy statement/prospectus.

For a discussion of interests of GHI s directors and officers in the merger that may be different from, or in addition to, the interests of GHI shareholders generally, see The Directors and Officers of GHI and Landmark Bank Have

Financial Interests in the Merger, beginning on page 91.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, GHI shareholders should complete, sign and date the enclosed proxy card and return it in the enclosed envelope as soon as possible so that their shares will be represented at GHI s special meeting.

Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

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Q: How do I cast my vote?

A: If you are a shareholder of record of GHI as of the record date for the GHI special meeting, you may vote by signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You may also cast your vote in person at GHI s special meeting.

Q: When and where is the GHI special meeting?

A: The special meeting of GHI shareholders will be held at GHI s executive offices located at 6300 N.E. 1st Avenue, Suite 300, Fort Lauderdale, Florida 33334, at 12:00 p.m. (noon), Eastern Time, on February 17, 2017. All shareholders of GHI as of the record date, or their duly appointed proxies, may attend the GHI special meeting.

Q: If my GHI shares are held in street name by a broker or other nominee, will my broker or nominee vote my shares for me?

A: If your GHI shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to GHI or by voting in person at the special meeting unless you provide a legal proxy, which you must obtain from your bank or broker.

Brokers or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers or other nominees are not allowed to exercise their voting discretion on matters that are determined to be non-routine without specific instructions from the beneficial owner. Broker non-votes are shares held by a broker or other nominee that are represented at the GHI special meeting but with respect to which the broker or other nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the broker or other nominee does not have discretionary voting power on such proposal. If you are a GHI shareholder and you do not instruct your broker or other nominee on how to vote your shares, your broker or other nominee may not vote your shares on the Merger Proposal or the Adjournment Proposal, which broker non-votes will have the effect of a vote AGAINST the Merger Proposal, but will have no effect on the Adjournment Proposal.

Q: What vote is required to approve each proposal to be considered at the GHI special meeting?

A: Approval of the Merger Proposal requires the affirmative vote of the holders of at least 66% of the outstanding shares of GHI common stock. Approval of the Adjournment Proposal requires the affirmative vote of at least a majority of the shares of GHI voting on such proposal, provided that a quorum is present at the GHI special meeting. Abstentions and broker non-votes are not considered votes cast, but are included in determining whether there is a quorum present.

The directors and certain officers of GHI and Landmark Bank entered into voting agreements with HBI pursuant to which they agreed to vote approximately 13,199,554 total shares in favor of the merger, subject to certain exceptions.

These shares represent approximately 73.2% of the GHI common stock entitled to vote at the GHI special meeting (excluding any shares issued upon exercise of GHI warrants or options).

Q: What if I abstain from voting or do not vote?

A: For the purposes of the GHI special meeting, an abstention, which occurs when a GHI shareholder attends the GHI special meeting, either in person or by proxy, but abstains from voting, will have the effect of a vote AGAINST the Merger Proposal, but will have no effect on the Adjournment Proposal.

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Q: May I change my vote or revoke my proxy after I have delivered my proxy or voting instruction card?

A: Yes. You may change your vote at any time before your proxy is voted at the special meeting:

- by sending written notice of revocation to the corporate secretary of GHI;
- by sending a completed proxy card bearing a later date than your original proxy card; or
- by attending the special meeting and voting in person if you so request and if your shares are registered in your name rather than in the name of a broker, bank or other nominee; however, your attendance alone will not revoke any proxy.

If you choose either of the first two methods, GHI must receive your written notice of revocation or later dated proxy card prior to the shareholder vote on the Merger Proposal at the special meeting.

If your shares are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

Q: What happens if I sell my GHI shares after the record date but before the special meeting?

A: The record date for the GHI special meeting is earlier than both the date of such meeting and the date that the merger is expected to be completed. If you transfer your GHI common stock after the record date but before the date of the special meeting, you will retain your right to vote at the special meeting (provided that such shares remain outstanding on the date of the special meeting), but you will not have the right to receive any merger consideration for the transferred GHI shares. You will only be entitled to receive the merger consideration for GHI shares that you own at the effective time of the merger.

Q: What do I do if I receive more than one proxy statement/prospectus or set of voting instructions?

A: If you hold shares directly as a record holder and also in street name or otherwise through a nominee, you may receive more than one proxy statement/prospectus and/or set of voting instructions relating to the special meeting. These should each be voted or returned separately to ensure that all of your shares are voted.

Q: What are the federal income tax consequences of the merger?

A: Gain (but not loss), if any, will be recognized by GHI shareholders in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash (excluding any cash received in lieu of a fractional share) and the fair market value of the HBI common stock received pursuant to the merger over the adjusted tax basis in the GHI common stock surrendered), and (2) the amount of cash received by such holder of GHI common stock (excluding any cash received in lieu of a fractional share). The consequences of the merger to any particular shareholder will depend on that shareholder s particular facts and circumstances. Accordingly, you are urged to consult your tax advisor to determine your tax consequences from the merger.

No gain or loss will be recognized by HBI or GHI as a result of merger. The obligation of HBI and GHI to complete the merger is conditioned upon the receipt of a legal opinion to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code).

For a more detailed discussion of the material United States federal income tax consequences of the transaction, see Material United States Federal Income Tax Consequences of the Merger beginning on page 71.

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Q: Do I have appraisal or dissenters rights?

A: GHI shareholders are entitled to appraisal rights under Florida Statutes § 607.1301 *et seq.*, a copy of which is attached as **Appendix D** to this proxy statement/prospectus. If you wish to assert appraisal rights, you must deliver to GHI, at or prior to the GHI special meeting, written notice of your intent to demand payment for your shares if the merger is consummated and you must not vote for approval of the Merger Proposal. The procedure for dissenting is described in more detail in The Merger section under the heading Appraisal Rights beginning on page 34.

HBI shareholders are not entitled to any appraisal or dissenters rights.

Q: Should I send in my stock certificates now?

A: No. Please do not send your stock certificates with your proxy card. If you are a holder of GHI common stock, you will receive written instructions from Computershare Trust Company, N.A., after the merger is completed on how to exchange your stock certificates for HBI common stock.

Q: What if I have lost my GHI stock certificate?

A: At the closing of the merger, the exchange agent will provide a letter of transmittal to GHI shareholders that will provide instructions for GHI shareholders who have lost their stock certificates. If you would like to obtain a replacement certificate prior to the closing of the merger, please contact Giant Holdings, Inc., Attn: Perry A. LaCaria, 6300 N.E. 1st Avenue, Suite 300, Fort Lauderdale, Florida 33334, telephone number (954) 958-0005. An indemnity and surety bond will be required.

Q: Does GHI expect to pay any dividends to the GHI shareholders before the merger?

A: Yes. The Merger Agreement contemplates that, prior to the merger, GHI will declare a special cash dividend payable to GHI s shareholders in two separate installments. The anticipated dividend is related to collections on certain Landmark Bank assets consisting of a troubled loan, collateral securing another troubled loan and an insurance claim (which we refer to collectively as the Specified Assets) the values of which have been written off by Landmark Bank for financial reporting purposes. The first installment of the special dividend will be payable immediately prior to the merger in an amount equal to the aggregate amount received by Landmark Bank from collections on the Specified Assets after the date of the Merger Agreement and before the closing of the merger. The second installment will be payable following the third anniversary of the merger in an aggregate amount equal to 75% of the amounts (if any) collected by Centennial Bank on the Specified Assets between the merger date and the third anniversary of that date. The amount of each such dividend installment (if any) will depend on amounts collected on the Specified Assets prior to the applicable payment dates.

Q: What are the Specified Assets, and is there an estimate as to the amount of the dividend that will be paid?

A: The Specified Assets consist of the following:

- an unsecured loan with a balance of $1.175 million. Landmark Bank is currently receiving monthly payments of $8,333 for this loan;

- accounts receivable which Landmark Bank has acquired through foreclosure and subsequently sold for net proceeds of $75,000;

- a security interest in 50% of any sales proceeds generated from 1,000,000 shares of stock in a non-public company; and

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an insurance claim for which Landmark Bank has received cash proceeds of $47,770 in settlement of the claim.

GHI estimates that the amount of the first dividend installment that would be payable to GHI shareholders before the closing of the merger could be in an aggregate range of approximately $150,000 to $175,000 based on the monthly unsecured loan payments and the proceeds received from the accounts receivable and the insurance claim. The amount of the second dividend installment, if any, that would be payable on the third anniversary of the merger closing is dependent upon continued receipt of the $8,333 monthly payments on the unsecured loan and the receipt of any proceeds from a sale of the privately held stock. There is no assurance that the monthly payments that Landmark Bank has historically received on the unsecured loan will continue in the future or as to whether or what extent any amount may be realized from the security interest in sales proceeds from the privately held shares. GHI cannot reasonably determine the likelihood of collecting any proceeds from the security interest in the sale of such shares. Assuming no proceeds are collected from the privately held stock and the borrower of the unsecured loan continues to make monthly payments of $8,333 during the three-year period after the merger, the second dividend installment that would be payable to GHI shareholders on the third anniversary of the merger could be an aggregate of approximately $225,000. However, if no additional proceeds from these Specified Assets are received after the merger, the second installment of the dividend will become null and void and will not be paid to GHI s shareholders. After the merger, Centennial Bank s collection efforts on the Specified Assets will be monitored by a three-person committee that will include GHI s Chairman, Jeff Roschman, and two representatives chosen by HBI.

Q: Whom should I contact if I have any questions about the proxy materials or the special meeting?

