

GERRISH & MCCREARY, P.C.

Attorneys

700 Colonial Road, Suite 200
Memphis, Tennessee 38117
P.O. Box 242120
Memphis, Tennessee 38124-2120
Telephone: (901) 767-0900
Telecopier: (901) 684-2339

P. Thomas Parrish
email: tparrish@gerrish.com

November 12, 1999

Top Hat Plan Exemption
Pension and Welfare Benefits Administration
Room N-5644
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

VIA FEDEX
Second Day Delivery

Dear Ladies and Gentlemen:

Pursuant to Part 1 of Title I of ERISA, enclosed please find seven (7) copies of the Statement for Lonoke Bancshares, Inc. pursuant to its enactment of a Phantom Stock Plan. Lonoke Bancshares, Inc. is the parent of First State Bank of Lonoke. The participant in the Plan acts as an executive of both Lonoke Bancshares, Inc. and First State Bank. The Phantom Stock Plan is unfunded and is only for the benefit of a select group of management. Please feel free to contact the undersigned at the Memphis office of this firm if you require a copy of the Plan or the Phantom Stock Agreement under the Plan.

Thank you for your assistance with this matter.

Sincerely,



P. Thomas Parrish

/pb
enclosures

cc: Mr. David Estes
Jeffrey C. Gerrish, Esq.
John S. Seabold, Esq.

[f06383\ptp\dol letter]

**STATEMENT OF
LONOKE BANCSHARES, INC.**

Pursuant to Part 1 of Title I of ERISA, Lonoke Bancshares, Inc. makes the following representations pursuant to its enactment of a Phantom Stock Plan between Lonoke Bancshares, Inc. and certain Participants:

1. The name of the Employer is Lonoke Bancshares, Inc., 101 E. Front Street, Lonoke, Arkansas 72086. Lonoke Bancshares, Inc.'s employer identification number is 71-0683738
2. Lonoke Bancshares, Inc. represents that the purpose of the Plan is primarily for providing deferred compensation for a select group of management.
3. Lonoke Bancshares, Inc. has enacted one (1) Phantom Stock Plan for the purpose of providing deferred compensation for a select group of management.
4. As of November 5, 1999, there is one employee who has entered into an agreement under the Phantom Stock Plan.

The above representations are hereby made this 5th day of November, 1999.

LONOKE BANCSHARES, INC.

By: _____

David Estes,
President

STATE OF ARKANSAS)
) ss.
COUNTY OF LONOKE)

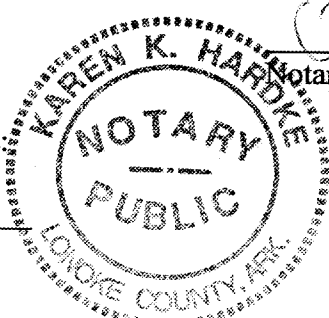
Before me, a Notary Public, of the state and county aforesaid, personally appeared David Estes, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be president of the Lonoke Bancshares, Inc., the within named bargainor, a corporation, and that he as such president, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as president.

WITNESS my hand and seal at office on this 5th day of November, 1999.

Karen K. Hardke
Notary Public

My Commission Expires:

4/18/2000



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4. As of November 5, 1999, there is one employee who has entered into an agreement under the Phantom Stock Plan.

The above representations are hereby made this 8th day of November, 1999.

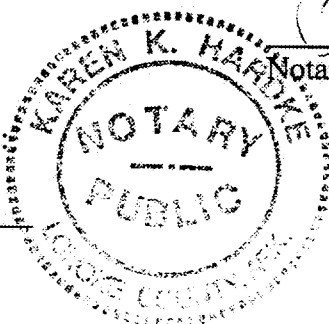
LONOKE BANCSHARES, INC.

By: 
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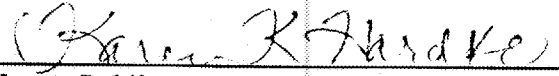
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WITNESS my hand and seal at office on this 8th day of November, 1999.



My Commission Expires:

11/12/2000


Notary Public


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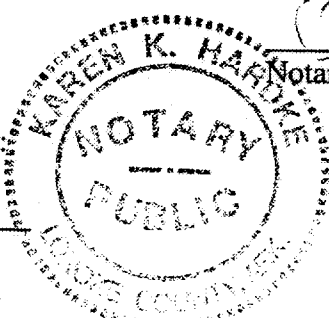
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11/18/2000



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WITNESS my hand and seal at office on this 8th day of November, 1999.

Notary Public

My Commission Expires:

11/10/2000