A: If you have any questions about the merger or any of the proposals to be considered at the special meeting, need assistance in submitting your proxy or voting your shares or need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact either HBI or GHI as follows:

Home BancShares, Inc.
P.O. Box 966
Conway, Arkansas 72032
Attn: Investor Relations Officer
Telephone: (501) 339-2929

Giant Holdings, Inc.
6300 N.E. 1st Avenue, Suite 300
Fort Lauderdale, Florida 33334
Attention: Perry A. LaCaria
Telephone: (954) 958-0005

SUMMARY

This summary highlights selected information from this proxy statement/prospectus. It may not contain all of the information that is important to you. We urge you to carefully read the entire document and the other documents to which we refer you in order to fully understand the merger and the related transactions. See Where You Can Find More Information included elsewhere in this proxy statement/prospectus. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.

The Companies (pages 83 and 87)

HBI. HBI is a Conway, Arkansas headquartered bank holding company registered under the federal Bank Holding Company Act of 1956. HBI is primarily engaged in providing a broad range of commercial and retail banking and related financial services to businesses, real estate developers and investors, individuals and municipalities through its wholly owned community bank subsidiary, Centennial Bank. Centennial Bank has locations in Arkansas, Florida, South Alabama and New York.

HBI s total assets, total deposits, total revenue and net income for each of the past three years are as follows:

	As of or for the Years Ended December 31,		
	2015	2014	2013
		(In thousands)	
Total assets	$ 9,289,122	$ 7,403,272	$ 6,811,861
Total deposits	6,438,509	5,423,971	5,393,046
Total revenue (interest income plus non-interest income)	442,934	380,650	257,491
Net income available to all stockholders	138,199	113,063	66,520

HBI s common stock is traded on The NASDAQ Global Select Market under the symbol HOMB.

HBI s principal executive office is located at 719 Harkrider, Suite 100, Conway, Arkansas, and its telephone number is (501) 339-2929. HBI s internet address is *www.homebancshares.com*. Additional information about HBI is included under Certain Information Concerning HBI and Where You Can Find More Information included elsewhere in this proxy statement/prospectus.

GHI. GHI was incorporated under Florida law in 2001. It currently owns one community bank, Landmark Bank, N.A.. Landmark Bank is a national banking association that operates branches in Tamarac, Fort Lauderdale, Boca Raton, Davie and Hollywood, Florida. Landmark Bank commenced business in 1998.

GHI is a bank holding company regulated by the Federal Reserve. GHI s assets consist principally of the shares of stock of Landmark Bank and cash. Landmark Bank is a national banking association that is regulated by the Office of the Comptroller of Currency and the Federal Reserve. Its deposits are insured by the FDIC up to applicable federal deposit insurance limits.

Landmark Bank provides a full range of commercial and consumer banking services. The banking products offered by Landmark Bank include checking and savings accounts, business checking accounts, time deposits, money market accounts, real estate commercial and business loans. Landmark Bank also offers internet banking services, bill payment, cash management services, remote deposit capture, retirement account services and cash management services.

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At September 30, 2016, GHI had total assets of $462,975,000, total deposits of $368,192,000, and total stockholders equity of $55,613,000. GHI is privately held, and, as of the record date, had approximately 94 holders of record of its common stock. There is no market for its stock, and its shares are only traded in privately negotiated transactions.

GHI s principal executive offices are located at 6300 N.E. 1st Ave, Ste 300, Fort Lauderdale, Florida 33334, and its telephone number is 877-466-4200. GHI s internet address is *https://www.giantbank.com*. Additional information about GHI is included under Certain Information Concerning GHI included elsewhere in this proxy statement/prospectus.

The Merger (page 32)

The Merger Agreement provides that, subject to its terms and conditions and in accordance with Arkansas law, GHI will merge with and into HBI, with HBI being the surviving corporation in the merger. This transaction is referred to in this proxy statement/prospectus as the merger. As soon as reasonably practicable, following the merger and as part of a single integrated transaction, Landmark Bank will be merged with and into Centennial Bank, which is HBI s wholly owned bank subsidiary, with Centennial Bank being the surviving corporation in that second step merger.

Under the terms of the Merger Agreement, GHI shareholders will receive aggregate merger consideration of approximately $88,500,000. Each GHI shareholder therefore will receive a pro rata share of the total merger consideration, which consists of (i) $18,500,000 in cash payable at closing, and (ii) shares of HBI common stock with a total value of approximately $70,000,000, based on the volume-weighted average closing price of HBI common stock for the 20 trading days immediately prior to the date the merger closes (the HBI Average Closing Price). Based on 18,037,316 outstanding shares of GHI common stock (which is equal to the number of shares outstanding on the date the Merger Agreement was signed), GHI shareholders will receive, in exchange for each share of GHI common stock, merger consideration valued at approximately $4.91, consisting of a combination of (i) cash payable at closing in the amount of $1.03, and (ii) HBI common stock with a value of approximately $3.88 based upon the HBI Average Closing Price (which will be not less than $17.05 nor more than $25.57).

The number of shares of HBI common stock comprising the portion of the per-share merger consideration to be paid in shares of HBI common stock will vary based on the HBI Average Closing Price. The following table illustrates, for a range of potentially applicable HBI Average Closing Prices, the number of shares of HBI common stock that would be exchanged for each share of GHI common stock, assuming that 18,037,316 shares or 18,971,816 shares (which is equal to the sum of 18,037,316 shares the number of shares of GHI common stock outstanding on the date the Merger Agreement was signed, plus 934,500 shares issuable if all GHI stock options outstanding on the date of the Merger Agreement are exercised) of GHI common stock are outstanding immediately before the merger based on a Purchase Price of $88,500,000. The actual consideration will be based on the actual HBI Average Closing Price, which will be computed at the time of the merger. The HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.

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Per-Share Stock Consideration*

If the applicable HBI Average Closing Price is:	and 18,037,316 shares of GHI Common Stock are outstanding	and 18,971,816 shares of GHI Common Stock are outstanding
$17.05**	.2276	.2164
$18.00	.2156	.2050
$19.00	.2043	.1942
$20.00	.1940	.1845
$21.00	.1848	.1757
$21.97**	.1766	.1679
$22.00	.1764	.1677
$23.00	.1687	.1604
$24.00	.1617	.1537
$25.00	.1552	.1476
$25.57**	.1518	.1443

* The Per-Share Stock Consideration will be based on the actual HBI Average Closing Price, which will be computed at the time of the merger; the HBI Average Closing Prices shown on this table are for illustration only. Cash will be paid in lieu of issuing fractional shares of HBI common stock.

** On November 7, 2016, the date the Merger Agreement was signed, the closing price of a share of HBI common stock was $21.97. The Merger Agreement provides that if the HBI Average Closing Price is equal to or greater than $25.57, then the HBI Average Closing Price will be deemed to be $25.57. Additionally, if the HBI Average Closing Price is equal to or below $17.05, then the HBI Average Closing Price will be deemed to be $17.05.

For illustrative purposes only, assuming the HBI Average Closing Price is $21.97 and there are 18,037,316 shares of GHI common stock outstanding immediately before the merger, a GHI shareholder holding 100 shares of GHI common stock will receive $102.57 in cash for the cash portion of the merger consideration, 17 shares of HBI common stock, and $14.50 in cash in lieu of the resulting fractional share.

Assuming that 18,037,316 shares of HBI common stock will be issued to GHI shareholders (based on a $21.97 HBI Average Closing Price and no cash in lieu of fractional shares paid), GHI shareholders would own approximately 2.2% of HBI s common stock after the merger is completed, excluding any shares of HBI common stock they may already own.

Recommendation of GHI s Board of Directors (page 41)

GHI s board of directors recommends that holders of GHI common stock vote **FOR** the Merger Proposal, and **FOR** the Adjournment Proposal.

For further discussion of GHI s reasons for the merger and the recommendations of GHI s board of directors, see The Merger Background of the Merger and The Merger Recommendation of GHI s Board of Directors and Reasons for the Merger.

Opinion of HBI s Financial Advisor (page 50)

On November 4, 2016, Stephens Inc. (Stephens), HBI s financial advisor in connection with the merger, delivered its oral opinion to HBI s board of directors and subsequently confirmed in a written opinion, dated November 4, 2016 that, as of that date and based upon and subject to the assumptions and qualifications stated in its written opinion, the $88.5 million cash and stock consideration to be exchanged by HBI for the outstanding common stock of GHI, was fair, from a financial point of view.

The full text of Stephens opinion, dated November 4, 2016, is attached as **Appendix B** to this proxy statement/prospectus. You should read the opinion in its entirety for a discussion of, among other things, the assumptions made, procedures followed, matters considered, qualifications stated and any limitations on the review undertaken by Stephens in rendering its opinion.

Stephens opinion is addressed to HBI s board of directors and addresses only the fairness of the aggregate consideration to be paid by HBI from a financial point of view and does not address the merits of the underlying decision by HBI to enter into the Merger Agreement, the merits of the merger as compared to other alternatives potentially available to HBI or the relative effects of any alternative transaction in which HBI might engage, nor is it intended to be a recommendation to any person as to any specific action that should be taken in connection with the merger. Stephens has been paid a customary investment banking fee for its services in connection with delivery of its opinion, and will be reimbursed by HBI for certain of its expenses.

Opinion of GHI s Financial Advisor (page 42)

On November 7, 2016, Hovde Group, LLC (Hovde), GHI s financial advisor in connection with the merger, provided the GHI board of directors with an overview of its analyses performed as of the date of the meeting and advised the board that its analyses were as of such date and based upon and subject to various qualifications and assumptions described in the meeting. Hovde delivered its opinion to the board on November 7, 2016, that, as of such date and subject to and based upon the qualifications and assumptions set forth in its written opinion, the merger consideration was fair, from a financial point of view, to the shareholders of GHI.

The full text of Hovde s opinion, dated November 7, 2016, is attached as **Appendix C** to this proxy statement/prospectus. You should read the opinion in its entirety for a discussion of, among other things, the assumptions made, procedures followed, matters considered and any limitations on the review undertaken by Hovde in rendering its opinion.

Hovde s opinion is addressed to GHI s board of directors and addresses only the fairness of the merger consideration to be received by GHI shareholders from a financial point of view and does not address the merits of the underlying decision by GHI to enter into the Merger Agreement, the merits to the merger as compared to other alternatives potentially available to GHI or the relative effects of any alternative transaction in which GHI might engage. Hovde will be paid a fee for its services in connection with the delivery of its opinion, and will be reimbursed by GHI for certain of its expenses.

Interests of GHI Directors and Officers in the Merger (page 91)

Certain of GHI s directors and officers may have interests in the merger as individuals in addition to, or different from, their interests as shareholders of GHI, including, but not limited to, (i) share issuances or cash payments in connection with the termination of their stock options; (ii) cash payments in connection with the termination of their employment agreements and separation pay plans; (iii) obligations to vote in favor of the merger; (iv) continuation of employment with Centennial Bank; (v) cash payments in connection with termination of supplemental retirement plans; and (vi) continuation of indemnification after the merger.

HBI has agreed to indemnify present and former directors and officers of GHI and its subsidiaries against certain costs, damages or liabilities incurred in connection with claims, investigations and other actions arising out of or pertaining to matters existing or occurring at or prior to the effective time of the merger, and to provide them with director s and officer s liability insurance coverage for a period of six years following the merger, subject to a cap on the expense related to such insurance.

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Appraisal Rights (page 34)

GHI shareholders are entitled to appraisal rights under Florida Statutes § 607.1301 *et seq.*, a copy of which is attached as **Appendix D** to this proxy statement/prospectus. Those rights, if properly exercised, will allow a shareholder who does not wish to accept the consideration provided for by the Merger Agreement instead to obtain payment in cash of the fair value of the shareholder s shares of GHI common stock. If you wish to assert appraisal rights, you must deliver to GHI, at or prior to the GHI special meeting, written notice of your intent to demand payment for your shares if the proposed merger is consummated and you must not vote for approval of the Merger Proposal. The procedure for dissenting is described in more detail in The Merger section under the heading Appraisal Rights.

HBI shareholders are not entitled to any appraisal or dissenters rights.

Regulatory Matters (page 39)

Each of HBI and GHI has agreed to use its reasonable best efforts to obtain all regulatory approvals or make all regulatory notifications required to complete the merger and the other transactions contemplated by the Merger Agreement. These approvals and notifications include approval from or notifications to the Federal Reserve Board, the Arkansas State Bank Department and the Office of the Comptroller of Currency, among others. HBI and GHI have filed, or are in the process of filing, applications and notifications to obtain the required regulatory approvals. There can be no assurances that any such approvals will be received on a timely basis, or as to the ability of HBI and GHI to obtain the approvals on satisfactory terms or the absence of litigation challenging such approvals. See The Merger Regulatory Approvals and Notifications.

Conditions to Completion of the Merger (page 67)

Currently, HBI and GHI expect to complete the merger in the first quarter of 2017. As more fully described in this proxy statement/prospectus and in the Merger Agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party.

Termination of the Merger Agreement (page 68)

The Merger Agreement can be terminated at any time prior to completion of the merger by mutual consent, or by either party in the following circumstances:

- a governmental entity that must grant a required regulatory approval has denied approval and such denial has become final and non-appealable, or an injunction or legal prohibition against the transaction becomes final and non-appealable;

- the merger has not been consummated by July 31, 2017, or under certain circumstances, September 30, 2017 (unless the failure of the closing to occur by such date is due to the failure of the party seeking to terminate the Merger Agreement to perform or observe its covenants and agreements);

the other party breaches any of its covenants or agreements or representations or warranties under the Merger Agreement in a manner that would cause the closing conditions not to be satisfied and which is not cured within 30 days following written notice to the party committing the breach, or the breach, by its nature, cannot be cured within such time (provided that the terminating party is not then in material breach of any representation, warranty, covenant, or other agreement contained in the Merger Agreement);

GHI s shareholders fail to approve the Merger Proposal, provided that the failure to obtain such shareholder approval was not caused by the terminating party s material breach of any of its obligations under the Merger Agreement; or

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- if the volume-weighted average closing price of HBI s Common Stock for the 20 days prior to the Closing Date is less than or equal to $14.92 per share.

Additionally, the Merger Agreement may be terminated by (i) GHI in order to enter into an agreement providing for a Superior Proposal (as defined in the Merger Agreement), upon payment to HBI of a termination fee $4,425,000, (ii) HBI, if the holders of 10% or more of the outstanding shares of GHI common stock provide notice of dissent and do not vote in favor of the merger, or (iii) HBI, if certain covenants have not been met by GHI or its board of directors or if GHI s board of directors has recommended or publicly announced its intention to enter into a Superior Proposal.

Expenses and Termination Fees (pages 68 and 69)

Except for the registration fee and other fees paid to the SEC in connection with the merger, which will be paid by HBI, and any termination fees, all fees and expenses incurred in connection with the merger (including the costs and expense of printing and mailing this proxy statement/prospectus) will be paid by the party incurring such fees or expenses.

GHI is required to pay HBI a termination fee of $4,425,000 if the Merger Agreement is terminated by GHI in order to enter into an agreement providing for a Superior Proposal (as defined in the Merger Agreement) or is terminated by HBI because (i) GHI violated the no solicitation provision of the Merger Agreement; (ii) the board of directors of GHI failed to recommend the merger; (iii) the GHI board of directors has recommended, proposed, or publicly announced its intention to recommend or propose to engage in a transaction resulting in a Superior Proposal; or (iv) GHI has failed to call, give notice of, convene and hold the GHI shareholder meeting in accordance with the Merger Agreement.

Matters to Be Considered at the Special Meeting (page 84)

GHI shareholders will be asked to vote on the following proposals:

- to approve the Merger Agreement (the Merger Proposal); and

- to approve one or more adjournments of the GHI special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the Merger Proposal (the Adjournment Proposal).

Approval of the Merger Proposal is required for the completion of the merger. GHI s board of directors recommends that GHI shareholders vote **FOR** the proposals set forth above. For further discussion of the GHI special meeting, see GHI Special Meeting of Shareholders.

Approval of the Merger Proposal requires an affirmative vote by the holders of at least 66% of the outstanding shares of common stock of GHI. Certain directors and officers have entered into voting agreements pursuant to which they have agreed to vote approximately 13,199,554 shares in favor of the merger, subject to certain exceptions.

These shares represent approximately 73.2% of the GHI common stock entitled to vote at the GHI special meeting.

Rights of GHI Shareholders Will Change as a Result of the Merger (page 76)

The rights of GHI shareholders are governed by Florida law and by GHI s articles of incorporation and bylaws. Upon the completion of the merger, GHI shareholders will no longer have any direct interest in GHI.

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Those GHI shareholders receiving shares of HBI common stock as merger consideration will only participate in the combined company s future earnings and potential growth through their ownership of HBI common stock. All of the other incidents of direct stock ownership in GHI will be extinguished upon completion of the merger. The rights of former GHI shareholders that become HBI shareholders will be governed by Arkansas law and HBI s articles of incorporation and bylaws. Therefore, GHI shareholders that receive HBI common stock in the merger will have different rights once they become HBI shareholders. See Comparison of Rights of Holders of HBI and GHI Common Stock.

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RISK FACTORS

In addition to the other information contained in or incorporated by reference into this proxy statement/prospectus, including HBI s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and its Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2016, respectively, and the matters addressed under the caption Cautionary Note Regarding Forward-Looking Statements, GHI shareholders should consider the matters described below carefully in determining whether to vote to approve the Merger Agreement and the transactions contemplated by the Merger Agreement.

Risk Factors Relating to the Merger

Because the market price of HBI common stock may fluctuate, you cannot be sure of the value of each share of HBI common stock that you will receive.

Upon completion of the merger, each share of GHI common stock (other than shares owned by GHI) will be converted into the right to receive merger consideration consisting of cash and shares of HBI common stock, pursuant to the terms of the Merger Agreement. The value of each share of HBI common stock to be received by GHI shareholders will be based on the volume-weighted average closing price of HBI common stock during the 20 trading day period immediately before the date the merger closes. This average price may vary from the closing price of HBI common stock on the date that the merger was announced, on the date that this proxy statement/prospectus was mailed to GHI shareholders, on the date of the special meeting of the GHI shareholders, and on the date the merger is completed. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in HBI s business, operations and prospects, and regulatory considerations, among other things. Many of these factors are beyond the control of HBI. GHI shareholders should obtain current market quotations for shares of HBI common stock before voting their shares at the GHI special meeting.

The number of shares of HBI common stock to be issued to GHI shareholders in connection with the merger is subject to certain collars, which could materially impact the value of the merger consideration payable to GHI shareholders.

The Merger Agreement provides for a fixed price structure, which means that, based upon the HBI Average Closing Price, the number of shares of HBI common stock to be issued to GHI shareholders in connection with the merger will be adjusted so that the Purchase Price will be $88,500,000 if the shares of HBI common stock are valued at the HBI Average Closing Price. The number of shares of HBI common stock to be issued in connection with the merger, however, is subject to a minimum and maximum amount, which is sometimes referred to as a collar. Under the Merger Agreement, if the calculation of the HBI Average Closing Price results in a number greater than or equal to $25.57, the HBI Average Closing Price will be deemed to be $25.57. Similarly, if the calculation of the HBI Average Closing Price results in a number less than or equal to $17.05, the HBI Average Closing Price will be deemed to be $17.05. As a result, if the volume-weighted average closing price of HBI common stock is greater than $25.57, the Purchase Price (valued using the HBI Average Closing Price) will be more than $88,500,000, and if the volume-weighted average closing price of HBI common stock is less than $17.05, the Purchase Price (valued using the HBI Average Closing Price) will be less than $88,500,000.

If the volume-weighted average closing price of HBI common stock is less than $17.05, GHI will continue to be obligated to complete the merger, assuming that all other conditions to closing the merger are satisfied. Even though GHI (and HBI) would have a termination right if the volume-weighted average closing price of HBI common stock is less than $14.92, GHI may not choose to exercise such termination right. Therefore, the value of the merger consideration to be received by GHI shareholders may be materially less than $88,500,000.

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HBI may fail to realize all of the anticipated benefits of the merger.

The success of the merger will depend, in part, on HBI s ability to successfully combine the HBI and GHI organizations. If HBI is not able to achieve this objective, the anticipated benefits of the merger may not be realized fully or at all or may take longer than expected to be realized.

HBI and GHI have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process or other factors could result in the loss or departure of key employees, the disruption of the ongoing business of GHI or inconsistencies in standards, controls, procedures and policies. It is also possible that clients, customers, depositors and counterparties of GHI could choose to discontinue their relationships with the combined company post-merger because they prefer doing business with GHI or for any other reason, which would adversely affect the future performance of the combined company. These transition matters could have an adverse effect on each of HBI and GHI during the pre-merger period and for an undetermined time after the completion of the merger.

The results of operations of HBI after the merger may be affected by factors different from those currently affecting the results of operations of HBI and GHI.

The businesses of HBI and GHI differ in certain respects and, accordingly, the results of operations of the combined company and the market price of HBI s common stock may be affected by factors different from those currently affecting the independent results of operations of HBI and GHI. For a discussion of the business of HBI and certain factors to be considered in connection with HBI s business, see Certain Information Concerning HBI and the documents incorporated by reference in this proxy statement/prospectus and referred to under Where You Can Find More Information. For a discussion of the business of GHI, see Certain Information Concerning GHI.

The Merger Agreement limits GHI s ability to pursue an alternative transaction and requires GHI to pay a termination fee under certain circumstances relating to alternative acquisition proposals.

The Merger Agreement prohibits GHI from soliciting, initiating, encouraging or knowingly facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the Merger Agreement. The Merger Agreement also provides for the payment by GHI to HBI of a termination fee of $4,425,000 in the event that the Merger Agreement is terminated in connection with another acquisition proposal or under certain other circumstances. These provisions may discourage a potential competing acquiror that might have an interest in acquiring GHI from considering or proposing such an acquisition. See The Merger Agreement Termination; Termination Fee included elsewhere in this proxy statement/prospectus.

The fairness opinions that HBI and GHI have obtained, have not been, and are not expected to be, updated to reflect any changes in circumstances that may have occurred since the signing of the Merger Agreement.

The fairness opinions issued to HBI and GHI, regarding the fairness, from a financial point of view, of the consideration to be paid in connection with the merger, speak only as of their date of delivery. Changes in the operations and prospects of HBI or GHI, general market and economic conditions and other factors which may be beyond the control of HBI and GHI, and on which each of the fairness opinions was based, may have altered the value of HBI or GHI or the market prices of shares of HBI or GHI as of the date of this proxy statement/prospectus, or may alter such values and market prices by the time the merger is completed. The financial advisors do not have any obligation to update, revise or reaffirm their respective opinions to reflect subsequent developments, and have not done so. Because HBI and GHI do not currently anticipate asking their financial advisors to update their opinions, the opinions will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. GHI s board of directors recommendation that GHI shareholders vote **FOR** approval of the Merger Agreement is, however, made as of the date of this proxy statement/prospectus. For a description of the opinions that HBI and GHI received from their financial advisors, see Opinion of HBI s Financial Advisor and Opinion of GHI s Financial Advisor included elsewhere in this proxy statement/prospectus.

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The merger is subject to the receipt of consents and approvals from governmental entities that may impose conditions that could have an adverse effect on the combined company following the merger.

Before the merger may be completed, various approvals and consents must be obtained from the Federal Reserve Board, the Arkansas State Bank Department, the Office of the Comptroller of the Currency and various other securities, antitrust, and regulatory authorities. These governmental entities may impose conditions on the granting of such approvals and consents. Although HBI and GHI do not currently expect that any such material conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs or limiting the revenues of the combined company following the merger, any of which might have an adverse effect on the combined company following the merger. In addition, each of HBI and GHI has agreed to use its commercially reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to consummate the merger. Such actions may entail costs and may adversely affect HBI, GHI, or the combined company following the merger.

The merger is subject to certain closing conditions that, if not satisfied or waived, will result in the merger not being completed, which may adversely affect GHI.

The merger is subject to customary conditions to closing, including the receipt of required regulatory approvals and approval of the GHI shareholders. If any condition to the merger is not satisfied or waived, to the extent permitted by law, the merger will not be completed. In addition, HBI and GHI may terminate the Merger Agreement under certain circumstances even if the Merger Agreement is approved by GHI shareholders. If HBI and GHI do not complete the merger, neither company would realize any of the expected benefits of having completed the merger. If the merger is not completed and GHI s board of directors seeks another merger or business combination, GHI shareholders cannot be certain that GHI will be able to find a party willing to offer equivalent or more attractive consideration than the consideration HBI has agreed to provide in the merger. If the merger is not completed, additional risks could materialize, which could materially and adversely affect the business, financial condition and results of GHI. For more information on closing conditions to the Merger Agreement, see The Merger Agreement Conditions to the Merger included elsewhere in this proxy statement/prospectus.

The combined company expects to incur substantial expenses related to the merger.

The combined company expects to incur substantial expenses in connection with completing the merger and combining the business, operations, networks, systems, technologies, policies and procedures of the two companies. Although HBI and GHI have assumed that a certain level of transaction and combination expenses would be incurred, there are a number of factors beyond their control that could affect the total amount or the timing of their combination expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. Due to these factors, the transaction and combination expenses associated with the merger could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the combination of the businesses following the completion of the merger. As a result of these expenses, both HBI and GHI expect to take charges against their earnings before and after the completion of the merger. The charges taken in connection with the merger are expected to be significant, although the aggregate amount and timing of such charges are uncertain at present.

Shares of HBI common stock to be received by GHI shareholders as a result of the merger will have rights different from the shares of GHI common stock.

Upon completion of the merger, the rights of former GHI shareholders who receive HBI common stock in the merger and thereby become HBI shareholders will be governed by the articles of incorporation and bylaws of HBI and by Arkansas law. The rights associated with GHI common stock are different from the rights associated with HBI common stock. See Comparison of Rights of Holders of HBI and GHI Common Stock beginning on page 76 for a discussion of the different rights associated with HBI common stock.

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Certain GHI directors and officers may have interests in the merger different from the interests of GHI shareholders.

In considering the recommendations of the board of directors of GHI, GHI shareholders should be aware that certain directors and officers of GHI have interests in the merger that may differ from, or may be in addition to, the interests of GHI shareholders generally. The board of directors of GHI was aware of these interests and considered them, among other matters, when it adopted the Merger Agreement and in making its recommendations that the GHI shareholders approve the Merger Proposal. These interests include:

- Certain GHI directors and officers may receive cash payments in connection with the termination of their stock options;
- Certain GHI officers are parties to employment agreements that provide severance and other benefits upon or following a change in control of GHI in connection with a qualifying termination of employment;
- GHI directors and officers are entitled to indemnification and insurance coverage under the Merger Agreement; and
- Certain GHI officers will be offered continued employment with Centennial Bank at salaries agreed upon by the officer and Centennial Bank.

For a more complete description of the interests of GHI directors and officers in the merger, see The Merger Golden Parachute Compensation and Termination of Stock Options and The Directors and Officers of GHI and Landmark Bank Have Financial Interests in the Merger.

Risk Factors Relating to HBI and HBI s Business.

Prior to or upon completion of the merger, HBI will exceed $10 billion in assets, and as a result, it will become subject to increased regulatory requirements, which could materially and adversely affect it.

Prior to or upon completion of the merger, HBI s bank subsidiary s total assets will exceed $10 billion, and HBI and its bank subsidiary will therefore become subject to increased regulatory requirements beginning in 2018. The Dodd-Frank Act and its implementing regulations impose various additional requirements on bank holding companies with $10 billion or more in total assets, including compliance with portions of the Federal Reserve s enhanced prudential oversight requirements and annual stress testing requirements. Failure to meet the enhanced prudential standards and stress testing requirements could limit, among other things, HBI s ability to engage in expansionary activities or make dividend payments to its shareholders. In addition, banks with $10 billion or more in total assets are primarily examined by the Consumer Financial Protection Bureau (CFPB) with respect to various federal consumer financial protection laws and regulations. Currently, HBI s bank subsidiary is subject to regulations adopted by the CFPB, but the Federal Reserve is primarily responsible for examining HBI s bank subsidiary s compliance with consumer protection laws and those CFPB regulations. As a relatively new agency with evolving regulations and practices, there is uncertainty as to how the CFPB s examination and regulatory authority might impact HBI s business.

With respect to deposit-taking activities, banks with assets in excess of $10 billion are subject to two changes. First, these institutions are subject to a deposit assessment based on a new scorecard issued by the FDIC. This scorecard considers, among other things, the bank s CAMELS rating, results of asset-related stress testing and funding-related stress, as well as HBI s use of core deposits, among other things. Depending on the results of the bank s performance under that scorecard, the total base assessment rate is between 2.5 to 45 basis points. Any increase in HBI s bank subsidiary s deposit insurance assessments may result in an increased expense related to its use of deposits as a funding source. Additionally, banks with over $10 billion in total assets are no longer exempt from the requirements of the Federal Reserve s rules on interchange transaction fees for debit cards. This means that, beginning on July 1, 2018, HBI s bank subsidiary will be limited to receiving only a reasonable interchange transaction fee for any debit card transactions processed using debit cards issued by its to its customers. The Federal Reserve has determined that it is unreasonable for a bank with more than $10 billion in total assets to receive more than $0.21 plus 5 basis points of the transaction plus a $0.01 fraud adjustment for an interchange transaction fee for debit card transactions. A reduction in the amount of interchange fees HBI s bank subsidiary receives for electronic debit interchange will reduce its revenues. During fiscal year 2015, HBI s bank subsidiary collected $20.4 million in debit card interchange fees. HBI estimates that had it been subject to this limitation during 2015 its interchange fee revenue would have been reduced by approximately $7.0 million.

In anticipation of becoming subject to the heightened regulatory requirements, HBI has begun to hire additional compliance personnel and implement structural initiatives to address these requirements. However, compliance with these requirements may necessitate that it hire additional compliance or other personnel, design and implement additional internal controls, and/or incur other significant expenses, any of which could have a material adverse effect on its business, financial condition or results of operations. Compliance with the annual stress testing requirements, part of which must be publicly disclosed, may also be misinterpreted by the market generally or HBI s customers and, as a result, may adversely affect HBI s stock price or ability to retain customers or effectively compete for new business opportunities. To ensure compliance with these heightened requirements when effective, HBI s regulators may require it to fully comply with these requirements or take actions to prepare for compliance even before HBI or HBI s bank subsidiary s total assets equal or exceed $10 billion at the end of four consecutive quarters. As a result, HBI has incurred and expects to continue to incur compliance-related costs before it is otherwise required. HBI s regulators may also consider its preparation for compliance with these regulatory requirements when examining its operations generally or considering any request for regulatory approval it may make, even requests for approvals on unrelated matters.

HBI s decisions regarding credit risk could be inaccurate and its allowance for loan losses may be inadequate, which would materially and adversely affect HBI.

Management makes various assumptions and judgments about the collectability of HBI s loan portfolio, including the creditworthiness of its borrowers and the value of the real estate and other assets serving as collateral for the repayment of its secured loans. HBI endeavors to maintain an allowance for loan losses that it considers adequate to absorb future losses that may occur in its loan portfolio. As of September 30, 2016, HBI s allowance for loan losses was approximately $76.4 million, or 1.1% of HBI s loans. In determining the size of the allowance, HBI analyzes its loan portfolio based on its historical loss experience, volume and classification of loans, volume and trends in delinquencies and non-accruals, national and local economic conditions, and other pertinent information.

If HBI s assumptions are incorrect, its current allowance may be insufficient to absorb future loan losses, and increased loan loss reserves may be needed to respond to different economic conditions or adverse developments in its loan portfolio. When there is an economic downturn, it is more difficult for HBI to estimate the losses that it will experience in its loan portfolio. In addition, federal and state regulators periodically review its allowance for loan losses and may require HBI to increase its allowance for loan losses or recognize further loan charge-offs based on judgments different than those of its management. Any increase in its allowance for loan losses or loan charge-offs could have a negative effect on HBI s operating results.

HBI s high concentration of real estate loans and especially commercial real estate loans exposes it to increased lending risk.

As of September 30, 2016, 80.1% of HBI s total loan portfolio was comprised of loans with real estate as a primary or secondary component of collateral. This includes commercial real estate loans (excluding construction/land development) of $3.0 billion, or 42.7% of total loans, construction/land development loans of $1.1 billion, or 15.0% of total loans, and residential real estate loans of $1.6 billion, or 22.4% of total loans. This high concentration of real estate loans could subject HBI to increased credit risk in the event of a decrease in real estate values in its markets, a real estate recession or a natural disaster. Also, in any such event, HBI s ability to recover on defaulted loans by foreclosing and selling real estate collateral would be diminished, and it would be more likely to suffer losses on defaulted loans.

In addition to the risks associated with the high concentration of real estate-secured loans, the commercial real estate and construction/land development loans, which comprised 57.6% of HBI s total loan portfolio as of September 30, 2016, expose it to a greater risk of loss than its residential real estate loans, which comprised 22.4% of its total loan portfolio as of September 30, 2016. Commercial real estate and land development loans typically involve larger loan balances to single borrowers or groups of related borrowers compared to residential loans. Consequently, an adverse development with respect to one commercial loan or one credit relationship exposes HBI to a significantly greater risk of loss compared to an adverse development with respect to one residential mortgage loan.

The repayment of loans secured by commercial real estate is typically dependent upon the successful operation of the related real estate or commercial project. If the cash flows from the project are reduced, a borrower s ability to repay the loan may be impaired. This cash flow shortage may result in the failure to make loan payments. In such cases, HBI may be compelled to modify the terms of the loan, or in the most extreme cases, it may have to foreclose.

HBI s geographic concentration of banking activities and loan portfolio makes it more vulnerable to adverse conditions in its local markets.

HBI operates through branch locations in Arkansas, Florida, Alabama and New York City. However, approximately 80.0% of its total loans and 77.7% of its real estate loans as of September 30, 2016, are to borrowers whose collateral is located in Alabama, Arkansas and Florida, the three states in which it primarily has branch locations. An adverse development with respect to the market conditions of any of these specific market areas or a decrease in real estate values in those market areas could expose HBI to a greater risk of loss than a portfolio that is spread among a larger geographic base.

Depressed local economic and housing markets have led to loan losses and reduced earnings in the past and could lead to additional loan losses and reduced earnings.

During the latter years of the last decade the Florida markets experienced a dramatic reduction in housing and real estate values, coupled with significantly higher unemployment. These conditions contributed to increased non-performing loans and reduced asset quality during this time period. While market conditions in the Florida markets have improved in recent years leading to resulting improvements in HBI s non-performing loans and asset quality, any similar future economic downturn or deterioration in real estate values could cause HBI to incur additional losses relating to increased non-performing loans. HBI does not record interest income on non-accrual loans or other real estate owned, thereby adversely affecting its income and its loan administration costs. When HBI takes collateral in foreclosures and similar proceedings, it is required to mark the related loan to the then-fair market value of the collateral, which may result in a loss. These loans and other real estate owned also increase its risk profile and the capital HBI s regulators believe is appropriate in light of such risks. In addition, the resolution of non-performing assets requires significant commitments of time from management and HBI s directors, which can be detrimental to the performance of their other responsibilities. These factors, individually or in the aggregate, could have an adverse effect on HBI s financial condition and results of operations.

Additionally, HBI s success significantly depends upon the growth in population, income levels, deposits and housing starts in its markets. If the communities in which HBI operates do not grow or if prevailing economic conditions deteriorate locally or nationally, HBI s business may be adversely affected. HBI is less able than a larger institution to spread the risks of unfavorable local economic conditions across a large number of diversified economies. Moreover, HBI cannot give any assurance it will benefit from any market growth or favorable economic conditions in its primary market areas if they do occur.

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If the value of real estate in the Florida markets were to once again deteriorate, a significant portion of HBI s loans in the Florida market could become under-collateralized, which could have a material adverse effect on HBI.

As of September 30, 2016, loans in the Florida market totaled $2.4 billion, or 33.7% of HBI s loans receivable. Of the Florida loans, approximately 89.8% were secured by real estate. In prior years, the difficult local economic conditions have adversely affected the values of HBI s real estate collateral in Florida, and they could do so again if the markets were to once again deteriorate in the future. The real estate collateral in each case provides an alternate source of repayment on HBI s loans in the event of default by the borrower but may deteriorate in value during the time credit is extended. If HBI is required to liquidate the collateral securing a loan to satisfy the debt during a period of reduced real estate values, its earnings and capital could be adversely affected.

Because HBI has a concentration of exposure to a number of individual borrowers, a significant loss on any of those loans could materially and adversely affect HBI.

HBI has a concentration of exposure to a number of individual borrowers. Under applicable law, HBI s bank subsidiary is generally permitted to make loans to one borrowing relationship up to 20% of its Tier 1 capital plus the allowance for loan losses. As of September 30, 2016, the legal lending limit of HBI s bank subsidiary for secured loans was approximately $191.6 million. HBI s board of directors has established an in-house lending limit of $20.0 million to any one borrowing relationship without obtaining the approval of both its Chairman, John W. Allison, and its director Richard H. Ashley. As of September 30, 2016, HBI had a total of $1.9 billion, or 27.1% of its total loans, committed to the aggregate group of borrowers whose total debt exceeds the established in-house lending limit of $20.0 million.

HBI s cost of funds may increase as a result of general economic conditions, interest rates and competitive pressures.

HBI s cost of funds may increase as a result of general economic conditions, interest rates and competitive pressures. HBI has traditionally obtained funds principally through local deposits, and it has a base of lower cost transaction deposits. Generally, HBI believes local deposits are a more stable source of funds than other borrowings because interest rates paid for local deposits are typically lower than interest rates charged for borrowings from other institutional lenders. In addition, local deposits reflect a mix of transaction and time deposits, whereas brokered deposits typically are less stable time deposits, which may need to be replaced with higher cost funds. HBI s costs of funds, profitability and liquidity are likely to be adversely affected if and to the extent HBI has to rely upon higher cost borrowings from other institutional lenders or brokers to fund loan demand or liquidity needs, and changes in HBI s deposit mix and growth could adversely affect its profitability and the ability to expand its loan portfolio.

The loss of key officers may materially and adversely affect HBI.

HBI s success depends significantly on its Chairman, John W. Allison, and its executive officers, especially C. Randall Sims, Brian S. Davis, J. Stephen Tipton and Kevin D. Hester plus Centennial Bank Chief Executive Officer and President, Tracy M. French, and its regional Centennial Bank presidents Robert F. Birch, Russell D. Carter, III and Jim F. Haynes, Jr. Centennial Bank, in particular, relies heavily on its management team s relationships in its local communities to generate business. Because HBI does not have employment agreements or non-compete agreements with HBI s executive officers and regional bank presidents, these employees are free to resign at any time and accept an employment offer from another company, including a competitor. The loss of services from a member of HBI s current management team may materially and adversely affect its business, financial condition, results of operations and future prospects.

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HBI s growth and expansion strategy may not be successful and its market value and profitability may suffer.

Growth through the acquisition of banks, including FDIC-assisted transactions, and *de novo* branching represent important components of HBI s business strategy. Any future acquisitions HBI might make will be accompanied by the risks commonly encountered in acquisitions. These risks include, among other things:

- credit risk associated with the acquired bank s loans and investments;
- the use of inaccurate estimates and judgments to evaluate credit, operations, management and market risks with respect to the target institution or assets;
- the potential exposure to unknown or contingent liabilities related to the acquisition;
- the time and expense required to integrate an acquisition;
- the effectiveness of integrating operations, personnel and customers;
- risks of impairment to goodwill or other than temporary impairment; and
- potential disruption of its ongoing business.

HBI expects that competition for suitable acquisition candidates may be significant. HBI may compete with other banks or financial service companies with similar acquisition strategies, many of which are larger and have greater financial and other resources. HBI cannot assure you that it will be able to successfully identify and acquire suitable acquisition targets on acceptable terms and conditions.

In the current economic environment, HBI may continue to have opportunities to acquire the assets and liabilities of failed banks in FDIC-assisted transactions. These acquisitions involve risks similar to acquiring existing banks even though the FDIC might provide assistance to mitigate certain risks such as sharing in exposure to loan losses and providing indemnification against certain liabilities of the failed institution. However, because these acquisitions are structured in a manner that would not allow HBI the time normally associated with preparing for integration of an acquired institution, HBI may face additional risks in FDIC-assisted transactions. These risks include, among other things, the loss of customers, strain on management resources related to collection and management of problem loans and problems related to integration of personnel and operating systems.

In addition to the acquisition of existing financial institutions, as opportunities arise, HBI may grow through *de novo* branching. *De novo* branching and any acquisition carry with them numerous risks, including the following:

- the inability to obtain all required regulatory approvals;

the significant upfront costs and anticipated operating losses associated with establishing a de novo branch or a new bank;

the inability to secure the services of qualified senior management;

the local market receptivity for branches established or banks acquired outside of those markets in which HBI currently maintains a material presence;

the local economic conditions within the market to be served by the *de novo* branch or new bank;

the inability to obtain attractive locations within a new market at a reasonable cost; and

the additional strain on management resources and internal systems and controls.

HBI cannot assure that it will be successful in overcoming these risks or any other problems encountered in connection with acquisitions (including FDIC-assisted transactions) and *de novo* branching. HBI s inability to overcome these risks could have an adverse effect on its ability to achieve its business strategy and maintain its market value and profitability.

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There may be undiscovered risks or losses associated with HBI s bank acquisitions which would have a negative impact upon its future income.

HBI s growth strategy includes strategic acquisitions of banks. HBI has acquired 19 banks since it started its first subsidiary bank in 1999, including a total of 14 banks from 2010 through 2015, and it has one additional pending bank acquisition which it expects to close during the first quarter of 2017. HBI will continue to consider strategic acquisitions, with a primary focus on Arkansas, Florida, South Alabama and other nearby markets. In most cases, HBI s acquisition of a bank includes the acquisition of all or a substantial portion of the target bank s assets and liabilities, including all or a substantial portion of its loan portfolio. There may be instances when HBI, under its normal operating procedures, may find after the acquisition that there may be additional losses or undisclosed liabilities with respect to the assets and liabilities of the target bank, and, with respect to its loan portfolio, that the ability of a borrower to repay a loan may have become impaired, the quality of the value of the collateral securing a loan may fall below its standards, or its determination of the fair value of any such loan may be inadequate. One or more of these factors might cause HBI to have additional losses or liabilities, additional loan charge-offs, or increases in allowances for loan losses, which would have a negative impact upon its financial condition and results of operations.

Changes in national and local economic conditions could lead to higher loan charge-offs in connection with HBI s acquisitions.

In connection with HBI s acquisitions since 2010, it has acquired a significant portfolio of loans. Although HBI marked down the loan portfolios it has acquired, there is no assurance that the non-impaired loans acquired by HBI will not become impaired or that the impaired loans will not suffer further deterioration in value resulting in additional charge-offs to the acquired loan portfolio. Fluctuations in national, regional and local economic conditions, including those related to local residential and commercial real estate and construction markets, may increase the level of charge-offs HBI makes to its loan portfolio, and, may consequently, reduce its net income. Such fluctuations may also increase the level of charge-offs on the loan portfolios HBI has acquired in the acquisitions and correspondingly reduce HBI s net income. These fluctuations are not predictable, cannot be controlled and may have a material adverse impact on HBI s operations and financial condition even if other favorable events occur.

HBI s acquisitions have caused it to modify its disclosure controls and procedures, which may not result in the material information that it is required to disclose in its SEC reports being recorded, processed, summarized, and reported timely.

HBI s management is responsible for establishing and maintaining effective disclosure controls and procedures that are designed to cause the material information that it is required to disclose in reports that it files or submits under the Securities Exchange Act of 1934, as amended (the Exchange Act), to be recorded, processed, summarized, and reported to the extent applicable within the time periods required by the SEC s rules and forms. As a result of HBI s acquisitions, it may implement changes to processes, information technology systems and other components of internal control over financial reporting as part of its integration activities. Notwithstanding any changes to HBI s disclosure controls and procedures resulting from its evaluation of the same after the acquisition, its control systems, no matter how well designed and operated, may not result in the material information that HBI is required to disclose in its SEC reports being recorded, processed, summarized, and reported within required time periods. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within HBI s company have been detected. If, as a result of HBI s acquisitions or otherwise, it is unable to achieve and maintain effective disclosure controls and procedures and internal control over financial reporting, investors and customers may lose confidence in the accuracy and completeness of its financial reports, it may suffer adverse regulatory consequences or violate listing standards, and the market price of its common stock could decline.

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Competition from other financial institutions may adversely affect HBI s profitability.

HBI faces substantial competition in all phases of its operations from a variety of different competitors. HBI experiences strong competition, not only from commercial banks, savings and loan associations and credit unions, but also from mortgage banking firms, consumer finance companies, securities brokerage firms, insurance companies, money market funds and other financial services providers operating in or near HBI s market areas. HBI competes with these institutions both in attracting deposits and in making loans.

Many of HBI s competitors are much larger national and regional financial institutions. HBI may face a competitive disadvantage against them as a result of HBI s smaller size and resources and its lack of geographic diversification. Due to their size, larger competitors can achieve economies of scale and may offer a broader range of products and services or more attractive pricing than HBI. If HBI is unable to offer competitive products and services, its business may be negatively affected. Many of HBI s competitors are not subject to the same degree of regulation that it is as an FDIC-insured institution, which gives them greater operating flexibility and reduces their expenses relative to HBI s expenses. As a result, these non-bank competitors have certain advantages over HBI in accessing funding and in providing various services.

HBI also competes against community banks that have strong local ties. These smaller institutions are likely to cater to the same small and mid-sized businesses that HBI targets and to use a relationship-based approach similar to HBI s. In addition, HBI s competitors may seek to gain market share by pricing below the current market rates for loans and paying higher rates for deposits. HBI banking business in its primary market areas is very competitive, and the level of competition facing it may increase further, which may limit its asset growth and financial results.

HBI may incur environmental liabilities with respect to properties to which it takes title.

A significant portion of HBI s loan portfolio is secured by real property. In the course of its business, HBI may own or foreclose and take title to real estate and could become subject to environmental liabilities with respect to these properties. In addition, HBI acquires branches and real estate in connection with its acquisitions of banks. HBI may become responsible to a governmental agency or third parties for property damage, personal injury, investigation and clean-up costs incurred by those parties in connection with environmental contamination, or may be required to investigate or clean-up hazardous or toxic substances, or chemical releases at a property. The costs associated with environmental investigation or remediation activities could be substantial. If HBI were to become subject to significant environmental liabilities, it could have a material adverse effect on HBI s results of operations and financial condition.

HBI continually encounters technological change, and it may have fewer resources than many of its competitors to continue to invest in technological improvements.

The financial services industry is undergoing rapid technological changes, with frequent introductions of new technology-driven products and services. In addition to better serving customers, effective use of technology increases efficiency and enables financial institutions to reduce costs. HBI s future success will depend, in part, upon its ability to address the needs of its customers by using technology to provide products and services that will satisfy customer demands for convenience, as well as to create additional efficiencies in its operations. Many of HBI s competitors have substantially greater resources to invest in technological improvements. HBI may not be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to its clients, which may adversely affect its results of operations and future prospects.

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A failure in or breach of HBI s operational or security systems, or those of its third party service providers, including as a result of cyber-attacks, could disrupt HBI s business, result in unintentional disclosure or misuse of confidential or proprietary information, damage its reputation, increase its costs and cause losses.

As a financial institution, HBI s operations rely heavily on the secure processing, storage and transmission of confidential and other information on its computer systems and networks. Any failure, interruption or breach in security or operational integrity of these systems could result in failures or disruptions in its online banking system, customer relationship management, general ledger, deposit and loan servicing and other systems. The security and integrity of its systems could be threatened by a variety of interruptions or information security breaches, including those caused by computer hacking, cyber-attacks, electronic fraudulent activity or attempted theft of financial assets. HBI cannot assure you that any such failures, interruption or security breaches will not occur, or if they do occur that they will be adequately addressed. While HBI has certain protective policies and procedures in place, the nature and sophistication of the threats continue to evolve. HBI may be required to expend significant additional resources in the future to modify and enhance its protective measures.

Additionally, HBI faces the risk of operational disruption, failure, termination or capacity constraints of any of the third parties that facilitate its business activities, including exchanges, clearing agents, clearing houses or other financial intermediaries. Such parties could also be the source of an attack on, or breach of, HBI s operational systems. Any failures, interruptions or security breaches in HBI s information systems could damage its reputation, result in a loss of customer business, result in a violation of privacy or other laws, or expose HBI to civil litigation, regulatory fines or losses not covered by insurance.

HBI s recent results do not indicate its future results and may not provide guidance to assess the risk of an investment in its common stock.

HBI is unlikely to sustain its historical rate of growth, and may not even be able to expand its business at all. Further, HBI s recent growth may distort some of its historical financial ratios and statistics. Various factors, such as economic conditions, regulatory and legislative considerations and competition, may also impede or prohibit HBI s ability to expand its market presence. If HBI is not able to successfully grow its business, HBI s financial condition and results of operations could be adversely affected.

HBI may not be able to raise the additional capital it needs to grow and, as a result, its ability to expand its operations could be materially impaired.

Federal and state regulatory authorities require HBI and its bank subsidiary to maintain adequate levels of capital to support its operations. While HBI believes that its existing capital (which well exceeds the federal and state capital requirements) will be sufficient to support its current operations, anticipated expansion and potential acquisitions, factors such as faster than anticipated growth, reduced earnings levels, operating losses, changes in economic conditions, revisions in regulatory requirements, or additional acquisition opportunities may lead HBI to seek additional capital.

HBI s ability to raise additional capital, if needed, will depend on its financial performance and on conditions in the capital markets at that time, which is outside its control. If HBI needs additional capital but cannot raise it on terms acceptable to HBI, its ability to expand its operations could be materially impaired, HBI s business, financial condition, results of operations and prospects may be adversely affected, and its stock price may decline.

HBI s directors and executive officers own a significant portion of its common stock and can exert significant influence over its business and corporate affairs.

HBI s directors and executive officers, as a group, beneficially owned 12.6% of its common stock as of September 30, 2016. Consequently, if they vote their shares in concert, they can significantly influence the outcome of all matters submitted to HBI s shareholders for approval, including the election of directors. The interests of its officers and directors may conflict with the interests of other holders of HBI s common stock, and they may take actions affecting HBI with which you disagree.

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Hurricanes or other adverse weather events could negatively affect HBI s local economies or disrupt its operations, which would have an adverse effect on it.

Like other coastal areas, HBI s markets in Alabama and Florida are susceptible to hurricanes and tropical storms. Such weather events can disrupt HBI s operations, result in damage to its properties and negatively affect the local economies in which it operates. HBI cannot predict whether or to what extent damage that may be caused by future hurricanes or other weather events will affect its operations or the economies in its market areas, but such weather events could result in a decline in loan originations, a decline in the value or destruction of properties or other collateral securing its loans and an increase in the delinquencies, foreclosures and loan losses. HBI s business or results of operations may be adversely affected by these and other negative effects of hurricanes or other significant weather events.

Risk Factors Related to Owning HBI s Stock

The rights of HBI s common shareholders are subordinate to the holders of any debt securities that it may issue from time to time and may be subordinate to the holders of any series of preferred stock that it may issue in the future.

As of September 30, 2016, HBI has $60.8 million of subordinated debentures issued in connection with trust preferred securities. Payments of the principal and interest on the trust preferred securities are unconditionally guaranteed by HBI. The subordinated debentures are senior to HBI s shares of common stock. As a result, HBI must make payments on the subordinated debentures (and the related trust preferred securities) before any dividends can be paid on its common stock and, in the event of its bankruptcy, dissolution or liquidation, the holders of the debentures must be satisfied before any distributions can be made to the holders of its common stock. HBI has the right to defer distributions on the subordinated debentures (and the related trust preferred securities) for up to five years, during which time no dividends may be paid to holders of its capital stock. If HBI elects to defer or if it defaults with respect to its obligations to make payments on these subordinated debentures, this would likely have a material adverse effect on the market value of its common stock.

HBI s Board of Directors has the authority to issue in the aggregate up to 5,500,000 shares of preferred stock, and to incur senior or subordinated indebtedness, generally without shareholder approval. HBI s preferred stock could be issued with voting, liquidation, dividend and other rights that may be superior to the rights of its common stock. In addition, like HBI s outstanding subordinated debentures, any future indebtedness that it incurs would be expected to be senior to its common stock with respect to payment upon liquidation, dissolution or winding up. Accordingly, common shareholders bear the risk that HBI s future issuances of debt or equity securities or its incurrence of other borrowings will negatively affect the market price of its common stock.

HBI may be unable to, or choose not to, pay dividends on its common stock.

Although HBI has paid a quarterly dividend on its common stock since the second quarter of 2003 and expects to continue this practice, HBI cannot assure you of its ability to continue. HBI s ability to pay dividends depends on the following factors, among others:

- HBI may not have sufficient earnings since its primary source of income, the payment of dividends to it by Centennial Bank, is subject to federal and state laws that limit the ability of that bank to pay dividends.

Federal Reserve Board policy requires bank holding companies to pay cash dividends on common stock only out of net income available over the past year and only if prospective earnings retention is consistent with the organization s expected future needs and financial condition.

Before dividends may be paid on HBI s common stock in any year, payments must be made on its subordinated debentures.

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HBI s board of directors may determine that, even though funds are available for dividend payments, retaining the funds for internal uses, such as expansion of its operations, is a better strategy.

If HBI fails to pay dividends, capital appreciation, if any, of its common stock may be the sole opportunity for gains on an investment in its common stock. In addition, in the event Centennial Bank becomes unable, due to regulatory restrictions, capital planning needs, or otherwise, to pay dividends to it, HBI may not be able to service its debt, pay its other obligations or pay dividends on its common stock. Accordingly, HBI s inability to receive dividends from its bank subsidiary could also have a material adverse effect on its business, financial condition and results of operations and the value of your investment in HBI s common stock.

HBI s stock trading volume may not provide adequate liquidity for investors.

Although shares of HBI s common stock are listed for trading on the NASDAQ Global Select Market, the average daily trading volume in the common stock is less than that of other larger financial services companies. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of a sufficient number of willing buyers and sellers of the common stock at any given time. This presence depends on the individual decisions of investors and general economic and market conditions over which HBI has no control. Given the daily average trading volume of HBI s common stock, significant sales of the common stock in a brief period of time, or the expectation of these sales, could cause a decline in the price of its common stock.

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SELECTED CONSOLIDATED FINANCIAL DATA OF GHI

The following table presents selected consolidated financial information and other financial data for GHI. The data for the three and nine months ended September 30, 2016 are derived from unaudited financial data of GHI, and for the years 2015 and 2014 are derived from audited consolidated financial statements of GHI, except earnings per share data. Operating results for prior periods are not necessarily indicative of the results that might be expected for 2016 or any future period.

	As of or for the Three Months Ended September 30, 2016 (Unaudited)	As of or for the Nine Months Ended September 30, 2016 (Unaudited)	As of or for the Years Ended December 31, 2015	2014
	(Dollars and shares in thousands, except per share data)			
Income statement data:				
Interest income	$ 4,548	$ 13,481	$ 18,960	$ 16,037
Interest expense	680	2,003	2,516	2,278
Net interest income before provision for loan losses	3,868	11,478	16,444	13,759
Provision for loan losses	0	2,351	17	9
Net interest income after provision	3,868	9,127	16,427	13,750
Non-interest income	201	515	964	2,146
Non-interest expense	2,422	7,356	9,516	8,194
Income before income taxes	1,647	2,286	7,875	7,702
Provision for income taxes	589	768	2,868	2,833
Net income	$ 1,058	$ 1,518	$ 5,007	$ 4,869
Share and per share data:				
Basic earnings per common share	$ 0.06	$ 0.08	$ 0.28	$ 0.38
Diluted earnings per share	0.06	0.08	0.26	0.35
Cash dividends declared on preferred stock	0	0	578	0
Book value per share at end of period	3.08	3.08	3.00	3.84
Common shares outstanding at end of period	18,037	18,037	18,037	12,893
Balance sheet data:				
Total assets	$ 462,975	$ 462,975	$ 380,931	$ 340,365
Cash and cash equivalents	106,803	106,803	49,540	22,730

Investment securities	2,035	2,035	1,193	1,457
Total loans	341,866	341,866	314,538	307,393
Allowance for loan losses	6,644	6,644	5,253	6,193
Loans, net	335,222	335,222	309,285	301,200
Deposits	368,191	368,191	287,903	252,362
Stockholders equity	55,613	55,613	54,034	49,524
Asset quality:				
Non-performing loans[1]	$ 6,020	$ 6,020	$ 9,841	$ 14,493
Allowance for loan losses to total loans	1.94%	1.94%	1.67%	2.01%
Allowance for loan losses to non-performing loans	110.37	110.37	53.38	42.73
Total non-performing loans to total loans	1.76	1.76	3.13	4.71
Total non-performing loans to total assets	1.30	1.30	2.58	4.26
Total non-performing loans and real estate foreclosed assets to total assets	1.30	1.30	2.58	4.26

(1) Loans where the interest is no longer accruing over 90 days or more past due.

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SELECTED CONSOLIDATED FINANCIAL DATA OF HBI

Set forth below are highlights from HBI s consolidated financial data as of and for the three and nine months ended September 30, 2016 and 2015 and for the years ended December 31, 2011 through December 31, 2015. The results of operations for the three and nine months ended September 30, 2016 and 2015 are not necessarily indicative of the results of operations for a full year or any other interim period. HBI management prepared the unaudited information on the same basis as it prepared HBI s audited consolidation financial statements. In the opinion of HBI management, this information reflects all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of this data for those dates. You should read this information in conjunction with HBI s consolidated financial statements and related notes included in HBI s Annual Report on Form 10-K for the year ended December 31, 2015 and its Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2016, each of which is incorporated by reference in this document and from which this information is derived. See Where You Can Find More Information in the forepart of this proxy statement/prospectus.

Selected Consolidated Financial Data

	As of or for the Three Months Ended September 30, 2016	2015	As of or for the Nine Months Ended September 30, 2016	2015	As of or for the Years Ended December 31, 2015	2014	2013	2012	2011
	(Unaudited)								
	(Dollars and shares in thousands, except per share data)								
come atement data:									
tal interest come	$ 111,375	$ 96,653	$ 325,149	$ 270,845	$ 377,436	$ 335,888	$ 217,126	$ 177,135	$ 171,806
tal interest pense	7,722	5,562	22,398	15,234	21,724	18,870	14,531	21,535	30,551
t interest come	103,653	91,091	302,751	255,611	355,712	317,018	202,595	155,600	141,255
ovision for an losses	5,536	7,106	16,905	16,274	25,164	22,664	5,180	2,750	3,500
t interest come after ovision for loan sses	98,117	83,985	285,846	239,337	330,548	294,354	197,415	152,850	137,755
n-interest come	22,014	16,545	63,223	48,242	65,498	44,762	40,365	47,969	41,309
n-interest pense	51,026	44,593	144,261	128,556	177,555	161,943	133,307	102,368	94,722
come before come taxes	69,105	55,937	204,808	159,023	218,491	177,173	104,473	98,451	84,342
	25,485	20,196	76,252	58,257	80,292	64,110	37,953	35,429	29,601

come tax pense									
et income	43,620	35,741	128,556	100,766	138,199	113,063	66,520	63,022	54,741
eferred stock vidends and cretion of scount on eferred stock									1,828
et income ailable to mmon ockholders	$ 43,620	$ 35,741	$ 128,556	$ 100,766	$ 138,199	$ 113,063	$ 66,520	$ 63,022	$ 52,913
ommon share d per mmon share ta[(a)]:									
sic earnings r common are	$ 0.31	$ 0.26	$ 0.92	$ 0.74	$ 1.01	$ 0.86	$ 0.58	$ 0.56	$ 0.47
luted earnings r common are	0.31	0.26	0.91	0.74	1.01	0.85	0.57	0.56	0.46
luted earnings r common are excluding angible nortization[(1)]	0.31	0.27	0.92	0.76	1.03	0.88	0.59	0.57	0.48
ook value per mmon share	9.22	8.02	9.22	8.02	8.56	7.52	6.46	4.59	4.19
ngible book lue per mmon are[(2)(5)]	6.40	5.51	6.40	5.51	5.71	4.95	3.97	3.72	3.59
vidends mmon	0.090	0.075	0.253	0.200	0.275	0.175	0.145	0.145	0.067
verage common ares tstanding	140,436	135,738	140,403	135,396	136,616	131,902	115,816	112,548	113,664
verage diluted ares tstanding	140,703	136,162	140,685	135,999	137,130	132,662	116,504	113,260	114,448
rformance tios:									
turn on erage assets	1.81%	1.72%	1.81%	1.71%	1.68%	1.63%	1.43%	1.58%	1.50%
turn on erage assets	1.91	1.83	1.91	1.82	1.79	1.75	1.52	1.66	1.57

cluding tangible nortization[6]									
turn on erage common uity	13.62	13.23	13.83	12.86	12.77	12.34	11.27	12.75	11.77
turn on erage tangible mmon equity cluding tangible nortization[2][7]	20.01	19.76	20.59	19.49	19.37	19.80	15.26	15.87	14.39
t interest argin[10]	4.86	5.03	4.83	4.99	4.98	5.37	5.19	4.70	4.69
ficiency ratio[3]	39.41	39.79	38.16	40.49	40.44	42.67	52.44	47.88	49.13

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Selected Consolidated Financial Data Continued

	As of or for the Three Months Ended September 30,		As of or for the Nine Months Ended September 30,		As of or for the Years Ended December 31,				
	2016	2015	2016	2015	2015	2014	2013	2012	
	(Unaudited)								
	(Dollars and shares in thousands, except per share data)								
y:									
ing assets	0.79%	0.88%	0.79%	0.88%	0.89%	1.18%	1.84%	3.55%	
ing loans	0.84	0.90	0.84	0.90	0.96	1.23	1.66	3.61	
r loan ing loans	127.09	117.96	127.09	117.96	109.00	88.65	59.12	51.59	
r loans loans[9]	1.07	1.06	1.07	1.06	1.04	1.09	0.98	1.86	
ffs to loans	0.05	0.07	0.14	0.17	0.20	0.18	0.34	0.33	
et data:									
	$ 9,764,238	$ 8,515,553	$ 9,764,238	$ 8,515,553	$ 9,289,122	$ 7,403,272	$ 6,811,861	$ 4,242,130	$
ecurities sale	1,233,269	1,141,405	1,233,269	1,141,405	1,206,580	1,067,287	1,175,484	726,223	
ecurities rity	275,544	324,949	275,544	324,949	309,042	356,790	114,621		
able	7,112,291	6,005,589	7,112,291	6,005,589	6,641,571	5,057,502	4,476,953	2,716,083	
r loan	76,370	63,659	76,370	63,659	69,224	55,011	43,815	50,632	
sets	397,056	341,556	397,056	341,556	399,426	346,348	324,034	97,742	
bearing	1,717,467	1,409,949	1,717,467	1,409,949	1,456,624	1,203,306	991,161	666,414	
s	6,840,293	5,953,014	6,840,293	5,953,014	6,438,509	5,423,971	5,393,046	3,483,452	
rust urities)	60,826	60,826	60,826	60,826	60,826	60,826	60,826	28,867	
equity	1,296,018	1,091,278	1,296,018	1,091,278	1,199,757	1,015,292	840,955	515,473	
os:									
ity to	13.27%	12.82%	13.27%	12.82%	12.92%	13.71%	12.35%	12.15%	
mon gible	9.60	9.17	9.60	9.17	9.00	9.48	7.97	10.08	
ity Tier	10.96	10.80	10.96	10.80	10.50	N/A	N/A	N/A	

ge ratio(4)	10.40	10.28	10.40	10.28	9.91	10.31	9.38	10.95
ised	11.68	11.65	11.68	11.65	11.26	12.55	10.88	13.94
sed	12.61	12.56	12.61	12.56	12.16	13.51	11.75	15.20
out	28.97	28.44	27.58	26.86	27.19	20.49	25.51	25.89

(a) All share and per share amounts have been restated to reflect the effect of the 2-for-1 stock split during June 2016.

(1) Diluted earnings per share excluding intangible amortization reflect diluted earnings per share plus per share intangible amortization expense, net of the corresponding tax effect. See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 24 and Table 33, respectively, for the non-GAAP tabular reconciliation.

(2) Tangible calculations eliminate the effect of goodwill and acquisition-related intangible assets and the corresponding amortization expense on a tax-effected basis.

(3) The efficiency ratio is calculated by dividing non-interest expense less amortization of core deposit intangibles by the sum of net interest income on a tax equivalent basis and non-interest income.

(4) Leverage ratio is Tier 1 capital to quarterly average total assets less intangible assets and gross unrealized gains/losses on available-for-sale investment securities.

(5) See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 25 and Table 34, respectively, for the non-GAAP tabular reconciliation.

(6) See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 26 and Table 35, respectively, for the non-GAAP tabular reconciliation.

(7) See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 27 and Table 36, respectively, for the non-GAAP tabular reconciliation.

(8) See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 28 and Table 37, respectively, for the non-GAAP tabular reconciliation.

(9) See the incorporated by reference Form 10-Q for September 30, 2016 and Form 10-K for December 31, 2015 in the Management s Discussion and Analysis of Financial Condition and Results of Operations Table 23 and Table 32, respectively, for the non-GAAP tabular reconciliation.

(10) Fully taxable equivalent (assuming an income tax rate of 39.225%).

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MARKET PRICE AND DIVIDEND INFORMATION

HBI s common stock is currently listed on The NASDAQ Global Select Market under the symbol HOMB. GHI s common stock is not listed on an exchange or quoted on any automated services, and there is no established trading market for shares of GHI common stock. Set forth below are the high and low sales prices for our common stock as reported by the NASDAQ Global Select Market for the two most recently completed fiscal years (adjusted for the 2-for-1 stock split in June 2016). Also set forth below are dividends declared per share in each of these periods: