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**FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON, DC 20429**

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**FORM 8-K**

**CURRENT REPORT PURSUANT TO  
SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): November 15, 2019 (November 13, 2019)

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**BANCORPSOUTH BANK**

(Exact Name of Registrant as Specified in Charter)

**Mississippi**  
(State or Other Jurisdiction of  
Incorporation)

**11813**  
(FDIC Certificate No.)

**64-0117230**  
(IRS Employer Identification  
No.)

**One Mississippi Plaza  
201 South Spring Street  
Tupelo, Mississippi**  
(Address of Principal Executive  
Offices)

**38804**  
(Zip Code)

Registrant's telephone number, including area code **(662) 680-2000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$2.50 par value per share	BXS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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## **Item 1.01 Entry into a Material Definitive Agreement.**

### **Notes Offering**

On November 13, 2019, BancorpSouth Bank (the “**Company**”) entered into an underwriting agreement (the “**Notes Underwriting Agreement**”) with Keefe, Bruyette & Woods, Inc., as representative of the underwriters named in the Notes Underwriting Agreement, pursuant to which the Company agreed to sell, and the underwriters agreed to purchase, subject to and upon terms and conditions set forth therein (the “**Notes Offering**”), \$300 million aggregate principal amount of the Company’s 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029 (the “**Notes**”). The Company estimates that the net proceeds from the Notes Offering, after deducting the underwriting discount and estimated expenses, will be approximately \$296.9 million.

The Notes Underwriting Agreement contains customary representations, warranties and agreements by the Company, customary conditions to closing, indemnification obligations of the Company and the underwriters and termination provisions. The representations, warranties and covenants contained in the Notes Underwriting Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to such agreement, and may be subject to limitations agreed upon by the contracting parties. The Notes Underwriting Agreement is not intended to provide any other factual information about the Company.

The Company expects to close the Notes Offering on November 20, 2019.

The foregoing description of the Notes Underwriting Agreement does not purport to be complete and is qualified in its entirety by reference to the Notes Underwriting Agreement, a copy of which is filed as Exhibit 1.1 to this Current Report on Form 8-K (this “**Report**”) and which is incorporated herein by reference.

The Notes were offered pursuant to an offering circular, dated November 13, 2019, a copy of which is filed as Exhibit 99.1 to this Report and which is incorporated herein by reference (the “**Notes Offering Circular**”). The Notes Offering was exempt from registration under the Securities Act of 1933, as amended (the “**Securities Act**”), pursuant to Section (3)(a)(2) thereof because the Notes are securities that were offered and sold by a bank.

Certain of the underwriters of the Notes Offering and their affiliates have provided, and may in the future provide, various investment banking, commercial banking and other financial services for the Company and its affiliates for which they have received, and may in the future receive, customary fees and commissions.

### **Series A Preferred Stock Offering**

On November 13, 2019, the Company entered into an underwriting agreement (the “**Series A Preferred Stock Underwriting Agreement**”) with Keefe, Bruyette & Woods, Inc. and Raymond James & Associates, Inc., as representatives of the several underwriters named in the Series A Preferred Stock Underwriting Agreement, pursuant to which the Company agreed to sell, and the underwriters agreed to purchase, subject to and upon terms and conditions set forth therein, 6,000,000 shares of its 5.50% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, with a liquidation preference of \$25 per share of Series A Preferred Stock (the “**Series A Preferred Stock**”), which represents \$150,000,000 in aggregate liquidation preference (the “**Series A Preferred Stock Offering**”). The Company estimates that the net proceeds from the Series A Preferred Stock Offering, after deducting the underwriting discount and estimated expenses, will be approximately \$145.4 million. The Company has granted to the underwriters an option, exercisable for 30 days, to purchase up to an additional 900,000 shares of Series A Preferred Stock to cover overallocments, if any.

The Series A Preferred Stock Underwriting Agreement contains customary representations, warranties and agreements by the Company, customary conditions to closing, indemnification obligations of the Company and the underwriters and termination provisions. The representations, warranties and covenants contained in the Series A Preferred Stock Underwriting Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to such agreement, and may be subject to limitations agreed upon by the contracting parties. The Series A Preferred Stock Underwriting Agreement is not intended to provide any other factual information about the Company.

The Company expects to close the Series A Preferred Stock Offering on November 20, 2019.

The foregoing description of the Series A Preferred Stock Underwriting Agreement does not purport to be complete and is qualified in its entirety by reference to the Series A Preferred Stock Underwriting Agreement, a copy of which is filed as Exhibit 1.2 to this Report and which is incorporated herein by reference.

The Series A Preferred Stock was offered pursuant to an offering circular, dated November 13, 2019, a copy of which is filed as Exhibit 99.2 to this Report and which is incorporated herein by reference (the “**Series A Preferred Stock Offering Circular**”). The Series A Preferred Stock Offering was exempt from registration under the Securities Act pursuant to Section (3)(a)(2) thereof because the shares of Series A Preferred Stock are securities that were offered and sold by a bank.

Certain of the underwriters of the Series A Preferred Stock Offering and their affiliates have provided, and may in the future provide, various investment banking, commercial banking and other financial services for the Company and its affiliates for which they have received, and may in the future receive, customary fees and commissions.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information disclosed under Item 1.01 of this Report regarding the Notes and the Notes Offering is incorporated herein by reference.

**Item 7.01. Regulation FD Disclosure.**

The information disclosed under Item 1.01 of this Report is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Description</u>
1.1	Notes Underwriting Agreement
1.2	Series A Preferred Stock Underwriting Agreement
99.1	Notes Offering Circular
99.2	Series A Preferred Stock Offering Circular

**No Offer or Sale**

This Report does not constitute an offer to sell or a solicitation of an offer to buy the Notes in the Notes Offering or shares of Series A Preferred Stock in the Series A Preferred Stock Offering, nor shall there be any sale of the Notes in the Notes Offering or shares of Series A Preferred Stock in the Series A Preferred Stock Offering in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful under the securities laws of any such jurisdiction.

**Forward Looking Statements**

Certain statements made in this Report are not statements of historical fact and constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “aspire,” “roadmap,” “achieve,” “estimate,” “intend,” “plan,” “project,” “projection,” “forecast,” “goal,” “target,” “would,” and “outlook,” or the negative version of those words or other comparable words of a future or forward-looking nature. These forward-looking statements include, without limitation, those relating to the estimation of net proceeds the Company will receive from the offerings and the anticipated closing date of the offerings.

These forward-looking statements are not historical facts, and are based upon current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain, involve risk and are beyond our control. The inclusion of these forward-looking statements should not be regarded as a representation by the Company or any other person that such expectations, estimates and projections will be achieved. Accordingly, the Company cautions that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict and that are beyond the Company's control. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this Report, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. These factors may include, but are not limited to, the Company's ability to complete the Notes Offering and the Series A Preferred Stock Offering.

If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from our forward-looking statements. Accordingly, undue reliance should not be placed on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this Report, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company.

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

### **BANCORPSOUTH BANK**

By: /s/ Cathy Freeman  
Cathy S. Freeman  
Senior Executive Vice President and  
Chief Administrative Officer

Date: November 15, 2019

\$300,000,000

BANCORPSOUTH BANK

4.125% Fixed-to-Floating Rate Subordinated Notes due 2029

UNDERWRITING AGREEMENT

November 13, 2019

KEEFE, BRUYETTE & WOODS, INC.  
787 Seventh Avenue, 4th Floor  
New York, New York 10019

As representative of the Underwriters listed in Schedule A hereto

Ladies and Gentlemen:

BancorpSouth Bank, a Mississippi state-chartered bank (the “**Company**”), proposes to issue and sell to the several underwriters named in Schedule A hereto (the “**Underwriters**”) pursuant to the terms set forth herein (this “**Agreement**”) \$300,000,000 aggregate principal amount of the Company’s 4.125% Fixed-to-Floating Rate Subordinated Notes due 2029 (the “**Securities**”). The Securities will be issued pursuant to a Fiscal and Paying Agency Agreement, to be dated November 20, 2019 (the “**Paying Agency Agreement**”), between the Company and U.S. Bank National Association, as paying agent (the “**Paying Agent**”). The Securities will be issued in book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company (the “**Depository**”), pursuant to a Letter of Representations, to be dated at or before the Closing Time (as defined in Section 2(b) below) (the “**DTC Agreement**”), between the Company and the Depository. Keefe, Bruyette & Woods, Inc. (“**KBW**”) has agreed to act as representative of the several Underwriters (in such capacity, the “**Representative**”) in connection with the offering and sale of the Securities. To the extent there are no additional underwriters listed on Schedule A, the term “Representative” as used herein shall mean KBW, as Underwriter, and the term “Underwriters” shall mean either the singular or the plural, as the context requires.

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Underwriters deem advisable after this Agreement has been executed and delivered.

The Securities will be offered and sold to the Underwriters without being registered under the Securities Act of 1933, as amended (the “**Securities Act**”), in reliance upon the exemption therefrom provided under Section 3(a)(2) of the Securities Act. The Company has prepared and delivered to each Underwriter copies of a preliminary offering circular, dated November 13, 2019 (the “**Preliminary Offering Circular**”). Promptly after the time this Agreement is executed by the parties hereto, the Company will prepare and deliver to each Underwriter a final offering circular dated the date hereof (the “**Offering Circular**”). Any references herein to the Preliminary

Offering Circular or the Offering Circular shall be deemed to include any information specifically incorporated by reference therein and all amendments and supplements thereto, unless otherwise noted. The Company hereby confirms that it has authorized the use of the Preliminary Offering Circular and the Offering Circular in connection with the offering and resale of the Securities by the Underwriters.

As used in this Agreement:

“**Applicable Time**” means 3.37 p.m., New York City time, on November 13, 2019 or such other time as agreed by the Company and the Representative.

“**General Disclosure Package**” means the Preliminary Offering Circular, the final term sheet containing the terms of the Securities attached hereto as Schedule C (the “**Term Sheet**”) and any other Supplemental Offering Materials (as defined below) set forth on Schedule B hereto, issued at or prior to the Applicable Time, all considered together.

“**Supplemental Offering Materials**” means any “written communication” (within the meaning of the regulations of the United States Securities and Exchange Commission (the “**Commission**”)), other than the Preliminary Offering Circular and the Offering Circular, prepared by or on behalf of the Company, or used or referenced by the Company, that constitutes an offer to sell or a solicitation of an offer to buy the Securities, including, without limitation, any such written communication that would, if the sale of the Securities were to be conducted as a public offering pursuant to a registration statement filed with the Commission and the Offering Circular were to be considered a prospectus satisfying the requirements of Section 10(a) of the Securities Act, constitute an “issuer free writing prospectus,” as defined in Rule 433 under the Securities Act, whether or not required to be filed with the Commission or the Federal Deposit Insurance Corporation (the “**FDIC**”).

All references in this Agreement to financial statements and schedules and other information which is “contained,” “included” or “stated” (or other references of like import) in the General Disclosure Package and the Offering Circular shall be deemed to include all such financial statements and schedules and other information incorporated or deemed to be incorporated by reference in the General Disclosure Package or the Offering Circular, as the case may be, prior to the Applicable Time; and all references in this Agreement to amendments or supplements to the General Disclosure Package or the Offering Circular shall be deemed to include the filing of any document with the FDIC under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder (the “**Exchange Act Regulations**”) incorporated or deemed to be incorporated by reference in the General Disclosure Package or the Offering Circular, as the case may be, at or after the Applicable Time.

## **SECTION 1.     Representations and Warranties.**

(a) *Representations and Warranties by the Company.* The Company represents and warrants to each Underwriter at the date hereof, the Applicable Time and the Closing Time, and agrees with each Underwriter, as follows:

(i) Accurate Disclosure. The General Disclosure Package as of the Applicable Time did not, and at the Closing Time, will not, include any untrue statement

of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from the General Disclosure Package in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the “**Underwriter Disclosure Package Information**”).

The Offering Circular, as of its date, did not, and, at the Closing Time, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from the Offering Circular in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the “**Underwriter Offering Circular Information**”).

Any individual Supplemental Offering Materials, when considered together with the General Disclosure Package, as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from any Supplemental Offering Materials in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the “**Underwriter Supplemental Offering Materials Information**,” and together with the Underwriter Offering Circular Information and the Underwriter Disclosure Package Information, the “**Underwriter Information**”).

For purposes of this Agreement, the only Underwriter Information shall be the information in the second sentence of the third paragraph, the fourth sentence in the first paragraph under the subheading “No Public Trading Market” and the first and sixth sentences under the subheading “Stabilization,” each under the heading “Underwriting,” in each case, contained in the Preliminary Offering Circular contained in the General Disclosure Package and the Offering Circular.

(ii) Incorporated Documents. The documents incorporated by reference in the General Disclosure Package and the Offering Circular, at the time they were filed with the FDIC, complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the FDIC promulgated thereunder and, when read together with the other information in the General Disclosure Package or the Offering Circular, as the case may be, (a) at the Applicable Time, (b) as of the date of the Offering Circular, and (c) as of the Closing Time, did not or will not, as the case may be, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.



(iii) No Registration Required. It is not necessary in connection with the offer, sale and delivery of the Securities as contemplated by this Agreement, the General Disclosure Package and the Offering Circular to register the Securities under the Securities Act by virtue of Section 3(a)(2) thereunder.

(iv) Disclosure Compliance. Each of the General Disclosure Package and the Offering Circular complies in all material respects with the requirements of the FDIC Statement of Policy Regarding the Use of Offering Circulars in Connection with Public Distribution of Bank Securities (61 Fed. Reg. 46808, September 5, 1996; the “**FDIC Policy Statement**”) and all other applicable laws, regulations and rules thereunder. To the knowledge of the Company, the General Disclosure Package, any Supplemental Offering Material and the Offering Circular, at their respective times of issuance and at the Closing Time, complied and will comply in all material respects with any applicable laws or regulations of foreign jurisdictions in which the General Disclosure Package, any Supplemental Offering Material and the Offering Circular, as amended or supplemented, if applicable, are distributed in connection with the offer and sale of Securities.

(v) No Objections. Neither the FDIC nor the Mississippi Department of Banking and Consumer Finance (the “**DBCF**”) has issued any order or taken any similar action preventing or suspending the use of any part of the General Disclosure Package or the Offering Circular (any such order or action, a “stop order”); no stop order has been issued, no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, threatened by the FDIC or the DBCF, and the Company has complied to the FDIC’s satisfaction with any request on the part of the FDIC for additional information; the FDIC has not objected to the use of the General Disclosure Package or the Offering Circular.

(vi) Independent Accountants. Each of (A) KPMG LLP (“**KPMG**”), the accounting firm that certified (as such term is defined in Rule 405 of the Securities Act) the financial statements and supporting schedules of the Company as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and reviewed the financial statements and supporting schedules of the Company as of and for the interim period ended March 31, 2019, in each case that are included or incorporated by reference in the General Disclosure Package and the Offering Circular, and (B) BKD, LLP (“**BKD**”), the accounting firm that reviewed the financial statements and supporting schedules of the Company for the interim periods ended June 30, 2019 and September 30, 2019 that are included or incorporated by reference in the General Disclosure Package and the Offering Circular, is (i) an independent public accountant as required by the Securities Act and the rules and regulations promulgated thereunder (the “**Securities Act Regulations**”), the Exchange Act and the Exchange Act Regulations, and the Public Company Accounting Oversight Board (the “**PCAOB**”) and (ii) a registered public accounting firm, as defined by the PCAOB, which has not had its registration suspended or revoked and which has not requested that such registration be withdrawn.

(vii) Financial Statements; Non-GAAP Financial Measures. The financial statements of the Company included or incorporated by reference in the General Disclosure Package and the Offering Circular, together with the related schedules and notes, complied

as to form in all material respects with the requirements of the Securities Act, as if the offer and sale of the Securities were being registered thereunder, and present fairly in all material respects (A) the financial position of the Company and its consolidated Subsidiaries (as defined below) at the dates indicated and (B) the statements of operations, shareholders' equity and cash flows of the Company and its consolidated Subsidiaries (as defined below) for the periods specified. The financial statements of the Company and its consolidated Subsidiaries (as defined below) have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. The supporting schedules, if any, present fairly in all material respects the information required to be stated therein in accordance with GAAP. The selected financial data and the summary financial information included in the General Disclosure Package and the Offering Circular present fairly in all material respects the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included or incorporated by reference therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included in the General Disclosure Package or the Offering Circular. To the extent applicable, all disclosures contained in the General Disclosure Package or the Offering Circular, if any, regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Item 10(e) of Regulation S-K under the Securities Act and Regulation G under the Exchange Act.

(viii) No Material Adverse Change in Business. Since the respective dates as of which information is given in the General Disclosure Package and the Offering Circular, except as otherwise stated therein, (A) there has been no material adverse effect (i) on the condition, financial or otherwise, or in the earnings or business affairs of the Company and its Subsidiaries (as defined below) considered as one enterprise, whether or not arising in the ordinary course of business or (ii) in the ability of the Company to perform its obligations under, and to consummate the transactions contemplated by, this Agreement (each of (i) and (ii) a "**Material Adverse Effect**"), (B) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries considered as one enterprise and (C) except for regular quarterly dividends on the common stock, par value \$2.50 per share ("**Common Stock**"), of the Company, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(ix) Good Standing of the Company. The Company has been duly incorporated and is validly existing as a state-chartered bank in good standing under the laws of the State of Mississippi and has corporate power and authority to own, lease and operate its properties and to conduct its business as a state-chartered bank with banking powers under the laws of the State of Mississippi and as described in the General Disclosure Package and the Offering Circular and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect;

(x) Good Standing of Subsidiaries. Each subsidiary (as defined in Rule 405 under the Securities Act) of the Company (each, a “**Subsidiary**”) has been duly incorporated, formed or organized, as applicable, and is validly existing as a corporation, limited liability company or other organization, as applicable, in good standing under the laws of the jurisdiction of its incorporation, formation or organization, has the requisite corporate, limited liability company or other organizational power and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Offering Circular and is duly qualified as a foreign corporation, limited liability company or other business entity to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect. Except as otherwise disclosed in the General Disclosure Package and the Offering Circular, all of the issued and outstanding capital stock of each such Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through Subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity (other than those arising under (A) the laws of general application, (B) the respective organizational documents of the Company or the Subsidiaries or (C) applicable federal or state securities laws); none of the outstanding shares of capital stock of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary arising by operation of law, or under the articles of incorporation, charter, bylaws or other organizational documents of the Company or any Subsidiary or under any agreement to which the Company or any Subsidiary is a party. The only Subsidiaries of the Company are those listed on Schedule D hereto.

(xi) Capitalization. The authorized, issued and outstanding capital stock of the Company and consolidated long-term debt (*i.e.*, a maturity greater than one year) as of September 30, 2019 is as set forth in the General Disclosure Package and the Offering Circular in the column entitled “Actual” under the caption “Capitalization” (except for subsequent issuances, if any, pursuant to (A) this Agreement, (B) any issuance of capital stock by the Company described or included in the General Disclosure Package and the Offering Circular, (C) reservations, agreements or employee benefit plans included in the General Disclosure Package and the Offering Circular, or (D) the exercise of convertible securities or options referred to in the General Disclosure Package and the Offering Circular). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive rights, rights of first refusal or other similar rights of any securityholder of the Company arising by operation of law, or under the Amended and Restated Articles of Incorporation, as amended (the “**Articles**”), or the Amended and Restated Bylaws, as amended (the “**Bylaws**”), of the Company or the articles of incorporation, charter, bylaws or other organizational documents of any Subsidiary or under any agreement to which the Company or any Subsidiary is a party.

(xii) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(xiii) Authorization, Validity and Enforceability of Paying Agency Agreement and Securities. The Paying Agency Agreement has been duly authorized by the Company and, at the Closing Time, will have been duly executed and delivered by the Company, and, at the Closing Time, assuming the Paying Agency Agreement is the valid and legally binding obligation of the Paying Agent, will constitute a valid, legal and binding agreement of the Company enforceable against the Company in accordance with its terms, except to the extent that enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally and (b) general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity). The Securities to be purchased by the Underwriters from the Company will be, at the Closing Time, in the form contemplated by the Paying Agency Agreement, and have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and the Paying Agency Agreement and, at the Closing Time, will have been duly executed by the Company, and when authenticated in the manner provided for in the Paying Agency Agreement and issued and delivered against payment of the purchase price therefor, will constitute valid, legal and binding obligations of the Company, enforceable against the Company in accordance with their terms, except to the extent that enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally and (b) general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity). The Securities and the Paying Agency Agreement conform in all material respects to the descriptions thereof contained in each of the General Disclosure Package and the Offering Circular.

(xiv) Summaries of Legal Matters. The statements set forth in the General Disclosure Package and the Offering Circular under the caption "Material U.S. Federal Income Tax Considerations", insofar as they purport to summarize certain federal income tax laws of the United States, constitute a fair summary of the material U.S. federal income tax consequences of an investment in the Securities.

(xv) Absence of Defaults and Conflicts. The Company is not in violation of its Articles or Bylaws; none of the Subsidiaries is in violation of its articles of incorporation, charter, bylaws or other organizational documents; neither the Company nor any of its Subsidiaries is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any Subsidiary is subject (collectively, "**Agreements and Instruments**"), or in violation of any law or statute or any judgment, order, rule, regulation or decree of any court or arbitrator or governmental or regulatory authority, except for such violations or defaults that would not, singly or in the aggregate, result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement and the Paying Agency Agreement and the consummation of the transactions contemplated herein and therein, and in the General Disclosure Package and the Offering Circular (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described therein under the caption "Use of

Proceeds”) and compliance by the Company with its obligations hereunder and under the Securities and the Paying Agency Agreement have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, contravene, conflict with or constitute a breach or violation of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any Subsidiary pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not result, singly or in the aggregate, in a Material Adverse Effect); nor will such action contravene, conflict with or result in a breach or violation of the provisions of the Charter or Bylaws of the Company or the charter, bylaws or other organizational document of any Subsidiary; nor will such action result in any violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign (each, a “**Governmental Entity**”), having jurisdiction over the Company or any Subsidiary or any of their assets, properties or operations (except for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect). As used herein, a “**Repayment Event**” means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any Subsidiary.

(xvi) NYSE Compliance. The Company is in compliance in all material respects with the requirements of the New York Stock Exchange (“NYSE”) for continued listing of the Company’s Common Stock thereon. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act (or the applicable rules and regulations of the FDIC) or the listing of the Common Stock on NYSE, nor has the Company received any notification that the FDIC or NYSE is contemplating terminating such registration or listing. The transactions contemplated by this Agreement will not contravene the rules or regulations of NYSE. On the date hereof, the Company has submitted a preliminary listing application and substantially all required supporting documents to the NYSE with respect to the Company’s 5.50% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share (the “**Series A Preferred Stock**”), and, as of the date hereof, the Company has received no information from the NYSE stating that the Series A Preferred Stock will not be authorized for trading, subject to official notice of issuance and evidence of satisfactory distribution, with the NYSE.

(xvii) Absence of Labor Dispute. No labor dispute with the employees of the Company or any Subsidiary exists or, to the knowledge of the Company, is imminent. The Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any Subsidiary’s principal suppliers, vendors, customers or contractors, which, in either case, could, singly or in the aggregate, result in a Material Adverse Effect.

(xviii) Absence of Proceedings. There is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Entity, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any Subsidiary, which is required to be disclosed in the General Disclosure

Package and the Offering Circular (other than as disclosed therein), or which, if determined adversely to the Company or any Subsidiary, individually or in the aggregate, would result in a Material Adverse Effect, or which would materially and adversely affect the properties or assets thereof; the aggregate of all pending legal or governmental proceedings to which the Company or any Subsidiary is a party or of which any of their respective property or assets is the subject which are not described in the General Disclosure Package and the Offering Circular, including ordinary routine litigation incidental to the business, if determined adversely to the Company or any Subsidiary, individually or in the aggregate, would not result in a Material Adverse Effect.

(xix) Bank Holding Company Act. The Company is not required, nor after giving effect to the offering and sale of the Securities will it be required, to register as a bank holding company under the Bank Holding Company Act of 1956, as amended.

(xx) Compliance with Bank Regulatory Authorities. The Company and each of its Subsidiaries are in compliance in all material respects with all applicable laws, rules and regulations (including, without limitation, all applicable regulations and orders) of, or agreements with, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau (the “CFPB”) and the Mississippi DBCF, as applicable (collectively, the “**Bank Regulatory Authorities**”), the Equal Credit Opportunity Act, the Fair Housing Act, the Truth in Lending Act, the Community Reinvestment Act (the “CRA”), the Home Mortgage Disclosure Act, the Bank Secrecy Act and Title III of the USA Patriot Act, to the extent such laws or regulations apply to the Company, other than where such failures to comply would not have a Material Adverse Effect. As of September 30, 2019, the Company met or exceeded the standards necessary to be considered “well capitalized” under the FDIC’s regulatory framework for prompt corrective action. The Company has a Community Reinvestment Act rating of at least “Satisfactory.” Since December 31, 2015, the Company and each of its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the FDIC, the Mississippi DBCF and any other applicable federal or state banking authorities. All such reports and statements filed with any such regulatory body or authority are collectively referred to herein as the “**Company Reports**.” As of their respective dates, the Company Reports complied as to form in all material respects with all the rules and regulations promulgated by the FDIC and any other applicable federal or state banking authorities, as the case may be. Except as disclosed in the General Disclosure Package and the Offering Circular or except as would not otherwise result in a Material Adverse Effect, none of the Company nor any of its Subsidiaries is a party or subject to any written agreement, memorandum of understanding, consent decree, directive, cease-and-desist order, order of prohibition or suspension, written commitment, supervisory agreement or other written statement as described under 12 U.S.C. 1818(u) with, or order issued by, or has adopted any board resolutions at the request of, any Bank Regulatory Authority that restricts materially the conduct of its business, or in any manner relates to its capital adequacy, its credit policies or its management, nor have any of them been advised by any Bank Regulatory Authority that it is contemplating issuing or requesting (or is considering the appropriateness of issuing or requesting) any such order, decree, agreement, memorandum of understanding, extraordinary supervisory letter, commitment letter or

similar submission, or any such board resolutions or that imposes any restrictions or requirements not generally applicable to commercial banks.

(xxi) Accuracy of Exhibits. There are no contracts or documents which are required to be described in the General Disclosure Package, the Offering Circular or the documents incorporated by reference therein or to be filed as exhibits thereto which have not been so described and filed as required.

(xxii) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is necessary or required for the performance by the Company of its obligations under this Agreement in connection with the offering, issuance or sale of the Securities or the consummation of the transactions contemplated in this Agreement prior to the Closing Time, except such as have been already obtained or as may be required under the Exchange Act, the Exchange Act Regulations, the rules of the NYSE, the securities laws of any state or non-U.S. jurisdiction or the rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”).

(xxiii) Possession of Licenses and Permits. The Company and its Subsidiaries possess such permits, licenses, approvals, registrations, memberships, consents and other authorizations (collectively, “**Governmental Licenses**”) issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; the Company and its Subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure to so comply could not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, would result in a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has failed to file with applicable regulatory authorities any statement, report, information or form required by any applicable law, regulation or order, except where the failure to be so in compliance would not, singly or in the aggregate, have a Material Adverse Effect, all such filings were in material compliance with applicable laws when filed and no material deficiencies have been asserted by any regulatory commission, agency or authority with respect to any such filings or submissions.

(xxiv) Title to Property. The Company and its Subsidiaries have good and marketable title in fee simple to all real property owned by the Company and its Subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (A) are described in the General Disclosure Package and the Offering Circular or (B) would not, singly or in the aggregate, have a Material Adverse Effect. All of the leases and subleases under which the Company or any of its Subsidiaries holds properties described in the General Disclosure Package and the Offering Circular, are in full force and effect, except as would not, singly or in the

aggregate, have a Material Adverse Effect, and neither the Company nor any Subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any Subsidiary under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such Subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease, except as would not, singly or in the aggregate, have a Material Adverse Effect.

(xxv) Possession of Intellectual Property. The Company and its Subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures and excluding generally commercially available “off the shelf” software programs licensed pursuant to shrink wrap or “click and accept” licenses), trademarks, service marks, trade names or other intellectual property (collectively, “**Intellectual Property**”) necessary to carry on the business now operated by them, except as would not, singly or in the aggregate, have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received any notice or is otherwise aware of any infringement or misappropriation of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which could render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its Subsidiaries therein, except for any infringement or conflict or invalidity or inadequacy, singly or in the aggregate, would not result in a Material Adverse Effect.

(xxvi) Environmental Laws. Except as described in the General Disclosure Package and the Offering Circular and except as would not, singly or in the aggregate, result in a Material Adverse Effect, (A) neither the Company nor any of its Subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos-containing materials or mold (collectively, “**Hazardous Materials**”) or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, “**Environmental Laws**”), (B) the Company and its Subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its Subsidiaries, and (D) there are no events or circumstances that would result in forming the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its Subsidiaries relating to Hazardous Materials or any Environmental Laws.



(xxvii) ERISA. Each employee benefit plan, within the meaning of Section 3(3) of Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (“**ERISA**”), that is maintained, administered or contributed to by the Company or any Subsidiary or any member of the Company’s “control group” (within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the “**Code**”), for employees or former employees of the Company and its affiliates (“**Plan**”) has been maintained in material compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code. None of the Company, any Subsidiary, or their officers, directors and Plan fiduciaries have engaged in a “prohibited transaction,” within the meaning of Section 406 of ERISA or Section 4975 of the Code with respect to any such Plan, excluding transactions effected pursuant to a statutory or administrative exemption. No “reportable event” (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any “employee benefit plan” established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates. No “employee benefit plan” (as defined under ERISA) established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates, if such employee benefit plan were terminated, could have any “amount of unfunded benefit liabilities” (as defined under ERISA). Neither the Company, the Subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (A) Title IV of ERISA with respect to termination of, or withdrawal from, any “employee benefit plan,” or (B) Sections 412, 4971, 4975 or 4980B of the Code. Each employee benefit plan established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, which could cause the loss of such qualification. With respect to each Plan subject to Title IV of ERISA, the minimum funding standard of Section 302 of ERISA or Section 412 of the Code, as applicable, has been satisfied (without taking into account any waiver thereof or extension of any amortization period) and is reasonably expected to be satisfied in the future (without taking into account any waiver thereof or extension of any amortization period). Except as disclosed in the General Disclosure Package and the Offering Circular, there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency or any foreign agency.

(xxviii) Internal Control Over Financial Reporting. The Company and each of its Subsidiaries maintain a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act Regulations) sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management’s general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (C) access to assets is permitted only in accordance with management’s general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the General Disclosure Package and the Offering Circular, since the end of the Company’s most recent audited fiscal year, there has been (1) no material weakness in the Company’s internal control over financial reporting (whether or not remediated) and (2) no change in the Company’s internal control

over financial reporting that has materially affected, or would result in materially affecting, the Company's internal control over financial reporting.

(xxix) Disclosure Controls and Procedures. The Company and its Subsidiaries employ disclosure controls and procedures (as such term is defined in Rule 13a-15 of the Exchange Act Regulations), which (A) are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the FDIC's rules and forms and that material information relating to the Company and its Subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within the Company and its Subsidiaries to allow timely decisions regarding disclosure, (B) have been evaluated by management of the Company for effectiveness as of the end of the Company's most recent fiscal quarter, and (C) were then effective in all material respects to perform the functions for which they were established. Based on the evaluation of the Company's and each Subsidiary's disclosure controls and procedures described above, the Company is not aware of (1) any significant deficiency in the design or operation of internal controls which could adversely affect the Company's or its Subsidiaries' ability to record, process, summarize and report financial data or any material weakness in internal controls or (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's or its Subsidiaries' internal controls. Since the most recent evaluation of the Company's disclosure controls and procedures described above, there have been no changes in internal controls or in other factors that could significantly affect internal controls.

(xxx) Compliance with the Sarbanes-Oxley Act. There is and has been no failure on the part of the Company or, to the best knowledge of the Company, any of the Company's directors or officers, in their capacities as such, to comply in all material respects with any applicable provision of the Sarbanes-Oxley Act and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(xxxi) Pending Procedures and Examinations. The Company is not the subject of a pending "cease-and-desist" proceeding instituted by the FDIC in connection with the offering of the Securities that would otherwise be instituted by the Commission under Section 8A of the Securities Act were the Securities registered under the Securities Act.

(xxxii) Payment of Taxes. All United States federal income tax returns of the Company and the Subsidiaries required by law to be filed have been timely filed and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which have been or will be promptly contested in good faith and as to which adequate reserves have been provided in the Company's financials in accordance with GAAP. The Company and the Subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, state, local or other law, except insofar as the failure to file such returns, individually or in the aggregate, could not result in a Material Adverse Effect, and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company or any Subsidiary except

for such taxes, if any, that would not have, singly or in the aggregate, a Material Adverse Effect or that are being contested in good faith and as to which adequate reserves have been provided. The charges, accruals and reserves on the books of the Company and the Subsidiaries in respect of any income and corporation tax liability for any years not finally determined are adequate to meet any assessments or re-assessments for additional income tax for any years not finally determined. Except as otherwise disclosed in the General Disclosure Package and the Offering Circular, there is no tax deficiency that has been or would reasonably be expected to be asserted against the Company or any of its Subsidiaries or any of their respective properties or assets.

(xxxiii) Insurance. The Company and its Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as the Company reasonably believes are adequate for the conduct of the business of the Company and its Subsidiaries and the value of their properties and as are customary in the business in which the Company and its Subsidiaries are engaged; neither the Company nor any of its Subsidiaries has been refused any insurance coverage sought or applied for; and the Company has no reason to believe that they will not be able to renew their existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect. All such insurance is fully in force as of the date hereof.

(xxxiv) Investment Company Act. The Company is not, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the General Disclosure Package and the Offering Circular will not be, an “investment company” or an entity “controlled” by an “investment company” as such terms are defined in the Investment Company Act of 1940, as amended (the “**Investment Company Act**”).

(xxxv) Absence of Manipulation. Neither the Company nor any of the Subsidiaries, nor any affiliates of the Company or its Subsidiaries, has taken, directly, or indirectly, and neither the Company nor any of the Subsidiaries, nor any affiliates of the Company or its Subsidiaries, will take, directly or indirectly, any action designed to cause or result in, or which constitutes or might reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company or any “reference security” (as defined in Rule 100 of Regulation M under the Exchange Act) to facilitate the sale or resale of the Securities or otherwise, and has taken no action which would directly or indirectly violate Regulation M under the Exchange Act.

(xxxvi) Foreign Corrupt Practices Act. None of the Company, any of its Subsidiaries or, to the best knowledge of the Company, any director, officer, agent or employee of the Company or any of its Subsidiaries has: (A) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (B) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (C) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable non-U.S. anti-bribery statute or regulation; or (D) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(xxxvii) Anti-Money Laundering Laws. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions and the rules and regulations thereunder issued, administered or enforced by any Governmental Entity (collectively, the “**Anti-Money Laundering Laws**”); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(xxxviii) OFAC. None of the Company, any of its Subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its Subsidiaries is currently the subject of any sanctions administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”), the United Nations Security Council, the European Union, Her Majesty’s Treasury, or other relevant sanctions authority (collectively, “**Sanctions**”); and the Company will not directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity (“**Person**”) for the purpose of funding the activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

(xxxix) Relationship and Outstanding Loans. No relationship, direct or indirect, exists between or among the Company or any of its Subsidiaries, on the one hand, and the directors, officers, shareholders, customers or suppliers of the Company or any of its Subsidiaries, on the other, that would be, were the Securities registered under the Securities Act, required by the Securities Act or Securities Act Regulations or by the FDIC Policy Statement to be described in the General Disclosure Package and/or the Offering Circular and that is not so described; there are no outstanding loans, extensions of credit, advances (except normal advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any Subsidiary to or for the benefit of any of the executive officers, directors, affiliates or representatives of the Company or any of their respective family members, except as disclosed or included in the General Disclosure Package and the Offering Circular and that are not in violation of Section 402 of the Sarbanes-Oxley Act.

(xl) Lending Relationship. Except as disclosed in the General Disclosure Package and the Offering Circular, the Company (A) does not have any material lending or other relationship with any bank or lending affiliate of any Underwriter and (B) does not intend to use any of the proceeds from the sale of the Securities to repay any outstanding debt owed to any affiliate of any Underwriter.

(xli) No Restrictions on Subsidiaries. Except in each case as otherwise disclosed in the General Disclosure Package and the Offering Circular, no Subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other

instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such Subsidiary's capital stock, from repaying to the Company any loans or advances to such Subsidiary from the Company or from transferring any of such Subsidiary's properties or assets to the Company or any other Subsidiary of the Company.

(xlii) Statistical and Market-Related Data. The statistical and market related data contained in the General Disclosure Package and the Offering Circular are based on or derived from sources which the Company believes are reliable and accurate.

(xliii) Distribution of Offering Material By the Company. The Company has not distributed and will not distribute, prior to the later of the Closing Time and the completion of the Underwriters' distribution of the Securities, any offering material in connection with the offering and sale of the Securities other than the Preliminary Offering Circular contained in the General Disclosure Package, the Offering Circular, and any Supplemental Offering Materials reviewed and consented to by the Representative and included in Schedule B hereto.

(xliv) Forward-Looking Statements. No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the General Disclosure Package and the Offering Circular has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(xlv) No Fees or Advisory Rights. Other than as contemplated by this Agreement, there is no broker, finder or other party that is entitled to receive from the Company or any Subsidiary any brokerage or finder's fee or any other fee, commission or payment as a result of the transactions contemplated by this Agreement.

(xlvi) Deposit Insurance. The Company is an insured depository institution under the provisions of the Federal Deposit Insurance Act, the deposit accounts of the Company are insured by the FDIC up to applicable legal limits, the Company has paid all premiums and assessments required by the FDIC and the regulations thereunder, and no proceeding for the termination or revocation of such insurance is pending or, to the knowledge of the Company, threatened.

(xlvii) Off-Balance Sheet Transactions. There is no transaction, arrangement or other relationship between the Company or any of its Subsidiaries and an unconsolidated or other off-balance sheet entity which is required to be disclosed in the General Disclosure Package and the Offering Circular (other than as disclosed therein).

(xlviii) Cybersecurity. (A) There has been no security breach or incident, unauthorized access or disclosure, or other compromise of any of the Company's or its Subsidiaries' information technology and computer systems, networks, hardware, software, data and databases (including the data and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and its Subsidiaries), and, to the knowledge of the Company, any such data processed or stored by third parties on behalf of the Company and its

Subsidiaries, equipment or technology (collectively, “IT Systems and Data”), that would, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect; (B) neither the Company nor its Subsidiaries have been notified of, and each of them have no knowledge of any event or condition that could result in, any security breach or incident, unauthorized access or disclosure or other compromise to their IT Systems and Data that would, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (C) the Company and its Subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards. The Company and its Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(xlix) Broker-Dealer. Neither the Company nor any of its affiliates (i) is required to register as a “broker” or “dealer” in accordance with the provisions of the Exchange Act or the Exchange Act Regulations or (ii) directly, or indirectly through one or more intermediaries, controls or has any other association (within the meaning of Article I of the By-Laws of FINRA) with any member firm of FINRA.

(l) Patriot Act. The Company acknowledges in accordance with the requirements of the USA Patriot Act ((Title III of Pub. L. 107-56 (signed into law October 26, 2001))), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

(li) Company Not Ineligible Issuer. At the time that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) of the Securities and at the Applicable Time, the Company was not and is not an “ineligible issuer,” as defined in Rule 405.

(b) Officer’s Certificates. Any certificate signed by any officer of the Company or any of its Subsidiaries delivered to the Representative or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

## **SECTION 2. Sale and Delivery to Underwriters; Closing.**

(a) Sale of Securities. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, the aggregate principal amount of Securities set forth in Schedule

A opposite the name of such Underwriter, at a purchase price equal to 99.125% of the aggregate principal amount thereof.

(b) *Payment.* Payment of the purchase price for, and delivery of the Securities shall be made at the offices of Covington & Burling LLP, One CityCenter, 850 Tenth Street, NW, Washington, DC 20001, or at such other place as shall be agreed upon by the Representative and the Company, at 10:00 a.m. (New York City time) on November 20, 2019 (unless postponed in accordance with the provisions of Section 10), or such other time not later than 10 business days after such date as shall be agreed upon by the Representative and the Company (such time and date of payment and delivery being herein called “**Closing Time**”).

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery of the Securities (in the form of one or more global notes), through the facilities of the Depository, to the Representative for the respective accounts of the Underwriters. It is understood that each Underwriter has authorized the Representative, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Securities which it has agreed to purchase. The Representative, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Securities to be purchased by any Underwriter whose funds have not been received by the Closing Time, but such payment shall not relieve such Underwriter from its obligations hereunder.

**SECTION 3.** Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) *Preparation of Offering Circular; Underwriters’ Review of Proposed Amendments and Supplements.* As promptly as practicable after the time this Agreement is executed by the parties hereto and in any event not later than the second business day following the date hereof, the Company will prepare and deliver to the Underwriters the Offering Circular. The Company will not amend or supplement the Preliminary Offering Circular or any Supplemental Offering Materials. The Company will not amend or supplement the Offering Circular prior to the Closing Time and prior to the completion of the offering of any of the Securities by the Underwriters unless the Underwriters shall previously have been furnished a copy of the proposed amendment or supplement at least two business days prior to the proposed use or filing, and shall not have reasonably objected to such amendment or supplement in writing.

(b) *Amendments and Supplements to the Offering Circular and Other Related Matters.* The Company will comply with the FDIC, the Exchange Act, the Exchange Act Regulations and any other applicable law so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the General Disclosure Package and the Offering Circular. If, prior to the later of (x) the Closing Time and (y) the completion of the offering of any of the Securities by the Underwriters, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Offering Circular, (i) in order to make the statements therein, in the light of the circumstances when the Offering Circular is delivered, not misleading, (ii) if in the judgment of the Underwriters or counsel for the Underwriters it is otherwise necessary to amend or supplement the Offering Circular to comply with applicable law or (iii) in order to cause the Offering Circular to comply with the applicable requirements of the FDIC Policy

Statement, the Company agrees to promptly prepare and furnish at its own expense to the Underwriters, amendments or supplements to the Offering Circular so that the statements in the Offering Circular as so amended or supplemented will not, in the light of the circumstances at the Closing Time and at the Applicable Time, be misleading or so that the Offering Circular, as amended or supplemented, will comply with all applicable law.

The Company hereby expressly acknowledges that the indemnification and contribution provisions of Sections 7 and 8 hereof are specifically applicable and relate to the Offering Circular and any amendment or supplement thereto referred to in this Section 3.

(c) *Governmental Orders or Notices.* The Company shall advise the Representative promptly, confirming such advice in writing, of (i) the receipt of any comments from, or any request by, the FDIC or any other Governmental Entity for amendments or supplements to the General Disclosure Package or the Offering Circular or for additional information with respect thereto or (ii) the issuance by the FDIC or any other Governmental Entity of any stop order, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes and, if the FDIC or any other Governmental Entity should issue any such order, to make every reasonable effort to obtain the lifting or removal of such order as soon as possible.

(d) *Copies of General Disclosure Package and Offering Circular.* The Company agrees to furnish the Underwriters, without charge, as many copies of the General Disclosure Package and the Offering Circular and any amendments and supplements thereto as they shall have reasonably requested.

(e) *Blue Sky Qualifications.* The Company will use its best efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and non-U.S. jurisdictions as the Representative may designate and to maintain such qualifications in effect so long as required to complete the distribution of the Securities; provided, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(f) *Copies of Reports.* For two years after the date of the Offering Circular, the Company will furnish to the Representative a copy of its reports filed with the FDIC under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act; provided that the requirements of this Section shall be deemed satisfied upon the posting of such reports on the Company's website or on the FDIC website for the posting of Exchange Act filings.

(g) *Use of Proceeds.* The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the General Disclosure Package and the Offering Circular under the section entitled "Use of Proceeds."

(h) *Reporting Requirements.* The Company, during the period the Offering Circular is required to be delivered under the Exchange Act and any other applicable law, will file all documents required to be filed with the FDIC pursuant to the Exchange Act within the time periods



required by, and each such document will meet the requirements of, the Exchange Act and the Exchange Act Regulations.

(i) *Pricing Term Sheet.* The Company will prepare the Term Sheet containing only a description of the Securities, in the form approved by the Underwriters and attached hereto as Schedule C. Such Term Sheet is a “Supplemental Offering Material” for purposes of this Agreement.

(j) *Restrictions on Supplemental Offering Materials.* Unless it obtains the prior consent of the Representative, the Company agrees to use any Supplemental Offering Materials with respect to the Securities only insofar as such Supplemental Offering Materials would constitute an “issuer free writing prospectus,” as defined in Rule 433 under the Securities Act, assuming the sale of the Securities were to be conducted as a public offering pursuant to a registration statement filed with the Commission and the Offering Circular was to be considered to be a prospectus satisfying the requirements of Section 10(a) of the Securities Act.

(k) *Depository.* The Company will cooperate with the Underwriters and use its best efforts to permit the Securities to be eligible for clearance, settlement and trading through the facilities of the Depository.

(l) *Investment Company Act.* The Company shall not invest or otherwise use the proceeds received by the Company from its sale of the Securities in such a manner as could require the Company or any of the Subsidiaries to register as an investment company under the Investment Company Act.

(m) *Clear Market.* During the period beginning on the date hereof and continuing to and including the Closing Time, the Company will not, without the consent of the Representative, offer, sell, contract to sell, announce the offering or otherwise dispose of any securities of the Company which are substantially similar to the Securities, including any guarantee of any such securities, or any securities convertible into or exchangeable for or representing the right to receive any such securities.

(n) *Paying Agent.* The Company shall engage and maintain, at its expense, a Paying Agent for the Securities.

(o) *Sarbanes-Oxley Act.* The Company and its Subsidiaries will comply with all effective applicable provisions of the Sarbanes-Oxley Act.

(p) *Taxes.* The Company will indemnify and hold harmless the Underwriters against any documentary, stamp, issue or similar tax, including any interest and penalties, on the creation, issue and sale of the Securities and on the execution and delivery of this Agreement. All payments to be made by the Company hereunder shall be made without withholding or deduction for or on account of any present or future taxes, duties or governmental charges whatsoever unless the Company is compelled by law to deduct or withhold such taxes, duties or charges. In that event, the Company shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction shall equal the amounts that would have been received if no withholding or deduction had been made.

(q) *Trademarks.* Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Securities (the "**License**"); provided that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred.

#### **SECTION 4.     Payment of Expenses.**

(a) *Expenses.* Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the filing of the Preliminary Offering Circular and the Offering Circular with the FDIC, (ii) the preparation, printing and delivery to the Underwriters of copies of the Preliminary Offering Circular, the Offering Circular and any Supplemental Offering Materials and any amendments or supplements thereto, and this Agreement, the Paying Agency Agreement, the DTC Agreement and the Securities, and any costs associated with electronic delivery of any of the foregoing by the Underwriters to investors, (iii) the preparation, issuance and delivery of the Securities to the Underwriters, including any transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(e) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation, printing and delivery to the Underwriters of the Blue Sky Survey and any supplement thereto, and the fees and expenses of making the Securities eligible for clearance, settlement and trading through the facilities of the Depository, (vi) the fees and expenses of the Paying Agent, (vii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Securities, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, (viii) the reasonable fees and disbursements of counsel to the Underwriters incurred in connection with determining the offering's compliance with FINRA's rules and regulations, and the filing fees incident to the review, if required, of the terms of the sale of the Securities by FINRA, (ix) expenses associated with the ratings of the Securities, (x) the document production charges and expenses associated with printing this Agreement, (xi) the costs and expenses (including, without limitation, any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Securities made by the Underwriters caused by a breach of the representation contained in the first and third sentences of Section 1(a)(i) or SECTION 1(a)(xi) of this Agreement, (xii) the legal fees and expenses (including fees and disbursements of the counsel for the Underwriters pursuant to Sections 4(a)(v) and 4(a)(viii), provided, however, that the fees and expenses for counsel to the Underwriters payable by the Company pursuant to Sections 4(a)(v) and 4(a)(viii) shall not exceed \$12,500), and marketing, syndication and travel expenses and any expenses related to an investor presentation and/or roadshow that are incurred by the Underwriters, provided that all such expenses referred to in this clause (xii) shall not exceed \$100,000 without the prior written consent of the Company, and (xiii) all other costs and expenses incident to the performance of the

obligations of the Company hereunder for which provision is not otherwise made in this Section 4(a).

(b) *Termination of Agreement.* If this Agreement is terminated by the Representative in accordance with the provisions of Section 5, Section 9(a) or Section 10 hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters, provided that such expenses shall not exceed \$100,000.

**SECTION 5.** Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained herein or in certificates of any officer of the Company or any of its Subsidiaries delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) *Opinion of Counsel for Company.* At the Closing Time, the Representative shall have received the favorable opinion, dated the Closing Time, of Waller Lansden Dortch & Davis, LLP, counsel for the Company, in form and substance reasonably satisfactory to the Representative, respectively, together with signed or reproduced copies of such letters for each of the other Underwriters, in form and substance reasonably satisfactory to the Representative.

(b) *Opinion of Counsel for Underwriters.* At the Closing Time, the Representative shall have received the favorable opinion, dated the Closing Time, of Covington & Burling LLP, counsel for the Underwriters, in form and substance reasonably satisfactory to the Representative, together with signed or reproduced copies of such letter for each of the other Underwriters, and the Company shall have furnished to such counsel such documents as they may request for the purpose of enabling them to pass upon such matters. In giving such opinion, such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York and the federal securities laws of the United States, upon the opinions of counsel satisfactory to the Representative. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers and other representatives of the Company and its Subsidiaries and certificates of public officials.

(c) *Officers' Certificate.* At the Closing Time, the Representative shall have received a certificate of the Chief Executive Officer or the President of the Company and of the Chief Financial Officer of the Company, dated as of Closing Time, to the effect that (i) there has been no Material Adverse Effect, (ii) the representations and warranties of the Company in this Agreement are true and correct with the same force and effect as though expressly made at and as of the Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Time, and (iv) no stop order has been issued, and no proceedings for that purpose have been instituted or are pending or threatened by the FDIC, the DBCF or any other Governmental Entity.

(d) *Comfort Letters.* At the time of the execution of this Agreement, the Representative shall have received from each of (A) KPMG, with respect to the financial statements and supporting schedules of the Company as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and the financial statements and supporting

schedules of the Company as of and for the interim period ended March 31, 2019, and (B) BKD, with respect to the financial statements and supporting schedules of the Company for the interim periods ended June 30, 2019 and September 30, 2019, a letter dated such date, in form and substance satisfactory to the Representative, together with signed or reproduced copies of such letter for each of the other Underwriters, confirming that they are a registered public accounting firm and independent registered public accountants as required by the Securities Act and containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and financial information contained in the General Disclosure Package and the Offering Circular.

(e) *Bring-down Comfort Letter.* At the Closing Time, the Representative shall have received from each of (A) KPMG and (B) BKD, a letter dated as of the Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to Section 5(d) hereof, except that the specified date referred to shall be a date not more than two business days prior to the Closing Time.

(f) *Certificate of the Chief Financial Officer.* On the date of this Agreement and at the Closing Time, the Representative shall have received a certificate executed by the Chief Financial Officer of the Company, in form and substance reasonably satisfactory to the Representative.

(g) *Beneficial Ownership Certificate.* On or before the date of this Agreement, the Representative shall have received a certificate satisfying the beneficial ownership due diligence requirements of the Financial Crimes Enforcement Network from the Company in form and substance satisfactory to the Representative.

(h) *Other Documents.* The Underwriters shall have received such other documents as they may reasonably request with respect to other matters related to the sale of the Securities.

(i) *Absence of Rating Downgrade.* Subsequent to the execution and delivery of this Agreement and prior to the Closing Time, there shall not have occurred any downgrading, nor shall any notice have been given of (i) any downgrading, (ii) any intended or potential downgrading, or (iii) any review or possible change that does not indicate an improvement, in the rating accorded to the Securities by Standard & Poor's and Moody's.

(j) *No Objection.* If applicable, FINRA shall have not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements relating to the offering of the Securities.

(k) *No Important Changes.* Since the execution of this Agreement, (i) in the judgment of the Representative, since the respective date hereof or the respective dates of which information is given in the General Disclosure Package or the Offering Circular, there shall not have occurred any Material Adverse Effect, and (ii) there shall not have been any decrease in or withdrawal of the rating of any debt securities or preferred securities of the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act) or any notice given of any intended or potential decrease in or withdrawal of any such rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(l) *No FDIC or Governmental Agency Objections.* No stop order shall have been issued, and no proceedings for such purpose shall have been initiated or threatened, by the FDIC or any other Governmental Entity, and no suspension of the qualification of the Securities for offering or sale in any jurisdiction, or the initiation or threatening of any proceedings for any of such purposes, shall have occurred and all requests for additional information on the part of the FDIC or any other Governmental Entity shall have been complied with to the reasonable satisfaction of the Representative.

(m) *No Termination Event.* On or after the date hereof, there shall not have occurred any of the events, circumstances or occurrences set forth in Section 9(a).

(n) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Time, prevent the issuance or sale of the Securities by the Company; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Time, prevent the issuance or sale of the Securities by the Company.

(o) *Good Standing.* The Representative shall have received on and as of the Closing Time satisfactory evidence of the good standing of the Company in its jurisdiction of organization, in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdiction.

(p) *Additional Documents.* At the Closing Time, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be in form and substance satisfactory to the Representative and counsel for the Underwriters.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representative by notice to the Company at any time at or prior to Closing Time and such termination shall be without liability of any party to any other party except as provided in SECTION 4 and except that SECTION 1, Section 6, Section 7, Section 8, Section 13, Section 14, Section 15, Section 16 and Section 20 shall survive any such termination and remain in full force and effect.

## **SECTION 6. Indemnification.**

(a) *Indemnification of Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates (as such term is defined in Rule 501(b) of the Securities Act Regulations (each, an “**Affiliate**”)), selling agents, officers and directors and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of

a material fact included in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto), or the omission or alleged omission in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) hereof) any such settlement is effected with the written consent of the Company;

(iii) against any and all expense whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by the Representative), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information.

(b) *Indemnification of Company, Directors and Officers.* Each Underwriter severally agrees to indemnify and hold harmless the Company, its officers who signed the Company’s Annual Report on Form 10-K for the year ended December 31, 2018, its directors and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 6(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information.

(c) *Actions against Parties; Notification.* Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against

it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) hereof, counsel to the indemnified parties shall be selected by the Representative, and, in the case of parties indemnified pursuant to Section 6(b) hereof, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, that counsel to the indemnifying party shall not (except with the prior written consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) *Settlement without Consent if Failure to Reimburse.* If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 45 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

**SECTION 7.** Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in

connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company, on the one hand, and the total underwriting discount received by the Underwriters, on the other hand, in each case as set forth on the cover of the Offering Circular, bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Offering Circular.

The relative fault of the Company, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the underwriting discount received by such Underwriter in connection with the Securities underwritten by it and distributed to the public.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution or indemnity from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the aggregate principal amount of Securities set forth opposite their respective names in Schedule A hereto and not joint.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each Underwriter's Affiliates, officers, directors and selling agents shall have the same rights to contribution as such Underwriter, and each officer of the Company who signed the Company's Annual Report on Form 10-K for the year ended December 31, 2018, each director of the Company and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company.



**SECTION 8.**     Representations, Warranties and Agreements to Survive. The indemnity and contribution provisions contained in Section 6 and Section 7, and all representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company or any of its Subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates, officers, directors and or selling agents, any person controlling any Underwriter or the Company's officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

**SECTION 9.**     Termination of Agreement.

(a)     *Termination.* The Representative may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time, (i) if there has been, in the judgment of the Representative, since the time of execution of this Agreement or since the respective dates as of which information is given in the General Disclosure Package or the Offering Circular, any Material Adverse Effect, (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, including without limitation as a result of terrorist activities, in each case the effect of which is such as to make it, in the judgment of the Representative, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission, FDIC or NYSE, (iv) if trading generally on NYSE or Nasdaq has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by order of the Commission, FDIC, FINRA or any other Governmental Entity, (v) if a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or with respect to Clearstream or Euroclear systems in Europe, or (vi) if a general moratorium on commercial banking activities has been declared by either federal, New York or State of Mississippi authorities or if there is a material disruption in commercial banking or securities settlement or clearance services in the United States.

(b)     *Liabilities.* If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in SECTION 4 hereof, and provided further that SECTION 1, Section 6, Section 7, Section 8, Section 13, Section 14, Section 15, Section 16 and Section 20 shall survive such termination and remain in full force and effect.

**SECTION 10.**   Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at the Closing Time to purchase the Securities which it or they are obligated to purchase under this Agreement (the "**Defaulted Securities**"), the Representative shall have the right, within 36 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted

Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representative shall not have completed such arrangements within such 36-hour period, then:

(i) if the amount of Defaulted Securities does not exceed 10% of the aggregate principal amount of the Securities to be purchased at the Closing Time, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the amount of Defaulted Securities exceeds 10% of the aggregate principal amount of the Securities to be purchased at the Closing Time, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement, either the Representative or the Company shall have the right to postpone the Closing Time for a period not exceeding seven days in order to effect any required changes in the General Disclosure Package or the Offering Circular or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

**SECTION 11. Notices.** All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representative care of KBW at 787 Seventh Avenue, 4th Floor, New York, New York 10019, attention of Michael C. Garea, Managing Director, Capital Markets, e-mail: mgarea@kbw.com, with a copy to Covington and Burling LLP, One CityCenter, 850 Tenth Street, NW, Washington, DC 20001, attention of Michael Reed and Christopher DeCresce; and notices to the Company shall be directed to it at BancorpSouth Bank, 201 South Spring Street, Tupelo, Mississippi 38804, Attention of Charles J. Pignuolo, Esq., Senior Executive Vice President and General Counsel, with a copy to Waller Lansden Dortch & Davis, LLP, Nashville City Center, 511 Union Street, Suite 2700, Nashville, TN 37219, attention of E. Marlee Mitchell and Wes Scott.

**SECTION 12. No Advisory or Fiduciary Relationship.** The Company acknowledges and agrees that (a) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the initial public offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering of the Securities and the process leading thereto, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company or any of its Subsidiaries or its shareholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company in connection with the offering of the Securities or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any of its Subsidiaries on other matters) or any other obligation to the Company in connection with the offering of the Securities except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective

Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (e) the Underwriters have not provided any legal, accounting, financial, regulatory or tax advice in connection with the offering of the Securities and the Company has consulted its own respective legal, accounting, financial, regulatory and tax advisors to the extent it deemed appropriate.

**SECTION 13.** Parties. This Agreement shall each inure to the benefit of and be binding upon the Underwriters, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and their respective successors and the indemnified parties referred to in Section 6 and Section 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and their respective successors, and said controlling persons, Affiliates, selling agents, officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

**SECTION 14.** Trial by Jury. Each of the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its shareholders and affiliates) and the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

**SECTION 15.** GOVERNING LAW. THIS AGREEMENT, ANY TRANSACTION CONTEMPLATED HEREUNDER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK.

**SECTION 16.** Consent to Jurisdiction. Each of the parties hereto agrees that any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in (i) the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan or (ii) the courts of the State of New York located in the City and County of New York, Borough of Manhattan (collectively, the “**Specified Courts**”), and irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any Specified Court, as to which such jurisdiction is non-exclusive) of the Specified Courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party’s address set forth above shall be effective service of process for any suit, action or proceeding brought in any Specified Court. Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any suit, action or proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any Specified Court that any such suit, action or proceeding brought in any Specified Court has been brought in an

inconvenient forum.

**SECTION 17.** TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

**SECTION 18.** Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. The exchange of copies of this Agreement and of signature pages by facsimile or other electronic means shall constitute effective execution and delivery of this Agreement by the parties hereto and may be used in lieu of the original signature pages to this Agreement for all purposes.

**SECTION 19.** Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

**SECTION 20.** Entire Agreement; Amendments. This Agreement constitutes the entire Agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party that the condition is meant to benefit.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement among the Underwriters and the Company in accordance with its terms.

Very truly yours,

BANCORPSOUTH BANK

/s/ John G. Copeland  
Name: John G. Copeland  
Title: Chief Financial Officer

CONFIRMED AND ACCEPTED,  
as of the date first above written:

KEEFE, BRUYETTE &amp; WOODS, INC.

By: /s/ Victor A. Sack  
 Name: Victor A. Sack  
 Title: Managing Director

For itself and as Representative of the other Underwriters named in Schedule A hereto.

## SCHEDULE A

<u>Name of Underwriter</u>	Aggregate Principal Amount of Securities to be Purchased
Keefe, Bruyette & Woods, Inc.	\$225,000,000
Piper Jaffray & Co.	\$21,000,000
Raymond James & Associates, Inc.	\$21,000,000
Stephens Inc.	\$15,000,000
SunTrust Robinson Humphrey, Inc.	\$18,000,000
Total	<u>\$300,000,000</u>

## **SCHEDULE B**

### **Supplemental Offering Materials**

The Term Sheet set forth in Schedule C.



## **SCHEDULE C**

### **Term Sheet**



**BancorpSouth Bank**

**\$300,000,000**

**4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029**

**PRICING TERM SHEET**

<b>Issuer:</b>	BancorpSouth Bank (NYSE: BXS) (the "Company")
<b>Security:</b>	4.125% fixed-to-floating rate subordinated notes due November 20, 2029 (the "Notes")
<b>Security Rating:*</b>	Baa2 (Stable) by Moody's; BBB- (Positive) by S&P
<b>Principal Amount:</b>	\$300,000,000
<b>Pricing Date:</b>	November 13, 2019
<b>Anticipated Settlement Date:</b>	November 20, 2019 (T+5)
<b>Stated Maturity Date:</b>	November 20, 2029
<b>Price to Public:</b>	100.0% of Principal Amount
<b>Coupon:</b>	4.125%
<b>Interest Rate:</b>	The Notes will bear interest (i) from, and including, November 20, 2019 to, but excluding, November 20, 2024, (the "Fixed Rate Period"), at a fixed rate equal to 4.125% per year and (ii) from, and including, November 20, 2024 to, but excluding, the maturity date or the date of earlier redemption, (the "Floating Rate Period") at a floating interest rate that will reset quarterly to an annual interest rate equal to the three-month LIBOR plus a spread of 247 basis points (2.47%). In the event that the three-month LIBOR rate is less than zero, then the three-month LIBOR rate will be deemed to be zero. See "Description of the Notes—Interest Payments" contained in the Preliminary Offering Circular, dated November 13, 2019 (the "Offering Circular"), which describes how the interest rate may change during the Floating Rate Period.
<b>Interest Payment Dates:</b>	During the Fixed Rate Period, interest on the Notes will be payable semi-annually in arrears on each May 20 and November 20, commencing May 20,

2020. The interest payable on any Fixed Rate Period payment date will be paid to each holder in whose name a Note is registered at the close of business on the May 1 and November 1 (whether or not a business day) immediately preceding such Fixed Rate Period interest payment date. If any such payment date is not a business day, the payment will be made on the next business day and no interest will accrue as a result of any such delay in payment.

During the Floating Rate Period, interest on the Notes will be payable quarterly in arrears on each February 20, May 20, August 20 and November 20, beginning on November 20, 2024. The interest payable on any Floating Rate Period interest payment date will be paid to the holder in whose name a Note is registered at the close of business on the February 1, May 1, August 1 and November 1 (whether or not a business day) immediately preceding such Floating Rate Period interest payment date. If a Floating Rate Period interest payment date falls on a day that is not a business day, then such payment will be postponed to the next succeeding business day unless such day falls in the next succeeding calendar month, in which case such payment date will be accelerated to the immediately preceding business day, and, in each such case, the amounts payable on such business day will include interest accrued to, but excluding, such business day.

The first interest payment will be made on May 20, 2020.

**Day Count Convention:**

Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months to, but excluding, November 20, 2024 and, thereafter, on the basis of the actual number of days in the relevant interest period divided by 360.

**Redemption:**

Subject to obtaining prior regulatory approval, to the extent that such approval is then required, the Company may, at its option, redeem the Notes, in whole or in part, from time to time, at any time on or after November 20, 2024 at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date.

In addition, in certain circumstances the Company may have the option to redeem the Notes, in whole but not in part, upon the occurrence of events

described in the Offering Circular under the heading “Description of the Notes—Redemption—Redemption Upon Special Events” at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date.

**Subordination:**

The Notes are unsecured and will be subordinate in right of payment to all senior indebtedness (including deposits) of the Company and other specified company obligations that are subject to any priority or preferences under applicable law, as specified in the Offering Circular.

**Use of Proceeds:**

General corporate purposes, potentially including repurchases of shares of the Company’s common stock, future acquisitions and ongoing working capital needs.

**Denominations:**

\$1,000 minimum denomination and \$1,000 integral multiples thereof.

**CUSIP / ISIN:**

05971JAA0 / US05971JAA07

**Sole Book-Running Manager:**

Keefe, Bruyette & Woods, A *Stifel Company*

**Co-Managers:**

Piper Jaffray, Raymond James, Stephens Inc. and SunTrust Robinson Humphrey

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**\* Note:** *A rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. Each rating agency has its own methodology for assigning ratings and, accordingly, each rating should be evaluated independently of any other rating.*

**The information in this document supplements and supersedes the information contained in the Preliminary Offering Circular, dated November 13, 2019, relating to the Notes described above. You may obtain a copy of the Preliminary Offering Circular by contacting Keefe, Bruyette & Woods, A *Stifel Company* at 787 Seventh Avenue, Fourth Floor, New York, NY 10019 or by calling 1-800-966-1559. Before you invest, you should read the Preliminary Offering Circular and other documents the Company has filed with the Federal Deposit Insurance Corporation (“FDIC”) for more complete information about the Company and this offering. You may get these documents for free by visiting the FDIC’s website at <https://efr.fdic.gov/fcxweb/efr/index.html>.**

## **SCHEDULE D**

### **Subsidiaries of the Company**

- BancorpSouth Bank
- BXS Insurance, Inc.
- BancorpSouth Bank Securities Corporation
- BancorpSouth Municipal Development Corporation
- BXS Investor, LLC
- BXS Community Fund, LLC

\$150,000,000

BANCORPSOUTH BANK

6,000,000 Shares of 5.50% Series A Non-Cumulative Perpetual Preferred Stock

UNDERWRITING AGREEMENT

November 13, 2019

KEEFE, BRUYETTE & WOODS, INC.  
787 Seventh Avenue, 4th Floor  
New York, New York 10019

RAYMOND JAMES & ASSOCIATES, INC.  
880 Carillon Parkway, Tower 3  
St. Petersburg, Florida 33716

As representatives of the Underwriters listed in Schedule A hereto

Ladies and Gentlemen:

BancorpSouth Bank, a Mississippi state-chartered bank (the “**Company**”), proposes to issue and sell to the several underwriters named in Schedule A hereto (the “**Underwriters**”) pursuant to the terms set forth herein (this “**Agreement**”) 6,000,000 shares of 5.50% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share (the “**Firm Preferred Shares**”). The Company also granted to the Underwriters an option to purchase up to an additional 900,000 shares of 5.50% Series A Non-Cumulative Perpetual Preferred Stock (the “**Option Preferred Shares**,” and, together with the Firm Preferred Shares, the “**Securities**”). Keefe, Bruyette & Woods, Inc. (“**KBW**”) and Raymond James & Associates, Inc. (“**Raymond James**”) have agreed to act as representatives of the several Underwriters (in such capacity, the “**Representatives**”) in connection with the offering and sale of the Securities.

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Underwriters deem advisable after this Agreement has been executed and delivered.

The Company and the Underwriters agree that up to 280,900 Firm Preferred Shares to be purchased by the Underwriters (the “**Reserved Securities**”) shall be reserved for sale by the Underwriters to certain eligible officers, directors, employees, business associates and related persons of the Company and its subsidiaries (the “**Invitees**”), as part of the distribution of the Securities by the Underwriters, subject to the terms of this Agreement, the applicable rules, regulations and interpretations of the Financial Industry Regulatory Authority, Inc. (“**FINRA**”) and all other applicable laws, rules and regulations. To the extent that such Reserved Securities are not orally confirmed for purchase by the Invitees by the end of the first business day after the

date of this Agreement, such Reserved Securities may be offered to the public as part of the public offering contemplated hereby.

The Securities will be offered and sold to the Underwriters without being registered under the Securities Act of 1933, as amended (the “**Securities Act**”), in reliance upon the exemption therefrom provided under Section 3(a)(2) of the Securities Act. The Company has prepared and delivered to each Underwriter copies of a preliminary offering circular, dated November 13, 2019 (the “**Preliminary Offering Circular**”). Promptly after the time this Agreement is executed by the parties hereto, the Company will prepare and deliver to each Underwriter a final offering circular dated the date hereof (the “**Offering Circular**”). Any references herein to the Preliminary Offering Circular or the Offering Circular shall be deemed to include any information specifically incorporated by reference therein and all amendments and supplements thereto, unless otherwise noted. The Company hereby confirms that it has authorized the use of the Preliminary Offering Circular and the Offering Circular in connection with the offering and resale of the Securities by the Underwriters.

As used in this Agreement:

“**Applicable Time**” means 3:37 p.m., New York City time, on November 13, 2019 or such other time as agreed by the Company and the Representatives.

“**General Disclosure Package**” means the Preliminary Offering Circular, the final term sheet containing the terms of the Securities attached hereto as Schedule C (the “**Term Sheet**”) and any other Supplemental Offering Materials (as defined below) set forth on Schedule B hereto, issued at or prior to the Applicable Time, all considered together.

“**Supplemental Offering Materials**” means any “written communication” (within the meaning of the regulations of the United States Securities and Exchange Commission (the “**Commission**”)), other than the Preliminary Offering Circular and the Offering Circular, prepared by or on behalf of the Company, or used or referenced by the Company, that constitutes an offer to sell or a solicitation of an offer to buy the Securities, including, without limitation, any such written communication that would, if the sale of the Securities were to be conducted as a public offering pursuant to a registration statement filed with the Commission and the Offering Circular were to be considered a prospectus satisfying the requirements of Section 10(a) of the Securities Act, constitute an “issuer free writing prospectus,” as defined in Rule 433 under the Securities Act, whether or not required to be filed with the Commission or the Federal Deposit Insurance Corporation (the “**FDIC**”).

All references in this Agreement to financial statements and schedules and other information which is “contained,” “included” or “stated” (or other references of like import) in the General Disclosure Package and the Offering Circular shall be deemed to include all such financial statements and schedules and other information incorporated or deemed to be incorporated by reference in the General Disclosure Package or the Offering Circular, as the case may be, prior to the Applicable Time; and all references in this Agreement to amendments or supplements to the General Disclosure Package or the Offering Circular shall be deemed to include the filing of any document with the FDIC under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder (the “**Exchange Act Regulations**”).

incorporated or deemed to be incorporated by reference in the General Disclosure Package or the Offering Circular, as the case may be, at or after the Applicable Time.

**SECTION 1.     Representations and Warranties.**

(a)     *Representations and Warranties by the Company.* The Company represents and warrants to each Underwriter at the date hereof, the Applicable Time, the Closing Time and any Date of Delivery, and agrees with each Underwriter, as follows:

(i)     Accurate Disclosure. The General Disclosure Package as of the Applicable Time did not, and at the Closing Time, will not, include any untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from the General Disclosure Package in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the **“Underwriter Disclosure Package Information”**).

The Offering Circular, as of its date, did not, and, at the Closing Time and at any Date of Delivery, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from the Offering Circular in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the **“Underwriter Offering Circular Information”**).

Any individual Supplemental Offering Materials, when considered together with the General Disclosure Package, as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Company makes no representation or warranty as to information contained in or omitted from any Supplemental Offering Materials in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Underwriters specifically for use therein (the **“Underwriter Supplemental Offering Materials Information,”** and together with the Underwriter Offering Circular Information and the Underwriter Disclosure Package Information, the **“Underwriter Information”**).

For purposes of this Agreement, the only Underwriter Information shall be the information in the sixth paragraph, the fifth sentence of the tenth paragraph, and the fourteenth through eighteenth paragraphs, each under the heading “Underwriting,” in each case, contained in the Preliminary Offering Circular contained in the General Disclosure Package and the Offering Circular.



(ii) Incorporated Documents. The documents incorporated by reference in the General Disclosure Package and the Offering Circular, at the time they were filed with the FDIC, complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the FDIC promulgated thereunder and, when read together with the other information in the General Disclosure Package or the Offering Circular, as the case may be, (a) at the Applicable Time, (b) as of the date of the Offering Circular, and (c) as of the Closing Time, did not or will not, as the case may be, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(iii) No Registration Required. It is not necessary in connection with the offer, sale and delivery of the Securities as contemplated by this Agreement, the General Disclosure Package and the Offering Circular to register the Securities under the Securities Act by virtue of Section 3(a)(2) thereunder.

(iv) Disclosure Compliance. Each of the General Disclosure Package and the Offering Circular complies in all material respects with the requirements of the FDIC Statement of Policy Regarding the Use of Offering Circulars in Connection with Public Distribution of Bank Securities (61 Fed. Reg. 46808, September 5, 1996; the “**FDIC Policy Statement**”) and all other applicable laws, regulations and rules thereunder. To the knowledge of the Company, the General Disclosure Package, any Supplemental Offering Material and the Offering Circular, at their respective times of issuance and at the Closing Time, complied and will comply in all material respects with any applicable laws or regulations of foreign jurisdictions in which the General Disclosure Package, any Supplemental Offering Material and the Offering Circular, as amended or supplemented, if applicable, are distributed in connection with the offer and sale of Securities.

(v) No Objections. Neither the FDIC nor the Mississippi Department of Banking and Consumer Finance (the “**DBCF**”) has issued any order or taken any similar action preventing or suspending the use of any part of the General Disclosure Package or the Offering Circular (any such order or action, a “stop order”); no stop order has been issued, no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, threatened by the FDIC or the DBCF, and the Company has complied to the FDIC’s satisfaction with any request on the part of the FDIC for additional information; the FDIC has not objected to the use of the General Disclosure Package or the Offering Circular.

(vi) Independent Accountants. Each of (A) KPMG LLP (“**KPMG**”), the accounting firm that certified (as such term is defined in Rule 405 of the Securities Act) the financial statements and supporting schedules of the Company as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and reviewed the financial statements and supporting schedules of the Company as of and for the interim period ended March 31, 2019, in each case that are included or incorporated by reference in the General Disclosure Package and the Offering Circular, and (B) BKD, LLP (“**BKD**”), the accounting firm that reviewed the financial statements and supporting schedules of the Company for the interim periods ended June 30, 2019 and September 30,

2019 that are included or incorporated by reference in the General Disclosure Package and the Offering Circular, is (i) an independent public accountant as required by the Securities Act and the rules and regulations promulgated thereunder (the “**Securities Act Regulations**”), the Exchange Act and the Exchange Act Regulations, and the Public Company Accounting Oversight Board (the “**PCAOB**”) and (ii) a registered public accounting firm, as defined by the PCAOB, which has not had its registration suspended or revoked and which has not requested that such registration be withdrawn.

(vii) Financial Statements; Non-GAAP Financial Measures. The financial statements of the Company included or incorporated by reference in the General Disclosure Package and the Offering Circular, together with the related schedules and notes, complied as to form in all material respects with the requirements of the Securities Act, as if the offer and sale of the Securities were being registered thereunder, and present fairly in all material respects (A) the financial position of the Company and its consolidated Subsidiaries (as defined below) at the dates indicated and (B) the statements of operations, shareholders’ equity and cash flows of the Company and its consolidated Subsidiaries (as defined below) for the periods specified. The financial statements of the Company and its consolidated Subsidiaries (as defined below) have been prepared in conformity with U.S. generally accepted accounting principles (“**GAAP**”) applied on a consistent basis throughout the periods involved. The supporting schedules, if any, present fairly in all material respects the information required to be stated therein in accordance with GAAP. The selected financial data and the summary financial information included in the General Disclosure Package and the Offering Circular present fairly in all material respects the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included or incorporated by reference therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included in the General Disclosure Package or the Offering Circular. To the extent applicable, all disclosures contained in the General Disclosure Package or the Offering Circular, if any, regarding “non-GAAP financial measures” (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Item 10(e) of Regulation S-K under the Securities Act and Regulation G under the Exchange Act.

(viii) No Material Adverse Change in Business. Since the respective dates as of which information is given in the General Disclosure Package and the Offering Circular, except as otherwise stated therein, (A) there has been no material adverse effect (i) on the condition, financial or otherwise, or in the earnings or business affairs of the Company and its Subsidiaries (as defined below) considered as one enterprise, whether or not arising in the ordinary course of business or (ii) in the ability of the Company to perform its obligations under, and to consummate the transactions contemplated by, this Agreement (each of (i) and (ii) a “**Material Adverse Effect**”), (B) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries considered as one enterprise and (C) except for regular quarterly dividends on the common stock, par value \$2.50 per share (“**Common Stock**”), of the Company, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(ix) Good Standing of the Company. The Company has been duly incorporated and is validly existing as a state-chartered bank in good standing under the laws of the State of Mississippi and has corporate power and authority to own, lease and operate its properties and to conduct its business as a state-chartered bank with banking powers under the laws of the State of Mississippi and as described in the General Disclosure Package and the Offering Circular and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect;

(x) Good Standing of Subsidiaries. Each subsidiary (as defined in Rule 405 under the Securities Act) of the Company (each, a “**Subsidiary**”) has been duly incorporated, formed or organized, as applicable, and is validly existing as a corporation, limited liability company or other organization, as applicable, in good standing under the laws of the jurisdiction of its incorporation, formation or organization, has the requisite corporate, limited liability company or other organizational power and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Offering Circular and is duly qualified as a foreign corporation, limited liability company or other business entity to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect. Except as otherwise disclosed in the General Disclosure Package and the Offering Circular, all of the issued and outstanding capital stock of each such Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through Subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity (other than those arising under (A) the laws of general application, (B) the respective organizational documents of the Company or the Subsidiaries or (C) applicable federal or state securities laws); none of the outstanding shares of capital stock of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary arising by operation of law, or under the articles of incorporation, charter, bylaws or other organizational documents of the Company or any Subsidiary or under any agreement to which the Company or any Subsidiary is a party. The only Subsidiaries of the Company are those listed on Schedule D hereto.

(xi) Capitalization. The authorized, issued and outstanding capital stock of the Company and consolidated long-term debt (*i.e.*, a maturity greater than one year) as of September 30, 2019 is as set forth in the General Disclosure Package and the Offering Circular in the column entitled “Actual” under the caption “Capitalization” (except for subsequent issuances, if any, pursuant to (A) this Agreement, (B) any issuance of capital stock by the Company described or included in the General Disclosure Package and the Offering Circular, (C) reservations, agreements or employee benefit plans included in the General Disclosure Package and the Offering Circular, or (D) the exercise of convertible securities or options referred to in the General Disclosure Package and the Offering

Circular). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive rights, rights of first refusal or other similar rights of any securityholder of the Company arising by operation of law, or under the Amended and Restated Articles of Incorporation, as amended and as supplemented by the Articles of Amendment with respect to the Securities (the “**Articles**”), or the Amended and Restated Bylaws, as amended (the “**Bylaws**”), of the Company or the articles of incorporation, charter, bylaws or other organizational documents of any Subsidiary or under any agreement to which the Company or any Subsidiary is a party.

(xii) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(xiii) Authorization and Description of Securities. The Securities to be purchased by the Underwriters from the Company have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, will be validly issued, fully paid and non-assessable, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity, and will not have been issued in violation of or subject to any preemptive or similar right. Prior to the Closing Time, the Articles of Amendment for the Securities will have been duly filed with the Secretary of the State of the State of Mississippi. The Securities shall be uncertificated, which complies with the requirements of Mississippi Business Corporation Law, the Articles, Bylaws and the rules of the New York Stock Exchange (“**NYSE**”). The Securities conform to all statements relating thereto contained in the General Disclosure Package and the Offering Circular and such statements conform to the rights set forth in the instruments defining the same.

(xiv) Summaries of Legal Matters. The statements set forth in the General Disclosure Package and the Offering Circular under the caption “Material U.S. Federal Income Tax Considerations”, insofar as they purport to summarize certain federal income tax laws of the United States, constitute a fair summary of the material U.S. federal income tax consequences of an investment in the Securities.

(xv) Absence of Defaults and Conflicts. The Company is not in violation of its Articles or Bylaws; none of the Subsidiaries is in violation of its articles of incorporation, charter, bylaws or other organizational documents; neither the Company nor any of its Subsidiaries is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any Subsidiary is subject (collectively, “**Agreements and Instruments**”), or in violation of any law or statute or any judgment, order, rule, regulation or decree of any court or arbitrator or governmental or regulatory authority, except for such violations or defaults that would not, singly or in the aggregate, result in a Material Adverse Effect; and the execution, delivery and performance

of this Agreement and the consummation of the transactions contemplated herein, and in the General Disclosure Package and the Offering Circular (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described therein under the caption “Use of Proceeds”) and compliance by the Company with its obligations hereunder and under the Securities have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, contravene, conflict with or constitute a breach or violation of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any Subsidiary pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not result, singly or in the aggregate, in a Material Adverse Effect); nor will such action contravene, conflict with or result in a breach or violation of the provisions of the Charter or Bylaws of the Company or the charter, bylaws or other organizational document of any Subsidiary; nor will such action result in any violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign (each, a “**Governmental Entity**”), having jurisdiction over the Company or any Subsidiary or any of their assets, properties or operations (except for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect). As used herein, a “**Repayment Event**” means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any Subsidiary.

(xvi) NYSE Compliance. The Company is in compliance in all material respects with the requirements of the NYSE for continued listing of the Company’s Common Stock thereon. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act (or the applicable rules and regulations of the FDIC) or the listing of the Common Stock on NYSE, nor has the Company received any notification that the FDIC or NYSE is contemplating terminating such registration or listing. The transactions contemplated by this Agreement will not contravene the rules or regulations of NYSE. On the date hereof, the Company has submitted a preliminary listing application and substantially all required supporting documents to the NYSE with respect to the Securities, and, as of the date hereof, the Company has received no information from the NYSE stating that the Securities will not be authorized for trading, subject to official notice of issuance and evidence of satisfactory distribution, with the NYSE.

(xvii) Absence of Labor Dispute. No labor dispute with the employees of the Company or any Subsidiary exists or, to the knowledge of the Company, is imminent. The Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any Subsidiary’s principal suppliers, vendors, customers or contractors, which, in either case, could, singly or in the aggregate, result in a Material Adverse Effect.

(xviii) Absence of Proceedings. There is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Entity, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the

Company or any Subsidiary, which is required to be disclosed in the General Disclosure Package and the Offering Circular (other than as disclosed therein), or which, if determined adversely to the Company or any Subsidiary, individually or in the aggregate, would result in a Material Adverse Effect, or which would materially and adversely affect the properties or assets thereof; the aggregate of all pending legal or governmental proceedings to which the Company or any Subsidiary is a party or of which any of their respective property or assets is the subject which are not described in the General Disclosure Package and the Offering Circular, including ordinary routine litigation incidental to the business, if determined adversely to the Company or any Subsidiary, individually or in the aggregate, would not result in a Material Adverse Effect.

(xix) Bank Holding Company Act. The Company is not required, nor after giving effect to the offering and sale of the Securities will it be required, to register as a bank holding company under the Bank Holding Company Act of 1956, as amended.

(xx) Compliance with Bank Regulatory Authorities. The Company and each of its Subsidiaries are in compliance in all material respects with all applicable laws, rules and regulations (including, without limitation, all applicable regulations and orders) of, or agreements with, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau (the “CFPB”) and the Mississippi DBCF, as applicable (collectively, the “**Bank Regulatory Authorities**”), the Equal Credit Opportunity Act, the Fair Housing Act, the Truth in Lending Act, the Community Reinvestment Act (the “CRA”), the Home Mortgage Disclosure Act, the Bank Secrecy Act and Title III of the USA Patriot Act, to the extent such laws or regulations apply to the Company, other than where such failures to comply would not have a Material Adverse Effect. As of September 30, 2019, the Company met or exceeded the standards necessary to be considered “well capitalized” under the FDIC’s regulatory framework for prompt corrective action. The Company has a Community Reinvestment Act rating of at least “Satisfactory.” Since December 31, 2015, the Company and each of its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the FDIC, the Mississippi DBCF and any other applicable federal or state banking authorities. All such reports and statements filed with any such regulatory body or authority are collectively referred to herein as the “**Company Reports**.” As of their respective dates, the Company Reports complied as to form in all material respects with all the rules and regulations promulgated by the FDIC and any other applicable federal or state banking authorities, as the case may be. Except as disclosed in the General Disclosure Package and the Offering Circular or except as would not otherwise result in a Material Adverse Effect, none of the Company nor any of its Subsidiaries is a party or subject to any written agreement, memorandum of understanding, consent decree, directive, cease-and-desist order, order of prohibition or suspension, written commitment, supervisory agreement or other written statement as described under 12 U.S.C. 1818(u) with, or order issued by, or has adopted any board resolutions at the request of, any Bank Regulatory Authority that restricts materially the conduct of its business, or in any manner relates to its capital adequacy, its credit policies or its management, nor have any of them been advised by any Bank Regulatory Authority that it is contemplating issuing or requesting (or is considering the appropriateness of issuing or requesting) any such order, decree, agreement,

memorandum of understanding, extraordinary supervisory letter, commitment letter or similar submission, or any such board resolutions or that imposes any restrictions or requirements not generally applicable to commercial banks.

(xxi) Accuracy of Exhibits. There are no contracts or documents which are required to be described in the General Disclosure Package, the Offering Circular or the documents incorporated by reference therein or to be filed as exhibits thereto which have not been so described and filed as required.

(xxii) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is necessary or required for the performance by the Company of its obligations under this Agreement in connection with the offering, issuance or sale of the Securities or the consummation of the transactions contemplated in this Agreement prior to the Closing Time, except the filing of the Articles of Amendment for the Securities with the Secretary of State of the State of Mississippi prior to the Closing Time, such as have been obtained under the laws and regulations of jurisdictions outside the United States in which the Reserved Securities may be offered, or such as have been already obtained or as may be required under the Exchange Act, the Exchange Act Regulations, the rules of the NYSE, the securities laws of any state or non-U.S. jurisdiction or the rules of FINRA.

(xxiii) Possession of Licenses and Permits. The Company and its Subsidiaries possess such permits, licenses, approvals, registrations, memberships, consents and other authorizations (collectively, “**Governmental Licenses**”) issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; the Company and its Subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure to so comply could not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, would result in a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has failed to file with applicable regulatory authorities any statement, report, information or form required by any applicable law, regulation or order, except where the failure to be so in compliance would not, singly or in the aggregate, have a Material Adverse Effect, all such filings were in material compliance with applicable laws when filed and no material deficiencies have been asserted by any regulatory commission, agency or authority with respect to any such filings or submissions.

(xxiv) Title to Property. The Company and its Subsidiaries have good and marketable title in fee simple to all real property owned by the Company and its Subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (A) are described in the General Disclosure Package and the Offering Circular or (B) would not, singly or in the aggregate, have a

Material Adverse Effect. All of the leases and subleases under which the Company or any of its Subsidiaries holds properties described in the General Disclosure Package and the Offering Circular, are in full force and effect, except as would not, singly or in the aggregate, have a Material Adverse Effect, and neither the Company nor any Subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any Subsidiary under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such Subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease, except as would not, singly or in the aggregate, have a Material Adverse Effect.

(xxv) Possession of Intellectual Property. The Company and its Subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures and excluding generally commercially available “off the shelf” software programs licensed pursuant to shrink wrap or “click and accept” licenses), trademarks, service marks, trade names or other intellectual property (collectively, “**Intellectual Property**”) necessary to carry on the business now operated by them, except as would not, singly or in the aggregate, have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received any notice or is otherwise aware of any infringement or misappropriation of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which could render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its Subsidiaries therein, except for any infringement or conflict or invalidity or inadequacy, singly or in the aggregate, would not result in a Material Adverse Effect.

(xxvi) Environmental Laws. Except as described in the General Disclosure Package and the Offering Circular and except as would not, singly or in the aggregate, result in a Material Adverse Effect, (A) neither the Company nor any of its Subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos-containing materials or mold (collectively, “**Hazardous Materials**”) or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, “**Environmental Laws**”), (B) the Company and its Subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its Subsidiaries, and (D) there are no events or circumstances that would result in forming the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or



agency, against or affecting the Company or any of its Subsidiaries relating to Hazardous Materials or any Environmental Laws.

(xxvii) ERISA. Each employee benefit plan, within the meaning of Section 3(3) of Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (“**ERISA**”), that is maintained, administered or contributed to by the Company or any Subsidiary or any member of the Company’s “control group” (within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the “**Code**”), for employees or former employees of the Company and its affiliates (“**Plan**”) has been maintained in material compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code. None of the Company, any Subsidiary, or their officers, directors and Plan fiduciaries have engaged in a “prohibited transaction,” within the meaning of Section 406 of ERISA or Section 4975 of the Code with respect to any such Plan, excluding transactions effected pursuant to a statutory or administrative exemption. No “reportable event” (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any “employee benefit plan” established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates. No “employee benefit plan” (as defined under ERISA) established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates, if such employee benefit plan were terminated, could have any “amount of unfunded benefit liabilities” (as defined under ERISA). Neither the Company, the Subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (A) Title IV of ERISA with respect to termination of, or withdrawal from, any “employee benefit plan,” or (B) Sections 412, 4971, 4975 or 4980B of the Code. Each employee benefit plan established or maintained by the Company, the Subsidiaries or any of their ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, which could cause the loss of such qualification. With respect to each Plan subject to Title IV of ERISA, the minimum funding standard of Section 302 of ERISA or Section 412 of the Code, as applicable, has been satisfied (without taking into account any waiver thereof or extension of any amortization period) and is reasonably expected to be satisfied in the future (without taking into account any waiver thereof or extension of any amortization period). Except as disclosed in the General Disclosure Package and the Offering Circular, there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency or any foreign agency.

(xxviii) Internal Control Over Financial Reporting. The Company and each of its Subsidiaries maintain a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act Regulations) sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management’s general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (C) access to assets is permitted only in accordance with management’s general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the General Disclosure Package and

the Offering Circular, since the end of the Company's most recent audited fiscal year, there has been (1) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (2) no change in the Company's internal control over financial reporting that has materially affected, or would result in materially affecting, the Company's internal control over financial reporting.

(xxix) Disclosure Controls and Procedures. The Company and its Subsidiaries employ disclosure controls and procedures (as such term is defined in Rule 13a-15 of the Exchange Act Regulations), which (A) are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the FDIC's rules and forms and that material information relating to the Company and its Subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within the Company and its Subsidiaries to allow timely decisions regarding disclosure, (B) have been evaluated by management of the Company for effectiveness as of the end of the Company's most recent fiscal quarter, and (C) were then effective in all material respects to perform the functions for which they were established. Based on the evaluation of the Company's and each Subsidiary's disclosure controls and procedures described above, the Company is not aware of (1) any significant deficiency in the design or operation of internal controls which could adversely affect the Company's or its Subsidiaries' ability to record, process, summarize and report financial data or any material weakness in internal controls or (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's or its Subsidiaries' internal controls. Since the most recent evaluation of the Company's disclosure controls and procedures described above, there have been no changes in internal controls or in other factors that could significantly affect internal controls.

(xxx) Compliance with the Sarbanes-Oxley Act. There is and has been no failure on the part of the Company or, to the best knowledge of the Company, any of the Company's directors or officers, in their capacities as such, to comply in all material respects with any applicable provision of the Sarbanes-Oxley Act and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(xxxi) Pending Procedures and Examinations. The Company is not the subject of a pending "cease-and-desist" proceeding instituted by the FDIC in connection with the offering of the Securities that would otherwise be instituted by the Commission under Section 8A of the Securities Act were the Securities registered under the Securities Act.

(xxxii) Payment of Taxes. All United States federal income tax returns of the Company and the Subsidiaries required by law to be filed have been timely filed and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which have been or will be promptly contested in good faith and as to which adequate reserves have been provided in the Company's financials in accordance with GAAP. The Company and the Subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, state, local or

other law, except insofar as the failure to file such returns, individually or in the aggregate, could not result in a Material Adverse Effect, and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company or any Subsidiary except for such taxes, if any, that would not have, singly or in the aggregate, a Material Adverse Effect or that are being contested in good faith and as to which adequate reserves have been provided. The charges, accruals and reserves on the books of the Company and the Subsidiaries in respect of any income and corporation tax liability for any years not finally determined are adequate to meet any assessments or re-assessments for additional income tax for any years not finally determined. Except as otherwise disclosed in the General Disclosure Package and the Offering Circular, there is no tax deficiency that has been or would reasonably be expected to be asserted against the Company or any of its Subsidiaries or any of their respective properties or assets.

(xxxiii) Insurance. The Company and its Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as the Company reasonably believes are adequate for the conduct of the business of the Company and its Subsidiaries and the value of their properties and as are customary in the business in which the Company and its Subsidiaries are engaged; neither the Company nor any of its Subsidiaries has been refused any insurance coverage sought or applied for; and the Company has no reason to believe that they will not be able to renew their existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect. All such insurance is fully in force as of the date hereof.

(xxxiv) Investment Company Act. The Company is not, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the General Disclosure Package and the Offering Circular will not be, an “investment company” or an entity “controlled” by an “investment company” as such terms are defined in the Investment Company Act of 1940, as amended (the “**Investment Company Act**”).

(xxxv) Absence of Manipulation. Neither the Company nor any of the Subsidiaries, nor any affiliates of the Company or its Subsidiaries, has taken, directly, or indirectly, and neither the Company nor any of the Subsidiaries, nor any affiliates of the Company or its Subsidiaries, will take, directly or indirectly, any action designed to cause or result in, or which constitutes or might reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company or any “reference security” (as defined in Rule 100 of Regulation M under the Exchange Act) to facilitate the sale or resale of the Securities or otherwise, and has taken no action which would directly or indirectly violate Regulation M under the Exchange Act.

(xxxvi) Foreign Corrupt Practices Act. None of the Company, any of its Subsidiaries or, to the best knowledge of the Company, any director, officer, agent or employee of the Company or any of its Subsidiaries has: (A) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (B) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (C) violated or is in

violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable non-U.S. anti-bribery statute or regulation; or (D) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(xxxvii) Anti-Money Laundering Laws. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions and the rules and regulations thereunder issued, administered or enforced by any Governmental Entity (collectively, the “**Anti-Money Laundering Laws**”); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(xxxviii) OFAC. None of the Company, any of its Subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its Subsidiaries is currently the subject of any sanctions administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”), the United Nations Security Council, the European Union, Her Majesty’s Treasury, or other relevant sanctions authority (collectively, “**Sanctions**”); and the Company will not directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity (“**Person**”) for the purpose of funding the activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

(xxxix) Relationship and Outstanding Loans. No relationship, direct or indirect, exists between or among the Company or any of its Subsidiaries, on the one hand, and the directors, officers, shareholders, customers or suppliers of the Company or any of its Subsidiaries, on the other, that would be, were the Securities registered under the Securities Act, required by the Securities Act or Securities Act Regulations or by the FDIC Policy Statement to be described in the General Disclosure Package and/or the Offering Circular and that is not so described; there are no outstanding loans, extensions of credit, advances (except normal advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any Subsidiary to or for the benefit of any of the executive officers, directors, affiliates or representatives of the Company or any of their respective family members, except as disclosed or included in the General Disclosure Package and the Offering Circular and that are not in violation of Section 402 of the Sarbanes-Oxley Act.

(xl) Lending Relationship. Except as disclosed in the General Disclosure Package and the Offering Circular, the Company (A) does not have any material lending or other relationship with any bank or lending affiliate of any Underwriter and (B) does not intend to use any of the proceeds from the sale of the Securities to repay any outstanding debt owed to any affiliate of any Underwriter.

(xli) No Restrictions on Subsidiaries. Except in each case as otherwise disclosed in the General Disclosure Package and the Offering Circular, no Subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such Subsidiary's capital stock, from repaying to the Company any loans or advances to such Subsidiary from the Company or from transferring any of such Subsidiary's properties or assets to the Company or any other Subsidiary of the Company.

(xlii) Statistical and Market-Related Data. The statistical and market related data contained in the General Disclosure Package and the Offering Circular are based on or derived from sources which the Company believes are reliable and accurate.

(xliii) Distribution of Offering Material By the Company. The Company has not distributed and will not distribute, prior to the later of the Closing Time and the completion of the Underwriters' distribution of the Securities, any offering material in connection with the offering and sale of the Securities other than the Preliminary Offering Circular contained in the General Disclosure Package, the Offering Circular, and any Supplemental Offering Materials reviewed and consented to by the Representatives and included in Schedule B hereto.

(xliv) No Unlawful Offering of Reserved Securities. The Company has not offered, or caused the Underwriters to offer, Reserved Securities to any Invitee or any other person with the specific intent to unlawfully influence (A) a customer or vendor of the Company to alter the customer's or vendor's level or type of business with the Company, or (B) a trade journalist or publication to write or publish favorable information about the Company or its products or services.

(xlv) Forward-Looking Statements. No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the General Disclosure Package and the Offering Circular has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(xlvi) No Fees or Advisory Rights. Other than as contemplated by this Agreement, there is no broker, finder or other party that is entitled to receive from the Company or any Subsidiary any brokerage or finder's fee or any other fee, commission or payment as a result of the transactions contemplated by this Agreement.

(xlvii) Deposit Insurance. The Company is an insured depository institution under the provisions of the Federal Deposit Insurance Act, the deposit accounts of the Company are insured by the FDIC up to applicable legal limits, the Company has paid all premiums and assessments required by the FDIC and the regulations thereunder, and no proceeding for the termination or revocation of such insurance is pending or, to the knowledge of the Company, threatened.

(xlviii) Off-Balance Sheet Transactions. There is no transaction, arrangement or other relationship between the Company or any of its Subsidiaries and an unconsolidated

or other off-balance sheet entity which is required to be disclosed in the General Disclosure Package and the Offering Circular (other than as disclosed therein).

(xlix) Cybersecurity. (A) There has been no security breach or incident, unauthorized access or disclosure, or other compromise of any of the Company's or its Subsidiaries' information technology and computer systems, networks, hardware, software, data and databases (including the data and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and its Subsidiaries), and, to the knowledge of the Company, any such data processed or stored by third parties on behalf of the Company and its Subsidiaries, equipment or technology (collectively, "**IT Systems and Data**"), that would, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect; (B) neither the Company nor its Subsidiaries have been notified of, and each of them have no knowledge of any event or condition that could result in, any security breach or incident, unauthorized access or disclosure or other compromise to their IT Systems and Data that would, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (C) the Company and its Subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards. The Company and its Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) Broker-Dealer. Neither the Company nor any of its affiliates (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or the Exchange Act Regulations or (ii) directly, or indirectly through one or more intermediaries, controls or has any other association (within the meaning of Article I of the By-Laws of FINRA) with any member firm of FINRA.

(li) Patriot Act. The Company acknowledges in accordance with the requirements of the USA Patriot Act ((Title III of Pub. L. 107-56 (signed into law October 26, 2001))), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

(lii) Company Not Ineligible Issuer. At the time that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) of the Securities and (C) at the Applicable Time, the Company was not and is not an "ineligible issuer," as defined in Rule 405.

(b) *Officer's Certificates.* Any certificate signed by any officer of the Company or any of its Subsidiaries delivered to the Representatives or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

## **SECTION 2.      Sale and Delivery to Underwriters; Closing.**

(a) *Firm Preferred Shares.* On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price per share set forth in Schedule A, the number of Firm Preferred Shares set forth in Schedule A opposite the name of such Underwriter, plus any additional number of Firm Preferred Shares which such Underwriter may become obligated to purchase pursuant to the provisions of Section 11 hereof, subject, in each case, to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(b) *Option Preferred Shares.* In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company grant(s) an option to the Underwriters, severally and not jointly, to purchase up to an additional 900,000 shares of 5.50% Series A Non-Cumulative Perpetual Preferred Stock at the price per share set forth in Schedule A plus accrued dividends from the Closing Time; provided, that the purchase price per Option Preferred Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Preferred Shares but not payable on the Option Preferred Shares. The option hereby granted may be exercised for 30 days after the date hereof and may be exercised in whole or in part at any time within such period from time to time upon notice by the Representatives to the Company setting forth the number of Option Preferred Shares as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Preferred Shares. Any such time and date of delivery (each, a “**Date of Delivery**”) shall be determined by the Representatives, but shall not be later than ten full business days after the exercise of said option, nor in any event prior to the Closing Time. If the option is exercised as to all or any portion of the Option Preferred Shares, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total number of Option Preferred Shares then being purchased which the number of Firm Preferred Shares set forth in Schedule A opposite the name of such Underwriter bears to the total number of Firm Preferred Shares, subject, in each case, to such adjustments as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(c) *Payment.* Payment of the purchase price for, and delivery of the Firm Preferred Shares shall be made at the offices of Covington & Burling LLP, One CityCenter, 850 Tenth Street, NW, Washington, DC 20001, or at such other place as shall be agreed upon by the Representatives and the Company, at 10:00 a.m. (New York City time) on November 20, 2019 (unless postponed in accordance with the provisions of Section 10), or such other time not later than 10 business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called “**Closing Time**”).

In addition, in the event that any or all of the Option Preferred Shares are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates for such Option Preferred Shares shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery to the Representatives for the respective accounts of the Underwriters for the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Firm Preferred Shares and the Option Preferred Shares, if any, which it has agreed to purchase. KBW, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Firm Preferred Shares and the Option Preferred Shares, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

**SECTION 3.** Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) *Preparation of Offering Circular; Underwriters' Review of Proposed Amendments and Supplements.* As promptly as practicable after the time this Agreement is executed by the parties hereto and in any event not later than the second business day following the date hereof, the Company will prepare and deliver to the Underwriters the Offering Circular. The Company will not amend or supplement the Preliminary Offering Circular or any Supplemental Offering Materials. The Company will not amend or supplement the Offering Circular prior to the Closing Time and prior to the completion of the offering of any of the Securities by the Underwriters unless the Underwriters shall previously have been furnished a copy of the proposed amendment or supplement at least two business days prior to the proposed use or filing, and shall not have reasonably objected to such amendment or supplement in writing.

(b) *Amendments and Supplements to the Offering Circular and Other Related Matters.* The Company will comply with the FDIC, the Exchange Act, the Exchange Act Regulations and any other applicable law so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the General Disclosure Package and the Offering Circular. If, prior to the later of (x) the Closing Time and (y) the completion of the offering of any of the Securities by the Underwriters, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Offering Circular, (i) in order to make the statements therein, in the light of the circumstances when the Offering Circular is delivered, not misleading, (ii) if in the judgment of the Underwriters or counsel for the Underwriters it is otherwise necessary to amend or supplement the Offering Circular to comply with applicable law or (iii) in order to cause the Offering Circular to comply with the applicable requirements of the FDIC Policy Statement, the Company agrees to promptly prepare and furnish at its own expense to the Underwriters, amendments or supplements to the Offering Circular so that the statements in the Offering Circular as so amended or supplemented will not, in the light of the circumstances at the



Closing Time and at the Applicable Time, be misleading or so that the Offering Circular, as amended or supplemented, will comply with all applicable law.

The Company hereby expressly acknowledges that the indemnification and contribution provisions of Sections 7 and 8 hereof are specifically applicable and relate to the Offering Circular and any amendment or supplement thereto referred to in this Section 3.

(c) *Governmental Orders or Notices.* The Company shall advise the Representatives promptly, confirming such advice in writing, of (i) the receipt of any comments from, or any request by, the FDIC or any other Governmental Entity for amendments or supplements to the General Disclosure Package or the Offering Circular or for additional information with respect thereto or (ii) the issuance by the FDIC or any other Governmental Entity of any stop order, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes and, if the FDIC or any other Governmental Entity should issue any such order, to make every reasonable effort to obtain the lifting or removal of such order as soon as possible.

(d) *Copies of General Disclosure Package and Offering Circular.* The Company agrees to furnish the Underwriters, without charge, as many copies of the General Disclosure Package and the Offering Circular and any amendments and supplements thereto as they shall have reasonably requested.

(e) *Blue Sky Qualifications.* The Company will use its best efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and non-U.S. jurisdictions as the Representatives may designate and to maintain such qualifications in effect so long as required to complete the distribution of the Securities; provided, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(f) *Copies of Reports.* For two years after the date of the Offering Circular, the Company will furnish to the Representatives a copy of its reports filed with the FDIC under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act; provided that the requirements of this Section shall be deemed satisfied upon the posting of such reports on the Company's website or on the FDIC website for the posting of Exchange Act filings.

(g) *Use of Proceeds.* The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the General Disclosure Package and the Offering Circular under the section entitled "Use of Proceeds."

(h) *Listing.* The Company will use its best efforts to effect and maintain the listing of the Securities on the NYSE or another national securities exchange and will file with such exchange all documents and notices required to be filed therewith.

(i) *Restriction on Sale of Securities.* During a period of 30 days from the date of this Agreement, the Company will not, without the prior written consent of the Representatives, directly or indirectly (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase,

purchase any option or contract to sell, grant any option, right or warrant for the sale of, hypothecate, establish an open “put equivalent position” within the meaning of Rule 16a-1(h) of the Exchange Act Regulations, or otherwise transfer or dispose of, the Securities or any securities that are substantially similar to the Securities, whether owned as of the date hereof or hereafter acquired or with respect to which such person has or hereafter acquires the power of disposition, or (ii) enter into any swap, hedge or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Securities or such other securities, whether any such swap, hedge or transaction described in clause (i) or (ii) above is to be settled by delivery of any Securities or such other securities, in cash or otherwise. The foregoing sentence shall not apply to the Securities to be sold hereunder.

(j) *Reporting Requirements.* The Company, during the period the Offering Circular is required to be delivered under the Exchange Act and any other applicable law, will file all documents required to be filed with the FDIC pursuant to the Exchange Act within the time periods required by, and each such document will meet the requirements of, the Exchange Act and the Exchange Act Regulations.

(k) *Pricing Term Sheet.* The Company will prepare the Term Sheet containing only a description of the Securities, in the form approved by the Underwriters and attached hereto as Schedule C. Such Term Sheet is a “Supplemental Offering Material” for purposes of this Agreement.

(l) *Restrictions on Supplemental Offering Materials.* Unless it obtains the prior consent of the Representatives, the Company agrees to use any Supplemental Offering Materials with respect to the Securities only insofar as such Supplemental Offering Materials would constitute an “issuer free writing prospectus,” as defined in Rule 433 under the Securities Act, assuming the sale of the Securities were to be conducted as a public offering pursuant to a registration statement filed with the Commission and the Offering Circular was to be considered to be a prospectus satisfying the requirements of Section 10(a) of the Securities Act.

(m) *Filing of Articles of Amendment.* The Company will use its best efforts to file, prior to the Closing Time, the Articles of Amendment for the 5.50% Series A Non-Cumulative Perpetual Preferred Stock with the Secretary of the State of the State of Mississippi.

(n) *DTC.* The Company will cooperate with the Underwriters and use its best efforts to permit the Securities to be eligible for clearance, settlement and trading in book-entry form through the facilities of The Depository Trust Company (“DTC”).

(o) *Investment Company Act.* The Company shall not invest or otherwise use the proceeds received by the Company from its sale of the Securities in such a manner as could require the Company or any of the Subsidiaries to register as an investment company under the Investment Company Act.

(p) *Regulation M.* The Company will not take, and will ensure that no affiliate of the Company will take, directly or indirectly, any action designed to cause or result in or which constitutes or might reasonably be expected to constitute stabilization or manipulation of the price of the Securities or any reference security with respect to the Securities, whether to facilitate the

sale or resale of the Securities or otherwise, and the Company will, and shall cause each of its affiliates to, comply with all applicable provisions of Regulation M.

(q) *Transfer Agent.* The Company shall maintain a registrar and transfer agent for the Securities.

(r) *Sarbanes-Oxley Act.* The Company and its Subsidiaries will comply with all effective applicable provisions of the Sarbanes-Oxley Act.

(s) *Taxes.* The Company will indemnify and hold harmless the Underwriters against any documentary, stamp, issue or similar tax, including any interest and penalties, on the creation, issue and sale of the Securities and on the execution and delivery of this Agreement. All payments to be made by the Company hereunder shall be made without withholding or deduction for or on account of any present or future taxes, duties or governmental charges whatsoever unless the Company is compelled by law to deduct or withhold such taxes, duties or charges. In that event, the Company shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction shall equal the amounts that would have been received if no withholding or deduction had been made.

(t) *Trademarks.* Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Securities (the "**License**"); provided that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred.

#### **SECTION 4.     Payment of Expenses.**

(a) *Expenses.* Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the filing of the Preliminary Offering Circular and the Offering Circular with the FDIC, (ii) the preparation, printing and delivery to the Underwriters of copies of the Preliminary Offering Circular, the Offering Circular and any Supplemental Offering Materials and any amendments or supplements thereto, and this Agreement, and any costs associated with electronic delivery of any of the foregoing by the Underwriters to investors, (iii) the preparation and filing of the Articles of Amendment for the Securities with the Secretary of the State of Mississippi and the preparation, issuance and delivery of the Securities to the Underwriters, including any stock or other transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(e) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation, printing and delivery to the Underwriters of the Blue Sky Survey and any supplement thereto, and the fees and expenses of making the Securities eligible for clearance, settlement and trading through the facilities of DTC, (vi) the fees and expenses of any transfer agent and registrar of the Securities, (vii) the costs and expenses of the Company relating to

investor presentations on any “road show” undertaken in connection with the marketing of the Securities, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, (viii) the reasonable fees and disbursements of counsel to the Underwriters incurred in connection with determining the offering's compliance with FINRA's rules and regulations, and the filing fees incident to the review, if required, of the terms of the sale of the Securities by FINRA, (ix) the fees and expenses incurred in connection with the listing of the Securities on the NYSE, (x) expenses associated with the ratings of the Securities, (xi) the document production charges and expenses associated with printing this Agreement, (xii) the costs and expenses (including, without limitation, any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Securities made by the Underwriters caused by a breach of the representation contained in the first and third sentences of Section 1(a)(i) or SECTION 1(a)(xi) of this Agreement, (xiii) the legal fees and expenses (including fees and disbursements of the counsel for the Underwriters pursuant to Sections 4(a)(v) and 4(a)(viii), provided, however, that the fees and expenses for counsel to the Underwriters payable by the Company pursuant to Sections 4(a)(v) and 4(a)(viii) shall not exceed \$12,500), and marketing, syndication and travel expenses and any expenses related to an investor presentation and/or roadshow that are incurred by the Underwriters, provided that all such expenses referred to in this clause (xiii) shall not exceed \$100,000 without the prior written consent of the Company, (xiv) all costs specifically incurred in connection with the Reserved Securities which are designated by the Company for sale to the Invitees, and (xv) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section 4(a).

(b) *Termination of Agreement.* If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5, Section 9(a) or Section 10 hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters, provided that such expenses shall not exceed \$100,000.

**SECTION 5.** Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained herein or in certificates of any officer of the Company or any of its Subsidiaries delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) *Opinion of Counsel for Company.* At the Closing Time, the Representatives shall have received the favorable opinion, dated the Closing Time, of Waller Lansden Dortch & Davis, LLP, counsel for the Company, in form and substance reasonably satisfactory to the Representatives, respectively, together with signed or reproduced copies of such letters for each of the other Underwriters, in form and substance reasonably satisfactory to the Representatives.

(b) *Opinion of Counsel for Underwriters.* At the Closing Time, the Representatives shall have received the favorable opinion, dated the Closing Time, of Covington & Burling LLP, counsel for the Underwriters, in form and substance reasonably satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters, and

the Company shall have furnished to such counsel such documents as they may request for the purpose of enabling them to pass upon such matters. In giving such opinion, such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York and the federal securities laws of the United States, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers and other representatives of the Company and its Subsidiaries and certificates of public officials.

(c) *Officers' Certificate.* At the Closing Time, the Representatives shall have received a certificate of the Chief Executive Officer or the President of the Company and of the Chief Financial Officer of the Company, dated as of Closing Time, to the effect that (i) there has been no Material Adverse Effect, (ii) the representations and warranties of the Company in this Agreement are true and correct with the same force and effect as though expressly made at and as of the Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Time, and (iv) no stop order has been issued, and no proceedings for that purpose have been instituted or are pending or threatened by the FDIC, the DBCF or any other Governmental Entity.

(d) *Comfort Letters.* At the time of the execution of this Agreement, the Representatives shall have received from each of (A) KPMG, with respect to the financial statements and supporting schedules of the Company as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and the financial statements and supporting schedules of the Company as of and for the interim period ended March 31, 2019, and (B) BKD, with respect to the financial statements and supporting schedules of the Company for the interim periods ended June 30, 2019 and September 30, 2019, a letter dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters, confirming that they are a registered public accounting firm and independent registered public accountants as required by the Securities Act and containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and financial information contained in the General Disclosure Package and the Offering Circular.

(e) *Bring-down Comfort Letter.* At the Closing Time, the Representatives shall have received from each of (A) KPMG and (B) BKD, a letter dated as of the Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to Section 5(d) hereof, except that the specified date referred to shall be a date not more than two business days prior to the Closing Time.

(f) *Certificate of the Chief Financial Officer.* On the date of this Agreement and at the Closing Time, the Representatives shall have received a certificate executed by the Chief Financial Officer of the Company, in form and substance reasonably satisfactory to the Representatives.

(g) *Beneficial Ownership Certificate.* On or before the date of this Agreement, the Representatives shall have received a certificate satisfying the beneficial ownership due diligence requirements of the Financial Crimes Enforcement Network from the Company in form and substance satisfactory to the Representatives.

(h) *Other Documents.* The Underwriters shall have received such other documents as they may reasonably request with respect to other matters related to the sale of the Securities.

(i) *Absence of Rating Downgrade.* Subsequent to the execution and delivery of this Agreement and prior to the Closing Time, there shall not have occurred any downgrading, nor shall any notice have been given of (i) any downgrading, (ii) any intended or potential downgrading, or (iii) any review or possible change that does not indicate an improvement, in the rating accorded to the Securities by Standard & Poor's and Moody's.

(j) *Approval of Listing.* Prior to the Closing Time, the Company will have filed a Registration Statement on Form 8-A with the FDIC to register the Securities pursuant to Section 12(b) of the Exchange Act and will have filed an application to list the 5.50% Series A Non-Cumulative Perpetual Preferred Stock on NYSE, and the Company shall not have received any notification that the NYSE is contemplating terminating such registration or listing.

(k) *No Objection.* If applicable, FINRA shall have not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements relating to the offering of the Securities.

(l) *No Important Changes.* Since the execution of this Agreement, (i) in the judgment of the Representatives, since the respective date hereof or the respective dates of which information is given in the General Disclosure Package or the Offering Circular, there shall not have occurred any Material Adverse Effect, and (ii) there shall not have been any decrease in or withdrawal of the rating of any debt securities or preferred securities of the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act) or any notice given of any intended or potential decrease in or withdrawal of any such rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(m) *Filing of Articles of Amendment.* Prior to the Closing Time, the Articles of Amendment for the Securities shall have been duly filed with the Secretary of the State of the State of Mississippi and shall be in full force and effect.

(n) *Clearance, Settlement and Trading.* Prior to the Closing Time, the Securities shall be eligible for clearance, settlement and trading through the facilities of DTC.

(o) *No FDIC or Governmental Agency Objections.* No stop order shall have been issued, and no proceedings for such purpose shall have been initiated or threatened, by the FDIC or any other Governmental Entity, and no suspension of the qualification of the Securities for offering or sale in any jurisdiction, or the initiation or threatening of any proceedings for any of such purposes, shall have occurred and all requests for additional information on the part of the FDIC or any other Governmental Entity shall have been complied with to the reasonable satisfaction of the Representatives and the Company shall have received the written approval of DBCF to issue the Securities.

(p) *No Termination Event.* On or after the date hereof, there shall not have occurred any of the events, circumstances or occurrences set forth in Section 9(a).

(q) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Time, prevent the issuance or sale of the Firm Preferred Shares by the Company; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Time, prevent the issuance or sale of the Firm Preferred Shares by the Company.

(r) *Good Standing.* The Representatives shall have received on and as of the Closing Time satisfactory evidence of the good standing of the Company in its jurisdiction of organization, in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdiction.

(s) *Conditions to Purchase of Option Depositary Shares.* In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Preferred Shares, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company or any of its Subsidiaries hereunder shall be true and correct as of each Date of Delivery, the conditions set forth in Section 5(j), (k) and (q) hereof shall be satisfied at each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(i) *Officers' Certificate.* A certificate, dated such Date of Delivery, of the Chief Executive Officer or the President of the Company and of the Chief Financial Officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(c) hereof remains true and correct as of such Date of Delivery.

(ii) *Opinion of Counsel for Company.* The favorable opinion of Waller Lansden Dortch & Davis, LLP, counsel for the Company, in form and substance satisfactory to the Representatives, dated such Date of Delivery, relating to the Option Preferred Shares to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(a) hereof.

(iii) *Opinion of Counsel for Underwriters.* The favorable opinion of Covington & Burling LLP, counsel for the Underwriters, in form and substance satisfactory to the Representatives, dated such Date of Delivery, relating to the Option Preferred Shares to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 6(b) hereof.

(iv) *Bring-down Comfort Letter.* A letter from each of (A) KPMG and (B) BKD, in form and substance satisfactory to the Representatives, dated such Date of Delivery, substantially in the same form and substance as the letter furnished to the Representatives pursuant to Section 5(d) hereof, except that the "specified date" in the letter furnished pursuant to this paragraph shall be a date not more than two business days prior to such Date of Delivery.

(v) *Certificate of the Chief Financial Officer.* A certificate executed by the Chief Financial Officer of the Company, dated as of such Date of Delivery, substantially in the same form and substance as the certificate required by Section 5(f) hereof.

(vi) *No Termination Event.* There shall not have occurred prior to the Date of Delivery any of the events, circumstances or occurrences set forth in Section 9(a) hereof.

(vii) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Date of Delivery, prevent the issuance or sale of the Option Depositary Shares by the Company; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Date of Delivery, prevent the issuance or sale of the Option Preferred Shares by the Company.

(viii) *Good Standing.* The Representatives shall have received on and as of the Date of Delivery satisfactory evidence of the good standing of the Company and the Bank in their respective jurisdictions of organization, in each case in writing or any standard form of telecommunication and dated within one business day of such Date of Delivery from the appropriate governmental authorities of such jurisdictions.

(t) *Additional Documents.* At the Closing Time and at each Date of Delivery (if any), counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be in form and substance satisfactory to the Representatives and counsel for the Underwriters.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement, or, in the case of any condition to the purchase of Option Preferred Shares on a Date of Delivery which is after the Closing Time, the obligations of the several Underwriters to purchase the relevant Option Preferred Shares, may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in SECTION 4 and except that SECTION 1, Section 6, Section 7, Section 8, Section 13, Section 14, Section 15, Section 16 and Section 20 shall survive any such termination and remain in full force and effect.

## **SECTION 6. Indemnification.**

(a) *Indemnification of Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates (as such term is defined in Rule 501(b) of the Securities Act Regulations (each, an “**Affiliate**”)), selling agents, officers and directors and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact included in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute



Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto), or the omission or alleged omission in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of (A) the violation of any applicable laws or regulations of foreign jurisdictions where Reserved Securities have been offered and (B) any untrue statement or alleged untrue statement of a material fact included in the supplement or offering circular wrapper material distributed in each foreign jurisdiction in which the Reserved Securities are offered in connection with the reservation and sale of the Reserved Securities to Invitees or the omission or alleged omission therefrom of a material fact necessary to make the statements therein, when considered in conjunction with the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto), not misleading;

(iii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission or in connection with any violations of the nature referred to in Section 6(a)(ii)(A) hereof; provided that (subject to Section 6(d) hereof) any such settlement is effected with the written consent of the Company;

(iv) against any and all expense whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by the Representatives), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i), (ii) or (iii) above;

provided, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information.

(b) *Indemnification of Company, Directors and Officers.* Each Underwriter severally agrees to indemnify and hold harmless the Company, its officers who signed the Company’s

Annual Report on Form 10-K for the year ended December 31, 2018, its directors and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 6(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the General Disclosure Package, any Supplemental Offering Materials (including, for the avoidance of doubt, any “road show” materials that constitute Supplemental Offering Materials) or the Offering Circular (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information.

(c) *Actions against Parties; Notification.* Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) hereof, counsel to the indemnified parties shall be selected by the Representatives, and, in the case of parties indemnified pursuant to Section 6(b) hereof, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, that counsel to the indemnifying party shall not (except with the prior written consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) *Settlement without Consent if Failure to Reimburse.* If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 45 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) *Indemnification for Reserved Securities.* In connection with the offer and sale of the Reserved Securities, the Company agrees to indemnify and hold harmless each Underwriter,

its Affiliates and each person, if any who controls any Underwriter with the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, liabilities, claims, damages and expenses (including, without limitation, any legal or other expenses reasonably incurred in connection with defending, investigating, or settling any such action or claim) as incurred by them (1) caused by the failure of any Invitee to pay for and accept delivery of Reserved Securities which have been orally confirmed by the end of the first business day following the date of this Agreement or (2) related to, or arising out of or in connection with, the offering of the Reserved Securities.

**SECTION 7. Contribution.** If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in connection with the statements or omissions, or in connection with any violation of the nature referred to in Section 6(a)(ii)(A) hereof, which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company, on the one hand, and the total underwriting discount received by the Underwriters, on the other hand, in each case as set forth on the cover of the Offering Circular, bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Offering Circular.

The relative fault of the Company, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, or any violation of the nature referred to in Section 6(a)(ii)(A).

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency

or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the underwriting discount received by such Underwriter in connection with the Securities underwritten by it and distributed to the public.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution or indemnity from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the number of Firm Preferred Shares set forth opposite their respective names in Schedule A hereto and not joint.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each Underwriter's Affiliates, officers, directors and selling agents shall have the same rights to contribution as such Underwriter, and each officer of the Company who signed the Company's Annual Report on Form 10-K for the year ended December 31, 2018, each director of the Company and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company.

**SECTION 8.**     Representations, Warranties and Agreements to Survive. The indemnity and contribution provisions contained in Section 6 and Section 7, and all representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company or any of its Subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates, officers, directors and or selling agents, any person controlling any Underwriter or the Company's officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

**SECTION 9.**     Termination of Agreement.

(a)     *Termination.* The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time, (i) if there has been, in the judgment of the Representatives, since the time of execution of this Agreement or since the respective dates as of which information is given in the General Disclosure Package or the Offering Circular, any Material Adverse Effect, (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, including without limitation as a result of terrorist activities, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission, FDIC or NYSE, (iv) if trading generally on NYSE or Nasdaq has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said

exchanges or by order of the Commission, FDIC, FINRA or any other Governmental Entity, (v) if a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or with respect to Clearstream or Euroclear systems in Europe, or (vi) if a general moratorium on commercial banking activities has been declared by either federal, New York or State of Mississippi authorities or if there is a material disruption in commercial banking or securities settlement or clearance services in the United States.

(b) *Liabilities.* If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in SECTION 4 hereof, and provided further that SECTION 1, Section 6, Section 7, Section 8, Section 13, Section 14, Section 15, Section 16 and Section 20 shall survive such termination and remain in full force and effect.

**SECTION 10.** Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at the Closing Time or a Date of Delivery to purchase the Securities which it or they are obligated to purchase under this Agreement (the “**Defaulted Securities**”), the Representatives shall have the right, within 36 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 36-hour period, then:

(i) if the number of Defaulted Securities does not exceed 10% of the number of Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the number of Defaulted Securities exceeds 10% of the number of Securities to be purchased on such date, this Agreement or, with respect to any Date of Delivery which occurs after the Closing Time, the obligation of the Underwriters to purchase, and the Company to sell, the Option Preferred Shares to be purchased and sold on such Date of Delivery shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of a Date of Delivery which is after the Closing Time, which does not result in a termination of the obligation of the Underwriters to purchase and the Company to sell the relevant Option Preferred Shares, as the case may be, either the Representatives or the Company shall have the right to postpone the Closing Time or the relevant Date of Delivery, as the case may be, for a period not exceeding seven days in order to effect any required changes in the General Disclosure Package or the Offering Circular or in any other documents or arrangements. As used herein, the term “Underwriter” includes any person substituted for an Underwriter under this Section 10.

**SECTION 11.** Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representatives care of KBW at 787 Seventh Avenue, 4th Floor, New York, New York 10019, attention of Michael C. Garea, Managing Director, Capital Markets, e-mail: mgarea@kbw.com, or Raymond James at 880 Carillon Parkway, St. Petersburg, Florida 33716, attention of Thomas Donegan, General Counsel, Global Equities & Investment Banking, e-mail: tom.donegan@raymondjames.com, with a copy to Covington and Burling LLP, One CityCenter, 850 Tenth Street, NW, Washington, DC 20001, attention of Michael Reed and Christopher DeCresce; and notices to the Company shall be directed to it at BancorpSouth Bank, 201 South Spring Street, Tupelo, Mississippi 38804, Attention of Charles J. Pignuolo, Esq., Senior Executive Vice President and General Counsel, with a copy to Waller Lansden Dortch & Davis, LLP, Nashville City Center, 511 Union Street, Suite 2700, Nashville, TN 37219, attention of E. Marlee Mitchell and Wes Scott.

**SECTION 12.** No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the initial public offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering of the Securities and the process leading thereto, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company or any of its Subsidiaries or its shareholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company in connection with the offering of the Securities or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any of its Subsidiaries on other matters) or any other obligation to the Company in connection with the offering of the Securities except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (e) the Underwriters have not provided any legal, accounting, financial, regulatory or tax advice in connection with the offering of the Securities and the Company has consulted its own respective legal, accounting, financial, regulatory and tax advisors to the extent it deemed appropriate.

**SECTION 13.** Parties. This Agreement shall each inure to the benefit of and be binding upon the Underwriters, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and their respective successors and the indemnified parties referred to in Section 6 and Section 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and their respective successors, and said controlling persons, Affiliates, selling agents, officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

**SECTION 14.** Trial by Jury. Each of the Company (on its behalf and, to the extent

permitted by applicable law, on behalf of its shareholders and affiliates) and the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

**SECTION 15. GOVERNING LAW.** THIS AGREEMENT, ANY TRANSACTION CONTEMPLATED HEREUNDER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK.

**SECTION 16. Consent to Jurisdiction.** Each of the parties hereto agrees that any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in (i) the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan or (ii) the courts of the State of New York located in the City and County of New York, Borough of Manhattan (collectively, the “**Specified Courts**”), and irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any Specified Court, as to which such jurisdiction is non-exclusive) of the Specified Courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party’s address set forth above shall be effective service of process for any suit, action or proceeding brought in any Specified Court. Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any suit, action or proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any Specified Court that any such suit, action or proceeding brought in any Specified Court has been brought in an inconvenient forum.

**SECTION 17. TIME.** TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

**SECTION 18. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. The exchange of copies of this Agreement and of signature pages by facsimile or other electronic means shall constitute effective execution and delivery of this Agreement by the parties hereto and may be used in lieu of the original signature pages to this Agreement for all purposes.

**SECTION 19. Effect of Headings.** The Section headings herein are for convenience only and shall not affect the construction hereof.

**SECTION 20. Entire Agreement; Amendments.** This Agreement constitutes the entire Agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may not be amended or modified unless in writing by all of the

parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party that the condition is meant to benefit.



If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement among the Underwriters and the Company in accordance with its terms.

Very truly yours,

BANCORPSOUTH BANK

/s/ John G. Copeland

Name: John G. Copeland

Title: Chief Financial Officer

CONFIRMED AND ACCEPTED,  
as of the date first above written:

KEEFE, BRUYETTE & WOODS, INC.

By: /s/ Victor A. Sack  
Name: Victor A. Sack  
Title: Managing Director

RAYMOND JAMES & ASSOCIATES, INC.

By: /s/ Michael Walker  
Name: Michael Walker  
Title: Managing Director - Investment Banking

Each for itself and as Representatives of the other Underwriters named in Schedule A hereto.

## SCHEDULE A

The initial public offering price per share for the Securities shall be \$25.00.

The purchase price per share for the Securities to be paid by the several Underwriters shall be \$24.3244, being an amount equal to the initial public offering price set forth above less \$0.6756 per share.

<u>Name of Underwriter</u>	<u>Number of Firm Preferred Shares to be Purchased</u>
Keefe, Bruyette & Woods, Inc.	2,400,000
Raymond James & Associates, Inc.	1,800,000
D.A. Davidson & Co.	300,000
Janney Montgomery Scott LLC	300,000
Piper Jaffray & Co.	300,000
Stephens Inc.	900,000
Total	<u>6,000,000</u>

## **SCHEDULE B**

### **Supplemental Offering Materials**

The Term Sheet set forth in Schedule C.

## **SCHEDULE C**

### **Term Sheet**



**BancorpSouth Bank**

**6,000,000 Shares**

**5.50% Series A Non-Cumulative Perpetual Preferred Stock**

**PRICING TERM SHEET**

<b>Issuer:</b>	BancorpSouth Bank (NYSE: BXS) (the "Company")
<b>Security:</b>	5.50% Series A Non-Cumulative Perpetual Preferred Stock ("Preferred Stock")
<b>Size:</b>	\$150,000,000 (6,000,000 shares)
<b>Option to purchase additional shares:</b>	The underwriters have the option to purchase up to an additional 900,000 shares of Preferred Stock within 30 days after the date of this pricing term sheet at the public offering price, less the underwriting discount.
<b>Maturity:</b>	Perpetual
<b>Rating*:</b>	Ba1 (Stable) by Moody's; BB (Positive) by S&P
<b>Liquidation Preference:</b>	\$25 per share
<b>Dividend Payment Dates:</b>	When, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), we will pay cash dividends on the Preferred Stock quarterly, in arrears, on February 20, May 20, August 20 and November 20 of each year (each such date, a "Dividend Payment Date"), beginning on February 20, 2020.
<b>Dividend Rate (Non-cumulative):</b>	5.50% per annum
<b>Day count:</b>	30/360
<b>Redemption:</b>	The Preferred Stock may be redeemed at the Company's option, subject to regulatory approval, in whole or in part, at a cash redemption price equal to \$25 per share, plus any declared and unpaid dividends (without regard to any undeclared dividends) to, but excluding, the redemption date on any Dividend Payment Date on or after November 20, 2024.

The Preferred Stock also may be redeemed at the Company's option in whole, but not in part, at any time within 90 days following a "Regulatory Capital Treatment Event," as described in the offering circular, at a redemption price equal to \$25 per share of Preferred Stock, plus any declared and unpaid dividends (without regard to any undeclared dividends) to but excluding the redemption date. Holders of shares of Preferred Stock will not have the right to require the redemption or repurchase of the shares Preferred Stock.

**Listing:** The Company has filed an application to list the Preferred Stock with NYSE under the symbol "BXS-PrA." If the application to list is approved, trading of the Preferred Stock on NYSE is expected to begin within 30 days after they are first issued.

**Trade Date:** November 13, 2019

**Settlement Date:** November 20, 2019 (T+5)

**Public Offering Price:** \$25 per share

**Underwriting Discount:** \$0.6756 per share

**Net Proceeds (before expenses) to the Company:** \$145,946,111 (or \$167,737,361 if the underwriters exercise their option to purchase additional shares, in full)

**Book-Running Managers:** Keefe, Bruyette & Woods, A *Stifel Company* and Raymond James

**Co-Manager:** D.A. Davidson & Co., Janney Montgomery Scott, Piper Jaffray and Stephens Inc.

**CUSIP/ISIN:** 05971J201 / US05971J2015

**Note:** *A rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. Each rating agency has its own methodology for assigning ratings and, accordingly, each rating should be evaluated independently of any other rating.*

**We expect that delivery of the Preferred Stock will be made against payment therefor on or about November 20, 2019, which will be the fifth business day following the date hereof (such settlement being referred to as "T+5" ). Under Rule 15c6-1 of the Securities and Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Preferred Stock prior to the delivery of the Preferred Stock hereunder will be required, by virtue of the fact that the Preferred Stock initially settle in T+5 to specify an**

alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Preferred Stock who wish to trade the Preferred Stock prior to their date of delivery hereunder should consult their advisors.

The information in this document supplements and supersedes the information contained in the Preliminary Offering Circular, dated November 13, 2019, relating to the securities described above. You may obtain a copy of the Preliminary Offering Circular by contacting Keefe, Bruyette & Woods, *A Stifel Company* at 787 Seventh Avenue, Fourth Floor, New York, NY 10019 or by calling 1-800-966-1559, or by Raymond James & Associates, Inc. at 880 Carillon Parkway St. Petersburg, FL 33716 or by calling (800) 248-8863. Before you invest, you should read the Preliminary Offering Circular and other documents the Company has filed with the Federal Deposit Insurance Corporation ("FDIC") for more complete information about the Company and this offering. You may get these documents for free by visiting the FDIC's website at <https://efr.fdic.gov/fcxweb/efr/index.html>.



## **SCHEDULE D**

### Subsidiaries of the Company

- BancorpSouth Bank
- BXS Insurance, Inc.
- BancorpSouth Bank Securities Corporation
- BancorpSouth Municipal Development Corporation
- BXS Investor, LLC
- BXS Community Fund, LLC


**BancorpSouth®**

## 4.125% Fixed-to-Floating Rate Subordinated Notes Due November 20, 2029

We are offering \$300,000,000 aggregate principal amount of our 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029 (the “Notes”). The Notes will mature on November 20, 2029.

From and including November 20, 2019 to, but excluding, November 20, 2024, the Notes will bear interest at a fixed annual interest rate equal to 4.125%, payable semi-annually in arrears on each May 20 and November 20, commencing May 20, 2020. From and including November 20, 2024 to, but excluding, the maturity date or the date of earlier redemption, the interest rate will reset quarterly to an annual interest rate equal to the Three-Month LIBOR (as defined herein) plus a spread of 247 basis points (2.47%), payable quarterly in arrears on each February 20, May 20, August 20 and November 20, beginning on November 20, 2024. Notwithstanding the foregoing, in the event that the Three-Month LIBOR rate is less than zero, then the Three-Month LIBOR rate will be deemed to be zero.

**The Notes are our unsecured obligations and will not be guaranteed by any of our subsidiaries. The Notes are subordinated and rank junior in right of payment to all of our senior indebtedness, including our deposits, as described in “Description of the Notes—Ranking; Subordination,” and other obligations that are subject to any priority or preferences under applicable law, all as more fully described in this offering circular.**

We may, at our option, redeem the Notes (i) in whole or in part, from time to time, at any time on or after November 20, 2024 and (ii) in whole but not in part, at any time within 90 days following the occurrence of certain special events as described in “Description of the Notes—Redemption Upon Special Events,” in each case, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but excluding, the date of redemption. Any partial redemption will be made on a pro rata basis, by lot or by such other method in accordance with the depository’s procedures. Any redemption of the Notes will be subject to prior approval of the appropriate federal banking agency, to the extent such approval is then required.

Payment of principal of and interest on the Notes may be accelerated only in the case of certain limited events involving a receivership, insolvency, liquidation or similar proceeding, as described in “Description of the Notes—Events of Default; Waivers,” with respect to BancorpSouth Bank and, if required under applicable laws and regulations then in effect, only with prior written approval of the Federal Deposit Insurance Corporation (the “FDIC”) as conservator or receiver of BancorpSouth Bank.

The Notes are not subject to repayment at the option of the holders, and there is no sinking fund for the Notes. The Notes will be offered and sold in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. The Notes will not be convertible or exchangeable. Currently, there is no public trading market for the Notes. We do not intend to list the Notes on any securities exchange or to have the Notes quoted on a quotation system. The Notes will be issued as a series of debt securities under the Fiscal and Paying Agency Agreement, to be dated as of November 20, 2019 (the “Paying Agency Agreement”), between us and U.S. Bank National Association (the “Paying Agent”). Because the Notes will not be issued pursuant to an indenture, no trustee will act on behalf of holders in relation to the Notes. Each holder will be responsible for acting independently with respect to certain matters affecting such holder’s Note. See “Description of the Notes.”

**Investing in the Notes involves risks. See the section entitled “Risk Factors” beginning on page 12 of this offering circular and in our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and the other documents that we file with the FDIC that are incorporated by reference into this offering circular for factors that you should consider before investing in the Notes.**

	Per Note	Total
Public offering price	100.000%	\$ 300,000,000
Underwriting discount <sup>(1)</sup>	0.875%	\$ 2,625,000
Proceeds, before expenses, to us	99.125%	\$ 297,375,000

(1) The underwriters will also be reimbursed for certain expenses incurred in this offering. See “Underwriting” for details.

The underwriters expect to deliver the Notes in book-entry form only through the facilities of The Depository Trust Company (“DTC”) against payment on or about November 20, 2019. Beneficial interests in the Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Clearstream Banking, S.A., Luxembourg and Euroclear Bank S.A./N.V.

**The Notes are exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to Section 3(a)(2) thereof. None of the Securities and Exchange Commission (the “SEC”), the FDIC, the Mississippi Secretary of State, the Mississippi Department of Banking and Consumer Finance or any other federal or state regulatory body has approved or disapproved of the Notes or passed upon the adequacy or accuracy of this offering circular. Any representation to the contrary is a criminal offense.**

**The Notes are not savings accounts or deposits. The notes are not insured by the FDIC or any other governmental agency and are subject to investment risks, including the possible loss of the entire amount you invest.**

*Sole Book-Running Manager*

**Keefe, Bruyette & Woods**

*A Stifel Company*

*Co-Managers*

**Piper Jaffrey**

**Raymond James**

**Stephens Inc.**

**SunTrust Robinson Humphrey**

The date of this offering circular is November 13, 2019

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## **ABOUT THIS OFFERING CIRCULAR**

In this offering circular, unless we state otherwise or the context otherwise requires, the terms “BancorpSouth Bank,” the “Company,” “we,” “our” and “us” mean BancorpSouth Bank and its wholly owned subsidiaries.

We have not, and the underwriters have not, authorized anyone to provide you with different or additional information. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give.

This offering circular (and any supplement or addendum) describes the specific details regarding this offering and the terms and conditions of the Notes being offered hereby and the risks of investing in the Notes. In various places in this offering circular, we refer you to sections of other documents for additional information by indicating the caption heading of the other sections in such other documents. All cross-references in this offering circular are to captions contained in this offering circular unless otherwise indicated.

It is important for you to read and consider carefully all information contained or incorporated by reference in this offering circular prior to making a decision to invest in the Notes. For additional information, please see the section entitled “Where You Can Find More Information.”

If the information set forth in this offering circular (and any supplement or addendum) conflicts with any statement in a document that we have incorporated by reference into this offering circular, then you should consider only the statement in the more recent document. You should not assume that the information appearing in this offering circular (and any supplement or addendum) or the documents incorporated by reference into this offering circular are accurate as of any date other than the date of the applicable documents. Our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations may have changed since those dates. You should not interpret the contents of this offering circular to be legal, business, investment or tax advice. You should consult with your own advisors and consult with them about the legal, tax, business, financial and other issues that you should consider before investing in the Notes.

We are not, and the underwriters are not, making an offer to sell, or the solicitation of an offer to buy, any of these Notes in any jurisdiction where an offer or sale is not permitted. No action is being taken in any jurisdiction outside the United States to permit a public offering of the Notes or possession or distribution of this offering circular in that jurisdiction. Persons who come into possession of this offering circular in jurisdictions outside the United States are required to inform themselves about, and to observe, any restrictions as to the offering and the distribution of this offering circular which are applicable in those jurisdictions.

## SUMMARY

*This summary highlights certain material information contained elsewhere or incorporated by reference into this offering circular. Because this is a summary, it may not contain all of the information that is important to you when deciding whether to invest in the Notes. Therefore, you should carefully read this entire offering circular, as well as the information incorporated by reference herein, before investing. You should pay special attention to the information under the sections entitled “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” of this offering circular together with our consolidated financial statements and the related notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2018 and our Quarterly Reports on Form 10-Q for the quarters ended September 30, 2019, June 30, 2019 and March 31, 2019.*

### **BancorpSouth Bank**

#### **Overview**

We are a regional bank headquartered in Tupelo, Mississippi with commercial banking operations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, and one loan production office in Oklahoma. Our insurance agency subsidiary also has an office in Illinois. We provide commercial banking, leasing, mortgage origination and servicing, insurance, brokerage and trust services to corporate customers, local governments, individuals and other financial institutions through an extensive network of branches and offices.

At September 30, 2019, we had total assets of approximately \$19.9 billion, total loans held for investment of approximately \$14.1 billion and total deposits of \$16.0 billion.

Our common stock is traded on the NYSE under the symbol “BXS.” Our principal office is located at One Mississippi Plaza, 201 South Spring Street, Tupelo, Mississippi 38804, and our telephone number is (662) 680-2000. Our website address is [www.bancorpsouth.com](http://www.bancorpsouth.com). The information contained on, or that can be accessed through, our website is not part of this offering circular. We have included our website address in this offering circular solely as an inactive textual reference.

#### **Recent Developments**

##### ***Third Quarter 2019 Financial Results***

We recently reported our financial results for the third quarter ended September 30, 2019. Highlights for the third quarter include the following:

- net income of approximately \$63.8 million, or \$0.63 per diluted share;
- mortgage production volume totaling approximately \$536.1 million with mortgage production and servicing revenue of approximately \$11.3 million;
- organic deposit and customer repurchase agreement growth for the quarter totaling approximately \$160.0 million;
- net interest margin of 3.88%;
- net recoveries of approximately \$0.7 million and a provision for credit losses of approximately \$0.5 million;
- net operating income – excluding pre-tax mortgage servicing rights (“MSR”) – of approximately \$69.7 million, or \$0.69 per diluted share; and
- operating efficiency ratio – excluding MSR – of 63.0%.

For all of our third quarter 2019 financial results, please read our Quarterly Reports on Form 10-Q for the quarter ended September 30, 2019. See the section entitled “Where You Can Find More Information.” For more information regarding net operating income – excluding MSR and operating efficiency ratio – excluding MSR, see the section titled “Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions.”

### ***Series A Preferred Stock Offering***

Simultaneously with this offering, we are also offering 6,000,000 shares (excluding the underwriters’ option to purchase an additional 900,000 shares) of our 5.50% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share (the “Series A Preferred Stock”), with a liquidation preference of \$25 per share (the “Series A Preferred Stock Offering”). We believe that the simultaneous offerings will allow us to capitalize on the current low interest rate environment and the active markets for subordinated debt and preferred stock to enable us to procure an appropriate mix of low-cost capital on favorable terms.

Keefe, Bruyette & Woods, Inc. and Raymond James & Associates, Inc. are acting as the joint book-running managers for the Series A Preferred Stock Offering. Stephens Inc., D.A. Davidson & Co., Piper Jaffray & Co., and Janney Montgomery Scott LLC are acting as co-managers for the Series A Preferred Stock Offering.

### ***Recently Announced Merger***

#### ***Texas First Bancshares, Inc.***

On September 23, 2019, we announced the signing of a definitive merger agreement (the “Texas First Merger Agreement”) with Texas First Bancshares, Inc., the parent company of Texas First State Bank (collectively, “Texas First”), pursuant to which Texas First will be merged with and into us (the “Texas First Merger”). Texas First operates six full-service banking offices in the Waco, Texas and Killeen-Temple, Texas metropolitan statistical areas. As of September 30, 2019, Texas First reported total assets of approximately \$398.1 million, total loans of approximately \$175.6 million and total deposits of approximately \$362.7 million.

Under the terms of the Texas First Merger Agreement, we will issue approximately 1,065,000 shares of our common stock plus approximately \$13.0 million in cash for all outstanding shares of Texas First. Our board of directors and the board of directors of Texas First have unanimously approved the Texas First Merger Agreement. The closing of the Texas First Merger is subject to certain conditions, including the approval of the Texas First shareholders and other customary conditions to closing. Subject to the satisfaction of all closing conditions, including the receipt of all required regulatory approvals, the Texas First Merger is expected to be completed during the first half of 2020, although we can provide no assurance that the Texas First Merger will close during this time period or at all. The Texas First Merger will provide an entry point into the Waco, Texas market as well as additional market share in certain other Central Texas markets and provides us with additional funding and liquidity to support future growth efforts.

### ***Recently Completed Mergers***

#### ***Van Alstyne Financial Corporation***

On September 1, 2019, we completed a merger with Van Alstyne Financial Corporation and its wholly owned subsidiary, Texas Star Bank (collectively, “Texas Star”), pursuant to which Texas Star was merged with and into us (the “Texas Star Merger”). Texas Star operated seven full-service banking offices in Collin and Grayson counties in Texas, and one loan production office in Durant, Oklahoma. As of September 1, 2019, Texas Star reported total assets of approximately \$343.2 million, total loans of approximately \$316.1 million and total deposits of approximately \$340.9 million. As consideration, we issued approximately 2,100,000 shares of our common stock plus approximately \$21.4 million in cash for all outstanding shares of Texas Star. The Texas Star Merger significantly enhances our presence and market share in the Dallas, Texas metropolitan statistical area as well as other markets located north of Dallas.

*Summit Financial Enterprises, Inc.*

On September 1, 2019, we completed a merger with Summit Financial Enterprises, Inc. and its wholly owned subsidiary, Summit Bank (collectively, “Summit”), pursuant to which Summit was merged with and into us (the “Summit Merger”). Summit operated four offices located in Panama City, Panama City Beach, Fort Walton Beach, and Pensacola, Florida. As of September 1, 2019, Summit reported total assets of approximately \$462.1 million, total loans of approximately \$294.1 million and total deposits of approximately \$453.3 million. As consideration, we issued approximately 2,500,000 shares of our common stock plus approximately \$26.75 million in cash for all outstanding shares of Summit. Prior to the completion of the Summit Merger, we had one office located in the Destin, Florida market; thus, the Summit Merger significantly enhances our presence across the panhandle of Florida.

*Casey Bancorp, Inc.*

On April 1, 2019, we completed a merger with Casey Bancorp, Inc. and its wholly owned subsidiary, Grand Bank of Texas (collectively, “Grand Bank”), pursuant to which Grand Bank was merged with and into us (the “Grand Bank Merger”). Grand Bank operated 4 full-service banking offices in the cities of Dallas, Grand Prairie, Horseshoe Bay and Marble Falls, each located within the state of Texas. As of April 1, 2019, Grand Bank reported total assets of approximately \$341.0 million, total loans of approximately \$261.0 million and total deposits of approximately \$324.0 million. As consideration, we issued approximately 1,275,000 shares of our common stock plus approximately \$14.6 million in cash for all outstanding shares of Grand Bank. The Grand Bank Merger expands our footprint in the Dallas, Texas metropolitan statistical area and also provides us with additional market share in certain other Texas markets. Our increased presence improves our ability to grow while branch overlap in other markets provides additional synergy opportunities.

*Merchants Trust, Inc.*

On April 1, 2019, we completed a merger with Merchants Trust, Inc. and its wholly owned subsidiary, Merchants Bank (collectively, “Merchants”), pursuant to which Merchants was merged with and into us (the “Merchants Merger”). Merchants operated 6 full-service banking offices in Clarke and Mobile counties located in the state of Alabama. As of April 1, 2019, Merchants reported total assets of approximately \$225.0 million, total loans of approximately \$154.0 million and total deposits of approximately \$205.0 million. As consideration, we issued approximately 950,000 shares of our common stock plus approximately \$9.7 million in cash for all outstanding shares of Merchants. The Merchants Merger provided us with an entry point into the Jackson, Alabama market as well as additional market share in Mobile, Alabama. The Jackson market provides core low-cost funding while the Mobile market provides us with additional growth opportunities.

*Icon Capital Corporation*

On October 1, 2018, we completed a merger with Icon Capital Corporation and its wholly owned subsidiary, Icon Bank of Texas, National Association (collectively, “Icon”), pursuant to which Icon was merged with and into us (the “Icon Merger” and, together with the Texas Star Merger, the Summit Merger, the Grand Bank Merger and the Merchants Merger, the “Completed Mergers”). Icon was headquartered in Houston, Texas and operated 7 full-service banking offices in the Houston, Texas metropolitan area. As of October 1, 2018, Icon, on a consolidated basis, reported total assets of \$760.4 million, total loans of \$650.4 million and total deposits of \$675.8 million. As consideration, we issued approximately 4,125,000 shares of our common stock plus \$17.5 million in cash, \$7 million of which was placed in a separate non-interest bearing escrow account that is to be paid if certain conditions are met, for all outstanding shares of Icon’s capital stock. The Icon Merger significantly enhanced our presence in the Houston, Texas market. Strategically, expansion into higher growth markets provides us with the opportunity to deploy core funding provided by slower growth markets.

## THE OFFERING

<b>Issuer</b>	BancorpSouth Bank, a Mississippi banking corporation
<b>Securities Offered</b>	4.125% Fixed-to-Floating Subordinated Notes due November 20, 2029
<b>Aggregate Principal Amount</b>	\$300,000,000
<b>Issue Price</b>	100%
<b>Issue Date</b>	November 20, 2019
<b>Maturity Date</b>	November 20, 2029
<b>Interest Rate and Interest Payment Dates</b>	<p>From and including November 20, 2019 to, but excluding, November 20, 2024, the Notes will bear interest at a fixed annual interest rate equal to 4.125%, payable semi-annually in arrears on each May 20 and November 20, commencing May 20, 2020. On the maturity date or a date of earlier redemption, interest will be paid to, but excluding, such date.</p> <p>From and including November 20, 2024 to, but excluding, the maturity date or the date of earlier redemption, the interest rate will reset quarterly to an annual interest rate equal to the Three-Month LIBOR (as defined herein) plus a spread of 247 basis points, payable quarterly in arrears on each February 20, May 20, August 20 and November 20, beginning on November 20, 2024. In the event that the Three-Month LIBOR rate is less than zero, then the Three-Month LIBOR rate will be deemed to be zero.</p>
<b>Three-Month LIBOR</b>	<p>Three-Month LIBOR, for each dividend determination date (as defined herein) related to the Floating Rate Period (as defined herein), is the rate determined by the Calculation Agent (as defined herein) which shall be the London interbank offered rate for deposits in U.S. dollars for a three-month period, as that rate appears on Reuters screen page “LIBOR01” (or any successor or replacement page) at approximately 11:00 a.m., London time, on the relevant dividend determination date. If such rate is not available at such time for any reason, then the rate for such period will be determined by such alternate method as provided for in the Note. For a more detailed discussion of Three-Month LIBOR see “Description of the Notes – Interest Payments – Floating Rate Period.”</p>
<b>Record Dates</b>	The record date for the Notes is May 1 and November 1 for the Fixed Rate Period and February 1, May 1, August 1 and November 1 for the Floating Rate Period.
<b>Day Count Convention</b>	Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months to, but excluding, November 20, 2024 and, thereafter, on the basis of the actual number of days in the relevant interest period divided by 360.
<b>Ranking</b>	<p>The Notes are our unsecured obligations and will not be guaranteed by any of our subsidiaries. The Notes are subordinated and rank junior in right of payment to all of our existing and future senior indebtedness, including our deposits, and other obligations that are subject to any priority or preferences under applicable law. The Notes rank equally with any future subordinated indebtedness we may offer from time to time that does not, by its terms, rank junior to the Notes. See “Description of the Notes— Ranking; Subordination.”</p> <p>In addition to the Notes, as of September 30, 2019, we had approximately \$17.4 billion of indebtedness that ranked senior to the Notes, including approximately \$16.0 billion of deposit liabilities, approximately \$529.8 million of securities sold under agreements to repurchase, approximately \$480.0 million of outstanding collateralized advances from the</p>



Federal Home Loan Bank of Dallas (“FHLB”), \$13.1 million of accrued interest payable and approximately \$5.2 million of long-term debt.

The Notes and the Paying Agency Agreement will not limit the amount of additional debt we may incur in the future.

**Denomination**

The Notes will be offered and sold in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.

**Optional Redemption**

We may, on or after November 20, 2024, and on any interest payment date thereafter, redeem the Notes, in whole or in part, from time to time, subject to obtaining the prior approval of the appropriate federal banking agency, to the extent such approval is then required, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus any accrued and unpaid interest to, but not including, the date of redemption.

**Special Redemption**

We may also redeem the Notes at any time, including prior to November 20, 2024, at our option, in whole but not in part, subject to obtaining the prior approval of the appropriate federal banking agency, to the extent such approval is then required, at any time within 90 days of: (a) a change or prospective change in law or administrative interpretation occurs that could prevent us from deducting interest payable on the Notes for U.S. federal income tax purposes; (b) a subsequent event occurs that would preclude the Notes from being recognized as “Tier 2” capital for regulatory capital purposes; or (c) we are required to register as an investment company under the Investment Company Act of 1940, as amended; in each case, at a redemption price equal to the principal amount of the Notes plus any accrued and unpaid interest to, but excluding, the redemption date. For more information, see “Description of the Notes—Redemption Upon Special Events” in this offering circular.

**Restrictive Covenants**

Neither the Notes nor the Paying Agency Agreement contain any covenants or restrictions restricting the incurrence of debt, deposits or other liabilities by us or restrictions on the paying of dividends, selling assets, making investments or issuing or repurchasing other securities and do not contain any provision that would provide protection to the holders of the Notes against a sudden and dramatic decline in credit quality resulting from a merger, takeover, recapitalization or similar restructuring or any other event involving the us that may adversely affect our credit quality. The Paying Agency Agreement, among other things, will also allow us to transfer substantially all of our assets or merge into or consolidate with any person, if the conditions described in the section entitled “Description of the Notes— Consolidation, Merger and Sale of Assets” are satisfied.

**No Guarantees**

The Notes are solely our obligations and are neither obligations of, nor are they guaranteed by, any of our subsidiaries or affiliates. The Notes are not savings accounts or deposits. The Notes are not insured by the FDIC or any other governmental agency and are subject to investment risks, including the possible loss of the entire amount you invest.

**Issuing and Paying Agent**

We will issue the Notes under the Paying Agency Agreement between us, as issuer, and U.S. Bank National Association, as issuing and paying agent.

Because the Notes will not be issued pursuant to an indenture, no trustee will act on behalf of holders in relation to the Notes. Each holder will be responsible for acting independently with respect to certain matters affecting such holder’s Note, including seeking the appropriate remedy upon the occurrence of an Event of Default (as defined in “Description of the Notes—Events of Default; Waivers”).

<b>Calculation Agent</b>	We will initially act as calculation agent unless we appoint a calculation agent for the Notes prior to the commencement of the Floating Rate Period.
<b>Use of Proceeds</b>	We intend to use the net proceeds of this offering of the Notes for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs.
<b>Events of Default; Limited Rights of Acceleration</b>	Payment of principal or interest on the Notes may be accelerated only in limited circumstances. See “Description of the Notes— Events of Default; Waivers.”
<b>Registration</b>	The Notes have not been, are not required to be, and will not be registered with any U.S. federal regulatory agency under the Securities Act or the securities laws of any other jurisdiction. The Notes are exempt from registration under the Securities Act by virtue of an exemption pursuant to Section 3(a)(2) thereof.
<b>No Listing</b>	Currently, there is no public trading market for the Notes. We do not intend to list the Notes on any securities exchange or have the Notes quoted on a quotation system.
<b>Unsecured obligations; sinking fund</b>	The Notes are not secured by any of our assets. There is no sinking fund for the Notes.
<b>Risk Factors</b>	See the section entitled “Risk Factors” beginning on page 12 of this offering circular and in our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and the other documents that we file with the FDIC that are incorporated by reference into this offering circular for factors that you should consider before investing in the Notes.
<b>Governing Law</b>	The Notes and the Paying Agency Agreement will be governed by the laws of the State of New York.
<b>Additional Issues of Subordinate Notes</b>	We may, from time to time, without notice to or the consent of the holders of the Notes, create and issue additional notes ranking equally with the Notes and with identical terms in all respects (or in all respects except for the offering price, the payment of interest accruing prior to the issue date of such further notes or except for the first payment of interest following the issue date of such further notes) in order that such further notes may be consolidated and form a single series with the Notes and have the same terms as to status, redemption or otherwise as the Notes; provided, that a separate CUSIP number will be issued for any such additional notes unless such additional notes are fungible with the Notes for U.S. federal income tax purposes, subject to the procedures of DTC.

## SELECTED FINANCIAL INFORMATION

The following tables set forth selected historical financial and other information for the periods ended and as of the dates indicated. The selected financial information presented below at and for the nine months ended September 30, 2019 and 2018 is derived from our unaudited consolidated financial statements incorporated by reference into this offering circular from our Quarterly Report on Form 10-Q for the nine months ended September 30, 2019. The selected financial information presented below at and for the years ended December 31, 2018, 2017 and 2016 is derived from our audited consolidated financial statements incorporated by reference into this offering circular from our Annual Report on Form 10-K for the year ended December 31, 2018. The selected financial information at and for the years ended December 31, 2015 and 2014 is derived from our audited consolidated financial statements for the years then ended, which are not included or incorporated by reference into this offering circular. Results from prior periods are not necessarily indicative of results that may be expected for any future period.

The financial ratios and other data, credit quality and equity ratios, capital adequacy metrics, certain common stock data and yield/rate metrics are unaudited and derived from our audited and unaudited financial statements and other financial information at and for the periods presented. Average balances have been calculated using daily averages.

This selected financial information should be read in conjunction with the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2019 and our Annual Report on Form 10-K for the year ended December 31, 2018 and with our consolidated financial statements and the related notes thereto that are incorporated by reference into this offering circular.

The selected financial information presented below at and for the years ended December 31, 2017, 2016, 2015 and 2014 do not reflect the impact of the Texas First Merger or the Completed Mergers. The selected financial information presented below at and for the year ended December 31, 2018 does reflect the impact of the Icon Merger. The selected financial information presented below at and for the nine months ended September 30, 2019 does reflect the impact of the Completed Mergers. Due to our evaluation of post-merger activity and the extensive information gathering and management review processes required to properly record acquired assets and liabilities, we consider our valuations of the assets and liabilities of Texas Star, Summit, Grand Bank and Merchants to be provisional as management continues to identify and assess information regarding the nature of these assets and liabilities for the associated valuation assumptions and methodologies used.

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
<b>Earnings Summary:</b>	(Dollars in thousands, except per share amounts)						
Interest revenue	\$571,200	\$474,643	\$653,493	\$512,991	\$ 483,179	\$ 464,378	\$ 450,257
Interest expense	92,030	52,302	78,271	38,955	29,727	28,696	33,595
Net interest revenue	479,170	422,341	575,222	474,036	453,452	435,682	416,662
Provision for credit losses	1,500	3,500	4,500	3,000	4,000	(13,000)	-
Net interest revenue, after provision for credit losses	477,670	418,841	570,722	471,036	449,452	448,682	416,662
Noninterest revenue	205,984	223,006	282,037	268,033	274,901	274,370	269,146
Noninterest expense	467,256	435,292	587,634	507,446	527,909	536,313	518,406
Income before income taxes	216,398	206,555	265,125	231,623	196,444	186,739	167,402
Income tax expense	47,986	32,335	43,808	78,590	63,716	59,248	50,652
Net Income	<u>\$ 168,412</u>	<u>\$ 174,220</u>	<u>\$ 221,317</u>	<u>\$ 153,033</u>	<u>\$ 132,728</u>	<u>\$ 127,491</u>	<u>\$ 116,750</u>
<b>Balance Sheet - Period-End Balances:</b>							
Total assets	\$19,850,225	\$17,249,175	\$18,001,540	\$15,298,518	\$14,724,388	\$13,798,662	\$13,326,369
Total securities	2,766,446	2,826,359	2,749,188	2,798,542	2,531,676	2,082,329	2,156,927
Loans and leases, net of unearned income	14,120,783	12,449,995	13,112,149	11,056,434	10,811,991	10,372,778	9,712,936
Allowance for credit losses	116,908	121,019	120,070	118,200	123,736	126,458	142,443
Total deposits	16,025,756	13,347,193	14,069,966	11,915,596	11,688,141	11,331,161	10,972,339
Long-term debt	5,161	33,182	6,213	30,000	530,000	69,775	78,148
Total shareholders' equity	2,489,427	2,116,375	2,205,737	1,713,485	1,723,883	1,655,444	1,606,059
<b>Balances Sheet - Average Balances:</b>							
Total assets	\$18,618,066	\$17,024,756	\$17,240,092	\$14,773,217	\$14,226,953	\$13,583,715	\$13,034,800
Total securities	2,725,595	2,895,410	2,867,439	2,454,545	2,193,937	2,180,117	2,323,695
Loans and leases, net of unearned income	13,453,898	12,285,440	12,481,534	10,932,505	10,557,103	9,995,005	9,308,680
Total deposits	15,015,973	13,496,251	13,641,476	11,871,281	11,520,186	11,149,567	10,734,843
Long-term debt	5,509	33,588	29,508	278,493	313,979	72,900	83,189
Total shareholders' equity	2,297,322	2,051,561	2,086,922	1,702,176	1,701,052	1,654,028	1,581,870
<b>Nonperforming Assets:</b>							
Non-accrual loans and leases	\$ 76,383	\$ 55,532	\$ 70,555	\$ 61,891	\$ 71,812	\$ 83,028	\$ 58,052
Loans and leases 90+ days past due, still accruing	16,659	2,934	18,695	8,503	3,983	2,013	2,763
Restructured loans and leases, still accruing	15,033	7,564	7,498	8,060	26,047	9,876	10,920
Non-performing loans (NPLs)	108,075	66,030	96,748	78,454	101,842	94,917	71,735
Other real estate owned	7,929	4,301	9,276	6,038	7,810	14,759	33,984
Non-performing assets (NPAs)	116,004	70,331	106,024	84,492	109,652	109,676	105,719
<b>Financial Ratios and Other Data:</b>							
Return on average assets	1.21%	1.37%	1.28%	1.04%	0.93%	0.94%	0.90%
Operating return on average assets- excluding MSR*	1.35%	1.29%	1.28%	1.03%	0.99%	1.02%	0.95%
Return on average shareholders' equity	9.80%	11.35%	10.60%	8.99%	7.80%	7.71%	7.38%
Operating return on tangible equity- excluding MSR*	15.61%	14.75%	15.12%	10.90%	10.09%	10.30%	9.59%
Net interest margin-fully taxable equivalent	3.87%	3.68%	3.72%	3.54%	3.52%	3.57%	3.59%
Efficiency ratio (tax equivalent)*	67.9%	67.1%	68.2%	67.6%	71.7%	74.5%	74.3%
Operating efficiency ratio-excluding MSR (tax equivalent)*	65.1%	66.5%	66.6%	67.8%	69.8%	72.1%	73.0%

**Credit Quality Ratios:**

Net (recoveries) charge-offs to average loans and leases (annualized)	0.05%	0.01%	0.02%	0.08%	0.06%	0.03%	0.12%
Provision for credit losses to average loans and leases (annualized)	0.01	0.04	0.04	0.03	0.04	-0.13	0.00
Allowance for credit losses to net loans and leases	0.83	0.97	0.92	1.07	1.14	1.22	1.47
Allowance for credit losses to non-performing loans and leases	108.17	183.28	124.11	150.66	121.50	133.23	198.57
Allowance for credit losses to non-performing assets	100.78	172.07	113.25	139.89	112.84	115.30	134.74
Non-performing loans and leases to net loans and leases	0.77	0.53	0.74	0.71	0.94	0.92	0.74
Non-performing assets to net loans and leases	0.82	0.56	0.81	0.76	1.01	1.06	1.09

**Equity Ratios:**

Total shareholders' equity to total assets	12.54%	12.27%	12.25%	11.20%	11.71%	12.00%	12.05%
Tangible shareholders' equity to tangible assets*	8.47	8.96	8.46	9.31	9.73	9.96	9.92

**Capital Adequacy:**

Common Equity Tier 1 capital	10.54%	11.71%	10.84%	12.15%	12.23%	12.07%	NA
Tier 1 capital	10.54	11.71	10.84	12.15	12.34	12.27	13.27
Total capital	11.28	12.60	11.68	13.13	13.38	13.37	14.52
Tier 1 leverage capital	9.14	9.68	9.06	10.12	10.32	10.61	10.55

**Common Stock Data:**

Basic earnings per share	\$1.68	\$1.76	\$2.24	\$1.67	\$1.41	\$1.33	\$1.22
Diluted earnings per share	1.67	1.76	2.23	1.67	1.41	1.33	1.21
Operating earnings per share-excluding MSR*	1.86	1.67	2.23	1.66	1.50	1.44	1.28
Cash dividends per share	0.53	0.45	0.62	0.53	0.45	0.35	0.25
Book value per share	23.76	21.48	22.10	18.97	18.40	17.58	16.69
Tangible book value per share*	15.33	15.12	14.62	15.44	14.95	14.27	13.40
Dividend payout ratio	31.31 %	25.51%	27.72%	31.71%	31.94%	26.31%	20.61%
Total shares outstanding	104,775,876	98,525,516	99,797,271	90,312,378	93,696,687	94,162,728	96,254,903
Average shares outstanding - basic	100,428,809	98,772,832	98,965,115	91,560,499	94,218,694	95,824,989	95,972,406
Average shares outstanding - diluted	100,699,510	98,939,743	99,134,861	91,754,749	94,454,640	96,123,847	96,301,627

\* Non-GAAP financial measure.

**Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions**

We evaluate our capital position and operating performance by utilizing certain financial measures not calculated in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), including net operating income-excluding MSR, tangible shareholders' equity to tangible assets, operating return on tangible equity-excluding MSR, operating return on average assets-excluding MSR, tangible book value per share, operating earnings per share excluding MSR and operating efficiency ratio-excluding MSR (tax equivalent).

We have included these non-GAAP financial measures in this offering circular for the applicable periods presented.

Management believes that the presentation of these non-GAAP financial measures (i) provides important supplemental information that contributes to an understanding of our capital position and operating performance, (ii) enables a more complete understanding of factors and trends affecting our business and (iii) allows investors to evaluate our performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered

substitutes for GAAP financial measures, and we strongly encourage you to review the GAAP financial measures included in and incorporated by reference into this offering circular and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this offering circular with other companies' non-GAAP financial measures having the same or similar names.

#### Reconciliation of Net Operating Income-Excluding MSR to Net Income:

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
	(Dollars in thousands, except per share amounts)						
Net income	\$ 168,412	\$ 174,220	\$ 221,317	\$ 153,033	\$ 132,728	\$ 127,491	\$ 116,750
Plus: Legal charge, net of tax	—	—	—	—	—	10,246	—
BSA charge, net of tax	—	—	—	—	—	—	1,903
Merger expense, net of tax	6,072	6,439	9,784	427	2	15	1,092
Changes due to tax reform	—	—	—	623	—	—	—
Regulatory related charges, net of tax	—	—	—	—	9,412	—	—
Less: Security gains (losses), net of tax	162	(22)	100	1,006	80	84	23
Tax-related Matters	—	11,288	11,288	—	—	—	—
Net operating income	<u>\$ 174,322</u>	<u>\$ 169,393</u>	<u>\$ 219,713</u>	<u>\$ 153,077</u>	<u>\$ 142,062</u>	<u>\$ 137,668</u>	<u>\$ 119,722</u>
Less: MSR market value adjustment, net of tax	(13,268)	5,106	(946)	1,091	626	(720)	(3,995)
Net operating income-excluding MSR	<u>\$ 187,590</u>	<u>\$ 164,287</u>	<u>\$ 220,659</u>	<u>\$ 151,986</u>	<u>\$ 141,436</u>	<u>\$ 138,388</u>	<u>\$ 123,717</u>

#### Total Operating Expense to Noninterest Expense, Total Operating Revenue to Total Revenue and Calculation of Operating Efficiency Ratio-excluding MSR (tax equivalent) (1)

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
	(Dollars in thousands, except per share amounts)						
Noninterest expense	\$ 467,256	\$ 435,292	\$ 587,634	\$ 507,446	\$ 527,909	\$ 536,313	\$ 518,406
Less: Legal charge	—	—	—	—	—	16,500	—
BSA charge	—	—	—	—	—	—	3,069
Merger expense	8,089	8,580	13,036	688	3	24	1,762
Regulatory related charges	—	—	—	—	13,777	—	—
Total operating expense	<u>459,167</u>	<u>426,712</u>	<u>574,598</u>	<u>506,758</u>	<u>514,129</u>	<u>519,789</u>	<u>513,575</u>
Noninterest revenue	205,984	223,006	282,037	268,033	274,901	274,370	269,146
Net interest revenue	<u>479,170</u>	<u>422,341</u>	<u>575,222</u>	<u>474,036</u>	<u>453,452</u>	<u>435,682</u>	<u>416,662</u>
Total revenue	685,154	645,347	857,259	742,069	728,353	710,052	685,808
Plus: Tax equivalent adjustment	2,982	3,302	4,390	8,897	9,884	10,789	11,228
Less: MSR market value adjustment	(17,679)	6,804	(1,260)	1,751	1,009	(1,161)	(6,444)
Security gains (losses)	<u>215</u>	<u>(29)</u>	<u>133</u>	<u>1,622</u>	<u>128</u>	<u>136</u>	<u>37</u>
Operating revenue-fully taxable equivalent	705,600	641,874	862,776	747,593	737,100	721,866	703,443
Operating efficiency ratio - excluding MSR (tax equivalent)	65.1%	66.5%	66.6%	67.8%	69.8%	72.1%	73.0%

(1) The operating efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as nonoperating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.

**Reconciliation of Tangible Assets and Tangible Shareholders' Equity to Total Assets and Total Shareholders' Equity:**

	<b>At or for Nine Months Ended September 30,</b>		<b>At or for the Year Ended December 31,</b>				
	<b>2019</b>	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	(Dollars in thousands, except per share amounts)						
Tangible assets:							
Total assets	\$19,850,225	\$17,249,175	\$18,001,540	\$15,298,518	\$14,724,388	\$13,798,662	\$13,326,369
Less: Goodwill	822,093	590,292	695,720	300,798	300,798	291,498	291,498
Other identifiable intangible assets	61,100	36,475	50,896	17,882	21,894	20,545	24,508
Total tangible assets	<u>\$18,967,032</u>	<u>\$16,622,408</u>	<u>\$17,254,924</u>	<u>\$14,979,838</u>	<u>\$14,401,696</u>	<u>\$13,486,619</u>	<u>\$13,010,363</u>
Tangible shareholders' equity:							
Total shareholders' equity	\$ 2,489,427	\$ 2,116,375	\$ 2,205,737	\$ 1,713,485	\$ 1,723,883	\$ 1,655,444	\$ 1,606,059
Less: Goodwill	822,093	590,292	695,270	300,798	300,798	291,498	291,498
Other identifiable intangible assets	61,100	36,475	50,896	17,882	21,894	20,545	24,508
Total tangible shareholders' equity	<u>\$ 1,606,234</u>	<u>\$ 1,489,608</u>	<u>\$ 1,459,121</u>	<u>\$ 1,394,805</u>	<u>\$ 1,401,191</u>	<u>\$ 1,343,401</u>	<u>\$ 1,290,053</u>
Total average assets	18,618,066	17,024,756	17,240,092	14,773,217	14,226,953	13,583,715	13,034,800
Total shares of common stock outstanding	104,775,876	98,525,516	99,797,271	90,312,378	93,696,687	94,162,728	96,254,903
Average shares outstanding-diluted	100,699,510	98,939,743	99,134,861	91,754,749	94,454,640	96,123,847	96,301,627
Tangible shareholders' equity to tangible assets(1)	8.47%	8.96%	8.46%	9.31%	9.73%	9.96%	9.92%
Operating return on tangible equity-excluding MSR(2)	15.61%	14.75%	15.12%	10.90%	10.09%	10.30%	9.59%
Operating return on average assets-excluding MSR(3)	1.35%	1.29%	1.28%	1.03%	0.99%	1.02%	0.95%
Tangible book value per share(4)	\$15.33	\$15.12	\$14.62	\$15.44	\$14.95	\$14.27	\$13.40
Operating earnings per share-excluding MSR(5)	\$1.86	\$1.67	\$2.23	\$1.66	\$1.50	\$1.44	\$1.28

(1) Tangible shareholders' equity to tangible assets is defined by us as total shareholders' equity less goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.

(2) Operating return on tangible equity-excluding MSR is defined by us as annualized net operating income-excluding MSR divided by tangible shareholders' equity.

(3) Operating return on average assets-excluding MSR is defined by us as annualized net operating income-excluding MSR divided by total average assets.

(4) Tangible book value per share is defined by us as tangible shareholders' equity divided by total shares of common stock outstanding.

(5) Operating earnings per share-excluding MSR is defined by us as net operating income-excluding MSR divided by average shares outstanding-diluted.

## RISK FACTORS

*An investment in the Notes involves a high degree of risk. You should carefully consider the risks described below and the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2018, as updated by our Quarterly Reports on Form 10-Q, and other FDIC filings as well as the other information included in and incorporated by reference into this offering circular, before making an investment decision. Our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations could be materially adversely affected by any of these risks. The risks and uncertainties we describe herein are not the only risks we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also adversely affect our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations. Any adverse effect on our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations could result in the loss of all or a part of your investment.*

*Further, to the extent that any of the information contained in this offering circular constitutes forward-looking statements, the risk factors set forth below and set forth in the documents incorporated by reference into this offering circular also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any such forward-looking statements. See “Cautionary Note Regarding Forward-Looking Statements.”*

### **The Notes are not insured deposits.**

The Notes are not savings accounts or deposits and are not insured or guaranteed by the FDIC or any other governmental agency. An investment in the Notes has risks, and you may lose your entire investment.

### **The Notes will be unsecured and subordinated to our existing and future senior indebtedness (including its deposits), and we may be precluded from making payments on the Notes in certain circumstances.**

The Notes will be our unsecured, subordinated obligations, and, consequently, will rank junior in right of payment to all of our secured and unsecured senior indebtedness, including our deposits, now existing or that we incur in the future, as described under “Description of the Notes—Ranking; Subordination,” and any other obligations that are subject to any priority or preferences under applicable law. As a result, if we become subject to any receivership, conservatorship, insolvency or similar proceeding, or in the case of any liquidation or other winding-up of or relating to us, to the extent applicable, all holders of senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law will be entitled to receive payment in full of all amounts due or to become due before the holders of the Notes will be entitled to receive any payment of principal of or interest on the Notes. In addition, in the event of and during the continuation of any default in the payment of principal of or interest on any senior indebtedness beyond any applicable grace period, or in the event that any event of default with respect to any senior indebtedness permits the acceleration of the maturity of such senior indebtedness, or if any judicial proceeding is pending with respect to the default in payment or event of default of such senior indebtedness, no payment on the principal of or interest on the Notes will be made unless and until the event of default with respect to such senior indebtedness has been cured or waived and the acceleration rescinded or annulled.

In addition to the Notes, as of September 30, 2019, we had approximately \$17.4 billion of indebtedness that ranked senior to the Notes, including approximately \$16.0 billion of deposit liabilities, approximately \$529.8 million of securities sold under agreements to repurchase, approximately \$480.0 million of outstanding collateralized advances from the FHLB, \$13.1 million of accrued interest payable and approximately \$5.2 million of long-term debt. The Notes and Paying Agency Agreement will not limit the amount of additional indebtedness or other liabilities, including senior indebtedness, that we may incur. Accordingly, in the future, we may incur other indebtedness, which may be substantial in amount, including senior indebtedness, indebtedness ranking equally with the Notes and indebtedness ranking effectively senior to the Notes, as applicable. Any additional indebtedness and liabilities that we may incur in the future may adversely affect our ability to pay our obligations on the Notes. The Notes rank equally with any future subordinated indebtedness we may offer from time to time that does not, by its terms, rank junior to the Notes.



As a consequence of the subordination of the Notes to our existing and future senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law, an investor in the Notes may lose all or some of its investment if we become subject to any receivership, conservatorship, insolvency or similar proceeding, or in the case of any liquidation or other winding-up of or relating to us, to the extent applicable. In such an event, our assets would be available to pay the principal of, and any accrued and unpaid interest on, the Notes only after all senior indebtedness and other obligations that are subject to any priority or preferences under applicable law have been paid in full. In such an event, any other general, unsecured obligations that do not constitute senior indebtedness, depending upon their respective priority or preferences, will share pro rata in our remaining assets after we have paid in full all senior indebtedness and other obligations that are subject to any priority or preferences under applicable law.

**The Notes are our exclusive obligations and not those of our subsidiaries.**

The Notes will be our exclusive obligations and not those of our subsidiaries. Any right we have to receive assets of any of our subsidiaries upon their liquidation or reorganization and the resulting right of the holders of the Notes to participate in those assets will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors, except to the extent that we are recognized as a creditor of the subsidiary, in which case our claims would be subordinated to any security interests in the assets of the subsidiary granted to another creditor (to the extent of the value of the assets securing such claims) and any obligations of the subsidiary senior to the obligations of the subsidiary held by us.

**There is no right of acceleration in the case of a default in the payment of principal of or interest on the Notes.**

Payment of principal of the Notes may be accelerated only in the case of an Insolvency Event of Default, as defined in "Description of the Notes—Events of Defaults; Waivers," and, if required under applicable laws or regulations then in effect, only with the prior written approval of the FDIC as our receiver. There is no right of acceleration in the case of a default in the payment of principal of or interest on the Notes or in the performance of any other obligation of ours under the Notes.

**The FDIC has broad power to override acceleration rights of the holders of the Notes if the FDIC acts as our conservator or receiver in any insolvency, liquidation or similar proceeding involving us.**

Although the Notes permit holders to accelerate the Notes upon certain events involving a receivership, insolvency, liquidation or similar proceeding with respect to us, the FDIC would act as conservator or receiver in any such situation and have broad powers with respect to contracts, including the Notes, in spite of any acceleration provision. Notwithstanding any provisions of the Notes, the FDIC as receiver or conservator would have the right to transfer or direct the transfer of the obligations of the Notes to any bank or bank holding company, and such assuming institution would expressly assume the obligation of the due and punctual payment of the unpaid principal and interest on the Notes and the due and punctual performance of all covenants and conditions. Any such transfer and assumption would supersede and void any Event of Default, acceleration or subordination which may have previously occurred, or which may occur due or related to such transaction, plan, transfer or assumption, pursuant to the provisions of the Notes; except that any interest and principal previously due, other than by reason of acceleration, and not paid shall, in the absence of a contrary agreement by the holder of the Notes, be deemed to be immediately due and payable as of the date of such transfer and assumption, together with the interest from its original due date at the applicable rate specified in the Notes.

**Each holder must act independently.**

Because the Notes will not be issued pursuant to an indenture, no trustee will act on behalf of holders in relation to the Notes. Each holder will be responsible for acting independently with respect to certain matters affecting such holder's Note, including enforcing the agreements or covenants contained therein, responding to any requests for consents, waivers or amendments or accelerating the maturity of such holder's Note upon the occurrence of an Insolvency Event of Default. See "Description of the Notes—Events of Defaults; Waivers."

**You may be unable to sell the Notes because there is no public trading market for the Notes.**

The Notes are a new issue of securities with no established public trading market. We do not intend to apply for listing of the Notes on any securities exchange or automated quotation system. Consequently, the Notes will be relatively illiquid and you may be unable to sell your Notes. Although the underwriters have advised us that, following completion of the offering of the Notes, they currently intend to make a secondary market in the Notes, the underwriters are not obligated to do so and may discontinue any market-making activities at any time without notice. Accordingly, a trading market for the Notes may not develop or any such market may not have sufficient liquidity.

**The price at which you will be able to sell your Notes prior to maturity will depend on a number of factors and may be substantially less than the amount you originally invest.**

Often, the only way to liquidate your investment in the Notes prior to maturity will be to sell the Notes. At that time, there may be a very illiquid market for the Notes or no market at all. We believe that the value of the Notes in any secondary market will be affected by the supply and demand of the Notes, the interest rate, our general business condition and a number of other factors. If the market value of the Notes declines significantly, you may be unable to sell your Notes prior to maturity at or above your purchase price, if at all. Some of these factors are interrelated in complex ways. As a result, the effect of any one factor may be offset or magnified by the effect of another factor. Some, but certainly not all, of the factors that could negatively affect the market value of the Notes include:

- increase in United States interest rates;
- actual or anticipated adverse changes in our credit ratings, financial condition and results;
- variations in our quarterly operating results or failure to meet the market's earnings expectations;
- adverse market reactions to any debt we may incur or securities we may issue in the future;
- changes in financial markets and the economy in the United States;
- changes or proposed changes in laws or regulations affecting our business;
- the aggregate amount outstanding of the Notes;
- any redemption or repayment features of the Notes;
- the issuance of additional debt securities by us; and
- actual or potential litigation and governmental investigations.

**The limited covenants applicable to the Notes will not protect your investment.**

Neither we nor any of our subsidiaries is restricted under the Notes or the Paying Agency Agreement from incurring additional indebtedness, deposits or other liabilities, including senior indebtedness, indebtedness ranking equally with the Notes and indebtedness ranking effectively senior to the Notes, as applicable. We also will not be restricted under the Notes or the Paying Agency Agreement from granting security interests over our assets, or from paying dividends, selling assets, making investments or issuing or repurchasing our securities. In addition, the Notes and the Paying Agency Agreement will not contain, among other things, provisions which would afford holders of the Notes any protection against a sudden decline in credit quality resulting from a merger, takeover, recapitalization or similar restructuring or any other event involving us or our subsidiaries that may adversely affect our or our subsidiaries' credit quality.

**Changes in law may affect the value of the Notes.**

The terms and conditions of the Notes are based on the laws of the State of New York and all applicable federal laws and regulations. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the State of New York or of the United States or administrative practice after the date of this offering circular.

**Payments on the Notes are subject to our credit risk, and actual or perceived changes in our creditworthiness may affect the value of the Notes and credit ratings may not reflect all risks.**

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, our perceived creditworthiness and actual or anticipated changes in our credit ratings may affect the market value of the Notes. However, because the return on the Notes will generally depend upon factors in addition to our ability to pay our obligations, an improvement in our credit ratings will not reduce the other investment risks related to the Notes.

One or more independent credit rating agencies may assign credit ratings to the Notes. The credit ratings assigned to the Notes may not reflect the potential impact of all risks related to structure, market and other factors that may impact the market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Accordingly, you should consult your own financial and legal advisors as to the risks entailed by an investment in the Notes and the suitability of investing in the Notes in light of your particular circumstances.

**Beginning on November 20, 2024 and at any time thereafter, or at any time within 90 days following certain special events, as described in “Description of the Notes— Redemption Upon Special Events,” the Notes may be redeemed at our option, and you may not be able to reinvest the redemption price you receive in a similar instrument.**

Subject to prior approval of the appropriate federal banking agency, to the extent such approval is then required, we may, at our option, redeem the Notes (i) in whole or in part, from time to time, at any time on or after November 20, 2024 and (ii) in whole but not in part, at any time within 90 days following the occurrence of certain special events, as described in “Description of the Notes— Redemption Upon Special Events,” in each case, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus any accrued and unpaid interest to, but not including, the date of redemption. Any partial redemption will be made on a pro rata basis, by lot or by such other method in accordance with the depository’s procedures.

Although the terms of the Notes have been established at issuance to satisfy the criteria for “Tier 2 capital” instruments consistent with Basel III as set forth in the joint final rulemaking issued in July 2013 by the Federal Reserve, the FDIC and the Office of the Comptroller of the Currency, it is possible that the Notes may not satisfy the criteria set forth in future rulemakings or interpretations. As a result, a “special event” could occur whereby we would have the right, subject to prior approval of the appropriate federal banking agency, to redeem the Notes in accordance with their terms prior to November 20, 2024, at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date of redemption. See “Description of the Notes—Redemption.”

In the event that we redeem the Notes, holders of the Notes will receive only the principal amount of the Notes plus any accrued and unpaid interest to, but excluding, such earlier redemption date. If we redeem the Notes for any reason, you will not have the opportunity to continue to accrue and be paid interest to the stated maturity date and you may not be able to reinvest the redemption proceeds you receive in a similar security or in securities bearing similar interest rates or yields. Any such redemption may have the effect of reducing the income or return that you may receive on an investment in the Notes by reducing the term of the investment.

If we redeem the Notes for any reason, you may not be able to reinvest the redemption proceeds you receive in a similar instrument or earn a similar rate of return on another security. See “Description of Notes—Redemption” for more information on redemption of the Notes.

Furthermore, you should not expect us to redeem any Notes when they first become redeemable or on any particular date thereafter. Any redemption of the Notes will be subject to prior approval of the appropriate federal banking agency, to the extent such approval is then required. There can be no assurance that the appropriate federal banking agency will approve any redemption of the Notes that we may propose.

**We may not be able to generate sufficient cash to service all of our debt, including the Notes.**

Our ability to make scheduled payments of principal and interest or to satisfy our obligations in respect of our debt or to refinance our debt will depend on our future operating performance. Prevailing economic conditions (including interest rates), regulatory constraints, including, among other things, on required capital levels with respect to certain of our nonbanking subsidiaries, and financial, business and other factors, many of which are beyond our control, will also affect our ability to meet these needs. We may not be able to generate sufficient cash flows from operations, or obtain future borrowings in an amount sufficient to enable us to pay our debt, or to fund our other liquidity needs. We may need to refinance all or a portion of our debt on or before maturity. We may not be able to refinance any of our debt when needed on commercially reasonable terms or at all.

**The amount of interest payable on the Notes will vary on and after November 20, 2024 and any interest may be less than the fixed annual rate in effect until November 20, 2024.**

As the interest rate of the Notes will be calculated based on LIBOR from November 20, 2024 to, but excluding, the maturity date or earlier redemption date and LIBOR is a floating rate, the interest rate on the Notes will vary on and after November 20, 2024. During this period, the Notes will bear a floating interest rate set each quarterly interest period at a per annum rate equal to the then-current Three-Month LIBOR rate, plus a spread of 247 basis points; provided, that in the event Three-Month LIBOR is less than zero, then the Three-Month LIBOR shall be deemed to be zero. The per annum interest rate that is determined on the relevant determination date will apply to the entire quarterly interest period following such determination date even if LIBOR increases during that period.

Floating rate notes bear additional significant risks not associated with fixed rate debt securities and the floating rate could be more or less than the fixed rate for the initial period. These risks include fluctuation of the interest rates and the possibility that you will receive an amount of interest that is lower than expected. We have no control over a number of matters, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, the floating rate Notes.

**The level of LIBOR may affect our decision to redeem the Notes.**

We are more likely to redeem the Notes on or after November 20, 2024 if the interest rate on them is higher than that which would be payable on one or more other forms of borrowing. If we redeem the Notes prior to their maturity date, holders may not be able to invest in other securities that yield as much interest as the Notes.

**The historical levels of Three-Month LIBOR are not an indication of the future levels of Three-Month LIBOR. In the past, the level of Three-Month LIBOR has experienced significant fluctuations.**

Historical levels, fluctuations and trends of Three-Month LIBOR are not necessarily indicative of future levels. Any historical upward or downward trend in Three-Month LIBOR is not an indication that Three-Month LIBOR is more or less likely to increase or decrease at any time during the Floating Rate Period, and you should not take the historical levels of Three-Month LIBOR as an indication of its future performance.

**Uncertainty relating to the LIBOR calculation process and potential phasing out of LIBOR after 2021 may adversely affect the value of the Notes.**

On July 27, 2017, the U.K. Financial Conduct Authority, which regulates LIBOR, announced that it will no longer persuade or compel banks to submit rates for the calculation of LIBOR rates after 2021 (the “July 27<sup>th</sup> Announcement”). The July 27<sup>th</sup> Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Consequently, at this time, it is not possible to predict the effect of these changes, whether and to what extent banks will continue to provide LIBOR submissions to the administrator of LIBOR or whether any additional reforms to LIBOR may be enacted in the United Kingdom or elsewhere. Similarly, it is not possible to predict whether LIBOR will continue to be viewed as an acceptable benchmark for securities such as the Notes, what rate or rates may become accepted alternatives to LIBOR or the effect of any such changes in views or alternatives on the value of LIBOR-linked securities, such as the Notes. Any of the above

developments or changes or any other consequential changes to LIBOR, or any alternative rate or benchmark as a result of any international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the value of the Notes.

**If LIBOR is discontinued, the interest rate during the Floating Rate Period will be calculated using an alternative reference rate.**

Although the initial interest rate on the Notes is fixed, the Notes will bear interest each quarterly interest period at a per annum rate equal to the then-current Three-Month LIBOR rate, plus a spread of 247 basis points, for each interest period beginning November 20, 2024. As described under “Description of the Notes—Interest Rate and Interest Payment Dates—Floating Rate Period,” if we, in our sole discretion, determine that Three-Month LIBOR has been discontinued or is no longer viewed as an acceptable benchmark for securities, then we may notify the Calculation Agent of such determination and the Calculation Agent shall use, as directed by us, a substitute or successor base rate for each future Interest Rate Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) that is consistent with market practice regarding a substitute for the Three-Month LIBOR. Notwithstanding the foregoing, if the Corporation determines that there is no alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) that is consistent with market practice regarding a substitute for Three-Month LIBOR, the Corporation may, in its sole discretion, appoint an independent financial advisor (“IFA”) to determine an appropriate alternative rate and any adjustments, and the decision of the IFA shall be binding upon the Corporation, the Calculation Agent and the holders of the Notes.

Our interests in making the foregoing determinations or adjustments may be adverse to the interests of holders of Notes, and any of the foregoing determinations or actions by us could result in adverse consequences to the applicable interest rate on the Notes during a floating rate interest period, which could have a material adverse effect on the return on, value of, and market for the Notes. We will act initially as the Calculation Agent for purposes of determining Three-Month LIBOR for each floating rate interest period.

**Holders of the Notes will have no rights against the publishers of LIBOR.**

Holders of the Notes will have no rights against the publishers of LIBOR, even though the amount they receive on each interest payment date after November 20, 2024 will depend upon the level of LIBOR. The publishers of LIBOR are not in any way involved in this offering and have no obligations relating to the Notes or the holders of the Notes.

**Our management has broad discretion over the use of proceeds from this offering.**

Our management has significant flexibility in applying the proceeds that we receive from this offering. Although we have indicated our intent to use the proceeds from this offering for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs, our management retains significant discretion with respect to the use of proceeds. The proceeds of this offering may be used in a manner which does not generate a favorable return for us. We may use the proceeds to fund future acquisitions of other businesses and there can be no assurances that any business we acquire would be successfully integrated into our operations or otherwise perform as expected.

**The U.S. federal income tax consequences are uncertain with respect to the Notes if LIBOR is substituted with an alternative reference rate.**

Recently proposed U.S. Treasury regulations provide guidance on the U.S. federal income tax consequences of substituting another reference rate (other than another interbank offered rate) for LIBOR in debt instruments. The proposed U.S. Treasury regulations (which taxpayers are permitted to rely on pending their finalization) explain that a significant modification of a debt instrument would generally not result provided that the alternative reference rate is a “qualified rate” and the alteration does not change the fair market value of the debt

instrument. If LIBOR is discontinued, the alternative reference rate in lieu of LIBOR in the Floating Rate Period and certain other factors related to the Notes would need to meet the requirements of the U.S. Treasury regulations such that a significant modification of the Notes would not result. We cannot guaranty that a significant modification would not occur. If such substitution were a significant modification, there would be a deemed exchange of the Notes, which could trigger recognition of gain or loss for holders of the Notes. Please read “Material U.S. Federal Income Tax Considerations — U.S. Holders — Deemed Exchange” in this offering circular for further discussion.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made or incorporated by reference into this offering circular which are not statements of historical fact constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “aspire,” “roadmap,” “achieve,” “estimate,” “intend,” “plan,” “project,” “projection,” “forecast,” “goal,” “target,” “would,” and “outlook,” or the negative version of those words or other comparable words of a future or forward-looking nature. These forward-looking statements include, without limitation, those relating to the benefits, costs, synergies and financial and operational impact of our Completed Mergers, the acceptance by customers of our Completed Mergers of our products and services after the closing of the Completed Mergers, the opportunities to enhance market share in certain markets and market acceptance of us generally in new markets, our ability and the ability of Texas First to complete the Texas First Merger, our ability and the ability of Texas First to satisfy the conditions to closing of the Texas First Merger, including the approval of the Texas First Merger by Texas First’s shareholders and the receipt of all required regulatory approvals, our ability and the ability of Texas First to meet expectations regarding the timing, completion and accounting and tax treatments of the Texas First Merger, the possibility that any of the anticipated benefits, cost savings and synergies of the Texas First Merger will not be realized or will not be realized as expected, the failure of the Texas First Merger to close for any other reason, the possibility that the Texas First Merger may be more expensive or time consuming to complete than anticipated, including as a result of unexpected factors or events, our ability to operate our regulatory compliance programs consistent with federal, state and local laws, including its Bank Secrecy Act (“BSA”) and anti-money laundering (“AML”) compliance program and its fair lending compliance program, our compliance with the Consent Order we entered into with the CFPB and the DOJ related to our fair lending practices, the impact of the Tax Cuts and Jobs Act of 2017 on us and our operations and financial performance, statements regarding LIBOR and the Floating Rate Period, expectations regarding redemption of the Notes, amortization expense for intangible assets, goodwill impairments, loan impairment, utilization of appraisals and inspections for real estate loans, maturity, renewal or extension of construction, acquisition and development loans, net interest revenue, fair value determinations, the amount of our non-performing loans and leases, credit quality, credit losses, liquidity, off-balance sheet commitments and arrangements, valuation of mortgage servicing rights, allowance and provision for credit losses, early identification and resolution of credit issues, utilization of non-GAAP financial measures, the ability of us to collect all amounts due according to the contractual terms of loan agreements, our reserve for losses from representation and warranty obligations, our foreclosure process related to mortgage loans, the resolution of non-performing loans that are collaterally dependent, real estate values, fully-indexed interest rates, interest rate risk, interest rate sensitivity, the impact of interest rates on loan yields, calculation of economic value of equity, impaired loan charge-offs, diversification of our revenue stream, the growth of our insurance business and commission revenue, the growth of our customer base and loan, deposit and fee revenue sources, liquidity needs and strategies, sources of funding, net interest margin, declaration and payment of dividends, the utilization of our share repurchase program, the implementation and execution of cost saving initiatives, improvement in our efficiencies, operating expense trends, future acquisitions, dispositions and other strategic growth opportunities and initiatives and the impact of certain claims and ongoing, pending or threatened litigation, administrative and investigatory matters.

These forward-looking statements are not historical facts, and are based upon current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain, involve risk and are beyond our control. The inclusion of these forward-looking statements should not be regarded as a representation by us or any other person that such expectations, estimates and projections will be achieved. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict and that are beyond our control. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date of this offering circular, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. These factors may include, but are not limited to, our ability to operate our regulatory compliance programs consistent with federal, state and local laws, including our BSA/AML compliance program and our fair lending compliance program, our ability to successfully implement and comply with the Consent Order, the ability of us to meet expectations regarding the benefits, costs, synergies, and financial and operational impact of our Completed Mergers or the Texas

First Merger, the possibility that any of the anticipated benefits, costs, synergies and financial and operational improvements of our Completed Mergers or the Texas First Merger will not be realized or will not be realized as expected, the possibility that integration of the Completed Mergers or the Texas First Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events, the lack of availability of our filings mandated by the Exchange Act from the SEC's publicly available website after November 1, 2017, the impact of any ongoing pending or threatened litigation, administrative and investigatory matters involving the Company, conditions in the financial markets and economic conditions generally, the adequacy of our provision and allowance for credit losses to cover actual credit losses, the credit risk associated with real estate construction, acquisition and development loans, limitations on our ability to declare and pay dividends, the availability of capital on favorable terms if and when needed, liquidity risk, governmental regulation, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), and supervision of our operations, the short-term and long-term impact of changes to banking capital standards on our regulatory capital and liquidity, the impact of regulations on service charges on our core deposit accounts, the susceptibility of our business to local economic and environmental conditions, the soundness of other financial institutions, changes in interest rates, the impact of monetary policies and economic factors on our ability to attract deposits or make loans, volatility in capital and credit markets, reputational risk, the impact of the Tax Cuts and Jobs Act of 2017 on us and our operations and financial performance, the impact of the loss of any of our key personnel, the impact of hurricanes or other adverse weather events, any requirement that we write down goodwill or other intangible assets, diversification in the types of financial services that we offer, the growth of our insurance business and commission revenue, the growth of our loan, deposit and fee revenue sources, our ability to adapt our products and services to evolving industry standards and consumer preferences, competition with other financial services companies, risks in connection with completed or potential acquisitions, dispositions and other strategic growth opportunities and initiatives, our growth strategy, interruptions or breaches in our information system security, the failure of certain third-party vendors to perform, unfavorable ratings by rating agencies, dilution caused by our issuance of any additional shares of our common stock to raise capital or acquire other banks, bank holding companies, financial holding companies and insurance agencies, the utilization of our share repurchase program, the implementation and execution of cost saving initiatives, and other factors generally understood to affect the assets, business, cash flows, financial condition, liquidity, prospects and/or results of operations of financial services companies.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth in the section titled "Risk Factors" beginning on page 12 of this offering circular and included within the Series A Preferred Stock Offering Circular as well as those factors that are detailed from time to time in our periodic and current reports filed with the FDIC, including those factors included in our Annual Report on Form 10-K for the year ended December 31, 2018 under the heading "Item 1A. Risk Factors," in our Quarterly Reports on Form 10-Q and in our Current Reports on Form 8-K.

If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from our forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this offering circular, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence or how they will affect us.



## **USE OF PROCEEDS**

We estimate that the net proceeds for this offering will be approximately \$296.9 million after deducting the underwriting discount and estimated offering expenses. We intend to use the net proceeds of this offering of the Notes for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs. Prior to such uses, we may temporarily invest the net proceeds of this offering in marketable securities and short-term investments.

## CAPITALIZATION

The following table sets forth our capitalization as of:

- September 30, 2019 on an actual basis; and
- September 30, 2019 on an as-adjusted basis, to give effect to:
  - the sale of 6,000,000 shares of Series A Preferred Stock that we are simultaneously offering in addition to the Notes (but excluding the underwriters' option to purchase an additional 900,000 shares of Series A Preferred Stock), after deducting the underwriting discount and estimated offering expenses; and
  - the sale of \$300,000,000 of the Notes, after deducting the underwriting discount and estimated offering expenses, in this offering.

This information should be read together with the selected consolidated financial and other data in this offering circular as well as the unaudited consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in our quarterly report on Form 10-Q for the quarter ended September 30, 2019, which is incorporated by reference into this offering circular.

	As of September 30, 2019(1)	
	Actual	As Adjusted
	(Dollars in thousands except per-share data)	
<b>Liabilities</b>		
Total deposits	\$16,025,756	\$16,025,756
Securities sold under agreement to repurchase	529,788	529,788
Federal funds purchased and other short-term borrowings	480,000	480,000
Accrued interest payable	13,120	13,120
Long-term debt(2)	5,161	5,161
Subordinated notes	—	296,875
Other liabilities	306,973	306,973
Total liabilities	\$ 17,360,798	\$ 17,657,673
<b>Shareholders' equity</b>		
Preferred stock, \$0.01 par value		
5.50% Series A Non-Cumulative Perpetual Preferred Stock, liquidation preference \$25.00 per share;		
Authorized - 6,900,000		
Issued - 6,000,000 (as adjusted)	\$ —	\$ 150,000
Common stock, \$2.50 par value;		
Authorized - 500,000,000		
Issued and outstanding - 104,775,876 (actual)	261,940	261,940
Capital surplus	611,115	606,561
Accumulated other comprehensive loss	(50,538)	(50,538)
Retained earnings	1,666,910	1,666,910
Total shareholders' equity	\$ 2,489,427	\$ 2,634,873
<b>Regulatory Capital Ratios</b>		
Tier 1 Leverage (Well Capitalized = 5%)	9.14%	9.70%
Tier 1 Common (Well Capitalized = 6.5%)	10.54%	10.49%
Tier 1 Capital (Well Capitalized = 8%)	10.54%	11.40%
Total Capital (Well Capitalized = 10%)	11.28%	13.99%

- (1) Includes approximately 10,950,000 shares of our common stock issued in the Completed Mergers. Does not include approximately 1,065,000 shares of our common stock that we expect to issue in the Texas First Merger.
- (2) Includes approximately \$2.8 million in long-term portion of FHLB advances.

## DESCRIPTION OF THE NOTES

We have summarized the material terms of the Notes below, but the summary does not purport to be complete and is subject to and qualified in its entirety by reference to all of the provisions of the Notes and the Paying Agency Agreement. You should read the Notes and Paying Agency Agreement because they, and not this description, define your rights as holders of the Notes.

### General

The Notes will be our unsecured and subordinated obligations and will be issued as a series of debt securities under the Paying Agency Agreement, as the same may be supplemented and amended from time to time between the us and U.S. Bank National Association, as issuing and paying agent. The Notes issued by us will constitute a single series of our subordinated debt securities, initially in the aggregate principal amount of \$300 million. The Paying Agency Agreement will not limit the amount of Notes that we may issue. The Notes will be issued in minimum denominations of \$1,000 or in increments of \$1,000 in excess thereof.

From and including November 20, 2019 to, but excluding, November 20, 2024, the Notes will bear interest at a fixed annual interest rate equal to 4.125%, payable semi-annually in arrears on each May 20 and November 20, commencing May 20, 2020. From and including November 20, 2024 to, but excluding, the maturity date or the date of earlier redemption, the interest rate will reset quarterly to an annual interest rate equal to the Three-Month LIBOR (as defined herein) plus a spread of 247 basis points, payable quarterly in arrears on each February 20, May 20, August 20, and November 20, beginning on November 20, 2024. On the maturity date or a date of earlier redemption, interest will be paid to, but excluding, such date. Notwithstanding the foregoing, in the event that the Three-Month LIBOR rate is less than zero, then the Three-Month LIBOR rate will be deemed to be zero. See “—Interest Payments” for additional details.

If not previously redeemed or accelerated, the Notes will mature on November 20, 2029 (the “Maturity Date”). Payment of principal on the Notes may be accelerated only in the case of an Insolvency Event of Default. See “—Events of Default; Waivers.” On the Maturity Date, the holders of the Notes will be entitled to receive 100% of the principal amount of the Notes together with any interest then payable through the facilities of DTC or by wire transfer, subject to such terms and conditions as the Paying Agent may impose.

Beginning with the interest payment date of November 20, 2024, and on any interest payment date thereafter, we may, at our option, subject to obtaining the prior approval of the appropriate federal banking agency to the extent then required, redeem the Notes, in whole or in part, at a price equal to 100% of the principal amount of the Notes to be redeemed plus any accrued and unpaid interest to, but excluding, the redemption date. The Notes may also be redeemed, in whole and not in part, at any time in the event certain events occur. See “—Redemption.”

Except as described below, the Notes will be issued only in book-entry form. The Notes will initially be represented by one or more global certificates deposited with or on behalf of DTC, or a nominee of DTC, as depository, and registered in the name of Cede & Co. or other nominee of DTC.

The Notes are not being registered with the SEC, the FDIC, the Mississippi Secretary of State or the Mississippi Department of Banking and Consumer Finance. The Notes are being offered in accordance with an exemption from registration under Section 3(a)(2) of the Securities Act. The Paying Agency Agreement is not required to be, and will not be, qualified under the Trust Indenture Act of 1939, as amended.

Because the Notes will not be issued pursuant to an indenture, no trustee will act on behalf of holders in relation to the Notes. Each holder will be responsible for acting independently with respect to certain matters affecting such holder’s Note, including enforcing the agreements or covenants contained therein, responding to any requests for consents, waivers or amendments or accelerating the maturity of such holder’s Note upon the occurrence of an Insolvency Event of Default (as defined below). If the holder of any Notes is a depository institution, our obligations under the Notes to that depository institution will be subject to a specific waiver of the right of offset by that depository institution.

The Notes are our obligations solely and are neither obligations of, nor are they guaranteed by, any of our subsidiaries or affiliates. The Notes are not secured by any of our assets. No recourse shall be had for the payment

of principal of or interest on any Note, for any claim based thereon, or otherwise in respect thereof, against any stockholder, employee, agent, officer or director, as such, past, present or future, of ours or any successor entity. Neither the Notes nor the Paying Agency Agreement contain any covenants or restrictions restricting the incurrence of debt, deposits or other liabilities by us or our subsidiaries or restrictions on the paying of dividends, selling assets, making investments or issuing or repurchasing other securities and do not contain any provision that would provide protection to the holders of the Notes against a sudden and dramatic decline in credit quality resulting from a merger, takeover, recapitalization or similar restructuring or any other event involving us or our subsidiaries that may adversely affect our or our subsidiaries' credit quality.

There is no sinking fund for the Notes. The Notes are not convertible into, or exchangeable for, equity securities, other securities or assets of ours or our subsidiaries. The Notes are not savings accounts or deposits. The Notes are not insured or guaranteed by the FDIC or any other governmental agency or public or private insurer, and are subject to investment risks, including the possible loss of the entire amount of your investment.

A copy of the Paying Agency Agreement and the form of Notes will be available for inspection by owners of beneficial interests in the Notes at the offices of the Paying Agent located at U.S. Bank National Association, Corporate Trust Services, 333 Commerce Street, Suite 800, Nashville, Tennessee 37201, Attn: Corporate Trust Administration.

## **Interest Payments**

### ***Fixed Rate Period***

From and including November 20, 2019 to, but excluding, November 20, 2024, the Notes will bear interest at a fixed annual interest rate equal to 4.125%, payable semi-annually in arrears on each May 20 and November 20, commencing May 20, 2020. We refer to each such date as a "Fixed Rate Interest Payment Date," and we refer to the period from, and including, the issue date of the Notes to, but excluding, the first Fixed Rate Interest Payment Date and each successive period from, and including, a Fixed Rate Interest Payment Date to, but excluding, the next Fixed Rate Interest Payment Date as a "Fixed Rate Period." If any Fixed Rate Interest Payment Date is not a Business Day (as defined below), we will make the relevant payment on the next Business Day, and no interest will accrue as a result of any such delay in payment. The interest payable on any Fixed Rate Interest Payment Date will be paid to each holder in whose name a Note is registered at the close of business on the May 1 and November 1 (whether or not a Business Day) immediately preceding such Fixed Rate Interest Payment Date.

Interest payable on the Notes for any Fixed Rate Period will be computed on the basis of a 360-day year of twelve 30-day months.

### ***Floating Rate Period***

From and including November 20, 2024 to, but excluding, the maturity date or the date of earlier redemption, the interest rate will reset quarterly to an annual interest rate equal to the Three-Month LIBOR (as defined herein) plus a spread of 247 basis points, payable quarterly in arrears on each February 20, May 20, August 20, and November 20, beginning on November 20, 2024. We refer to each such date as a "Floating Rate Interest Payment Date," and together with the Fixed Rate Interest Payment Dates, collectively the "Interest Payment Dates," and we refer to the period from, and including, February 20, 2024 to, but excluding, the first Floating Rate Interest Payment Date and each successive period from, and including, a Floating Rate Interest Payment Date to, but excluding, the next Floating Rate Interest Payment Date as a "Floating Rate Period," and together with the Fixed Rate Periods, collectively, the "Interest Rate Periods." The interest payable on any Floating Rate Interest Payment Date will be paid to the holder in whose name a Note is registered at the close of business on the February 1, May 1, August 1 and November 1 (whether or not a Business Day) immediately preceding such Floating Rate Interest Payment Date. If a Floating Rate Interest Payment Date falls on a day that is not a Business Day, then such Floating Rate Interest Payment Date will be postponed to the next succeeding Business Day unless such day falls in the next succeeding calendar month, in which case such Floating Rate Interest Payment Date will be accelerated to the immediately preceding Business Day, and, in each such case, the amounts payable on such Business Day will include interest accrued to, but excluding, such Business Day.

The interest rate for each Floating Rate Period shall be determined by the Calculation Agent using Three-Month LIBOR as in effect on the second (2<sup>nd</sup>) London Banking Day prior to the beginning of the Floating Rate

Period, which date is the “Interest Rate Determination Date” for the relevant Floating Rate Period. The Calculation Agent will then add Three-Month LIBOR as determined on the Interest Rate Determination Date and the applicable spread. Notwithstanding the foregoing, in the event that the Three-Month LIBOR rate is less than zero, then the Three-Month LIBOR rate will be deemed to be zero. Once the interest rate for the Notes is determined, the Calculation Agent shall deliver that information to us and the Paying Agent. Absent manifest error, the Calculation Agent’s determination or, if applicable, by the IFA (defined herein), of the interest rate for the relevant Floating Rate Period for the Notes will be final.

Interest payable on the Notes for a Floating Rate Period will be computed on the basis of the actual number of days in such Floating Rate Period and a 360-day year.

The term “Business Day” means with respect to any Fixed Rate Interest Payment Date, any weekday in New York, New York that is not a day on which banking institutions in such city are authorized or required by applicable law, regulation, or executive order to be closed and (b) with respect to any Floating Rate Interest Payment Date, any weekday in New York, New York that is not a day on which banking institutions in such city are authorized or required by applicable law, regulation, or executive order to be closed, and additionally, is a London Banking Day.

The term “London Banking Day” means any day on which dealings in U.S. dollars are transacted or, with respect to any future date, are expected to be transacted in the commercial banks are open and dealing in deposits in U.S. dollars in the London interbank market.

The term “Three-Month LIBOR” means, shall mean, for each Interest Rate Determination Date related to a Floating Rate Period, the rate determined by the Calculation Agent as follows:

- (i) the London interbank offered rate for deposits in U.S. dollars for a three-month period, as that rate appears on Reuters screen page “LIBOR01” (or any successor or replacement page) at approximately 11:00 a.m., London time, on the relevant Interest Rate Determination Date.
- (ii) If no offered rate appears on Reuters screen page “LIBOR01” (or any successor or replacement page) on the relevant Interest Rate Determination Date at approximately 11:00 a.m., London time, then the Calculation Agent, in consultation with the Corporation, shall select four major banks in the London interbank market and shall request each of their principal London offices to provide a quotation of the rate at which three-month deposits in U.S. dollars in amounts of at least \$1 million are offered by it to prime banks in the London interbank market, on that date and at that time. If at least two quotations are provided, Three-Month LIBOR shall be the arithmetic average (rounded upward if necessary to the nearest .00001 of 1%) of the quotations provided. Otherwise, the Calculation Agent, in consultation with the Corporation, shall select three major banks in New York City and shall request each of them to provide a quotation of the rate offered by it at approximately 11:00 a.m., New York City time, on the Interest Rate Determination Date for loans in U.S. dollars to leading European banks for a three-month period for the relevant Floating Rate Period in an amount of at least \$1 million. If three quotations are provided, Three-Month LIBOR shall be the arithmetic average (rounded upward if necessary to the nearest .00001 of 1%) of the quotations provided. Otherwise, if a LIBOR Event (as defined below) has not occurred, Three-Month LIBOR for the next Floating Rate Period shall be equal to Three-Month LIBOR in effect for the then current Floating Rate Period or, in the case of the first Floating Rate Period in the Interest Rate Period, the most recent rate on which Three-Month LIBOR could have been determined in accordance with the first sentence of this Section had the interest rate been a floating rate during the Fixed Rate Period.
- (iii) Notwithstanding subsections (i) and (ii) immediately above, if the Corporation, in its sole discretion, determines on the relevant Interest Rate Determination Date that the Three-Month LIBOR has been discontinued or is no longer viewed as an acceptable benchmark for securities like the Notes, and the Corporation has notified the Calculation Agent (if it is not the Corporation) of such determination (a “LIBOR Event”), then the Calculation Agent shall use, as directed by the Corporation, as a substitute or successor base rate (the “Alternative Rate”) for each future Interest Rate Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) that is consistent with market practice regarding a substitute for the Three-Month LIBOR. As part of such substitution, the Calculation Agent

shall, as directed by the Corporation, make such adjustment to the Alternative Rate or the spread thereon, as well as the business day convention, the Interest Rate Determination Date and related provisions and definitions (“Adjustments”), in each case that are consistent with market practice for the use of such Alternative Rate. Notwithstanding the foregoing, if the Corporation determines that there is no alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) that is consistent with market practice regarding a substitute for Three-Month LIBOR, the Corporation may, in its sole discretion, appoint an independent financial advisor (“IFA”) to determine an appropriate Alternative Rate and any Adjustments, and the decision of the IFA shall be binding upon the Corporation, the Calculation Agent and the holders of the Notes. If on any Interest Rate Determination Date during the Floating Rate Period (which may be the first Interest Rate Determination Date of the Floating Rate Period) a LIBOR Event has occurred prior to such Interest Rate Determination Date and for any reason an Alternative Rate has not been determined or there is no such market practice for the use of such Alternative Rate (and, in each case, an IFA has not determined an appropriate Alternative Rate and Adjustments or an IFA has not been appointed) as of such Interest Rate Determination Date, then, commencing on such Interest Rate Determination Date, the interest rate, business day convention and manner of calculating interest applicable during the Fixed Rate Period shall be in effect for the applicable Interest Rate Period and shall remain in effect during the remainder of the Floating Rate Period.

## **Redemption**

### ***Optional Redemption***

We may, at our option, redeem the Notes in whole or in part, from time to time, at any time on or after November 20, 2024 at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date of redemption subject to prior approval of the appropriate federal banking agency to the extent that such approval is required. If any Note is to be redeemed in part only, the notice of redemption relating to such Note shall state it is a partial redemption and the portion of the principal amount thereof to be redeemed. A replacement Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. The Notes are not subject to redemption or prepayment at the option of the holders of the Notes.

### ***Redemption Upon Special Events***

In addition, we may, at our option and subject to prior approval of the appropriate federal banking agency, to the extent that such approval is required, redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date of redemption, within 90 days following the occurrence of:

- a “tax event” which means our receipt of an opinion of independent tax counsel to the effect that, as a result of (a) an amendment to or change (including any announced prospective amendment or change) in any law or treaty, or any rule or regulation thereunder, of the United States or any of its political subdivisions or taxing authorities, (b) a judicial decision, administrative action, official administrative pronouncement, ruling, regulatory procedure, regulation, notice or announcement, including any notice or announcement of intent to adopt or promulgate any ruling, regulatory procedure or regulation, (c) an amendment to or change in any official position with respect to, or any interpretation of, an administrative or judicial action or a law or regulation of the United States that differs from the previously generally accepted position or interpretation, or (d) a threatened challenge asserted in writing in connection with an audit of our federal income tax returns or positions or a similar audit of any of our subsidiaries or a publicly known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes, in each case, occurring or becoming publicly known on or after the original issue date of the Notes, there is more than an insubstantial risk that interest payable by us on the Notes is not, or within 90 days of the date of such opinion, will not be, deductible by us, in whole or in part, for United States federal income tax purposes;
- a “special event” which means our good faith determination that, as a result of (i) any amendment to, clarification of, or change in (including any announced prospective change), the laws, rules or

regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of the Notes; (ii) any proposed change in those laws, rules or regulations that is announced or becomes effective after the initial issuance of the Notes; or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of the Notes, there is more than an insubstantial risk that we will not be entitled to treat the full principal amount of the Notes as “Tier 2” capital (or its equivalent) for purposes of the capital adequacy guidelines of the FDIC (or, as and if applicable, the capital adequacy guidelines or regulations of any successor appropriate federal banking agency), as then in effect and applicable, for as long as any Notes are outstanding. “Appropriate federal banking agency” in this section means the appropriate federal banking agency with respect to us as that term is defined in Section 3(q) of the Federal Deposit Insurance Act or any successor provision.; or

- our becoming required to register as an investment company pursuant to the Investment Company Act of 1940, as amended.

If Notes are to be redeemed, we must give the holders of the Notes to be redeemed notice of the redemption not earlier than 30 nor greater than 60 days’ before the redemption date. Any such redemption may be subject to the satisfaction of conditions precedent as may be set forth in the applicable notice of redemption. If fewer than all of the Notes are to be redeemed, DTC will select the Notes for redemption on a pro rata basis, by lot or by such other method in accordance with the its procedures. No Notes of \$1,000 or less will be redeemed in part.

If money sufficient to pay the redemption price of any accrued interest on the Notes (or portions thereof) to be redeemed on the redemption date is deposited with the Paying Agent on or before the redemption date and certain other conditions are satisfied, then on and after the redemption date, interest will cease to accrue on such Notes (or such portion thereof) called for redemption and such Notes will cease to be outstanding.

### **Ranking; Subordination**

Our obligation to make any payment on account of the Notes will be subordinated and junior to all of our senior indebtedness, including our deposits, as described below, and rank equally with all of the Notes and among our other indebtedness ranked equal to the Notes. The Notes will rank junior in right of payment and upon our liquidation with any of our existing and all of our future indebtedness the terms of which provide that such indebtedness ranks senior in right of payment and upon our liquidation to our existing junior debt. The Notes and Paying Agency Agreement do not limit the amount of senior indebtedness, secured indebtedness, or other liabilities having priority over, or ranking equally with, the Notes that we or our subsidiaries may hereafter incur. In addition, the Notes will be effectively subordinated to our future secured indebtedness to the extent of the value of the collateral securing such indebtedness, which means that such creditors generally will be paid from those subsidiaries’ assets before holders of the Notes would have any claims to those assets. In addition to the Notes, as of September 30, 2019, we had approximately \$17.4 billion of indebtedness that ranked senior to the Notes, including approximately \$16.0 billion of deposit liabilities, approximately \$529.8 million of securities sold under agreements to repurchase, approximately \$480.0 million of outstanding collateralized advances from the FHLB, \$13.1 million of accrued interest payable and approximately \$5.2 million of long-term debt.

The term “senior indebtedness” means:

- all of our deposits (including our uninsured deposits);
- all of our indebtedness (including indebtedness of others guaranteed by us), whether outstanding on the date of the initial issuance of the Notes or thereafter created, incurred or assumed, which is:
  - for money purchased or borrowed, or
  - evidenced by a note or similar instrument given in connection with the acquisition of any businesses, properties or assets of any kind;
- any obligation, whether outstanding on the date of the initial issuance of the Notes or thereafter created, incurred or assumed, which is:

- our obligation under direct credit substitutes;
  - an obligation of ours, or any such obligation directly or indirectly guaranteed by us, for purchased money or funds;
  - a deferred obligation of ours, or any such obligation directly or indirectly guaranteed by us, incurred in connection with the acquisition of any business, properties or assets not evidenced by a note or similar instrument given in connection therewith;
  - our obligation to make payment pursuant to the terms of certain financial instruments such as (A) securities contracts, interest rate, currency future or exchange contracts and foreign exchange contracts, (B) derivative instruments, such as swap agreements (including interest rate and foreign exchange rate swap agreements), cap agreements, floor agreements, collar agreements, interest rate agreements, foreign exchange rate agreements, options, commodity futures contracts and commodity options contracts and (C) financial instruments similar to those set forth in (A) or (B) above;
- indebtedness secured by any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by us;
  - all obligations evidenced by debentures, notes, debt securities or other similar instruments; and
  - any amendments, deferrals, extensions, supplements, refundings, replacements, renewals, or modifications of any such indebtedness or obligation.

However, senior indebtedness does not include any indebtedness or obligations of ours with respect to which the instrument creating or evidencing any such indebtedness or obligation, or pursuant to which the same is outstanding, provides that such indebtedness or obligation is not superior in right of payment to the Notes or to other debt that is *pari passu* with or subordinate to the Notes, or trade accounts payable in the ordinary course of our business.

The Notes will be unsecured and not be guaranteed by any of our subsidiaries or affiliates. Any right we have to receive assets of any of our subsidiaries upon their liquidation or reorganization and the resulting right of the holders of Notes to participate in those assets effectively will be subordinated to the claims of that subsidiary's creditors, including trade creditors, except to the extent that we are recognized as a creditor of the subsidiary, in which case our claims would be subordinated to any security interests in the assets of the subsidiary granted to another creditor and any indebtedness of the subsidiary senior to the debt held by us.

If we become subject to any receivership, conservatorship, insolvency or similar proceedings or any liquidation or other winding-up, to the extent applicable, all holders of senior indebtedness will be entitled to receive payment in full of all amounts due or to become due before the holders of the Notes will be entitled to receive any payment of principal of or interest on the Notes. If, after we have made those payments on the holders of our senior indebtedness there are amounts available for payment on the Notes, then we may make full or partial payment on the Notes. Because of the subordination provisions and the obligation to pay senior indebtedness described above, in the event of our insolvency, holders of the Notes may not recover any payments or may recover less ratably than holders of the senior indebtedness and other creditors of ours.

If the Notes are accelerated, all holders of senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law will be entitled to receive payment in full of all amounts due or to become due before the holders of the Notes will be entitled to receive any payment of principal or interest on the Notes. In addition, in the event of and during the continuation of any default in the payment of principal of or interest on any senior indebtedness beyond any applicable grace period, or in the event that any event of default with respect to any senior indebtedness permits the acceleration of the maturity of such senior indebtedness, or if any judicial proceeding is pending with respect to the default in payment or event of default of such senior indebtedness, no payment on the principal of or interest on the Notes will be made unless and until the event of default has been cured or waived and the acceleration rescinded or annulled.



## Further Issuances

We may, from time to time, without notice to or the consent of the holders of the Notes, create and issue additional notes ranking equally with the Notes and with identical terms in all respects (or in all respects except for the offering price, the payment of interest accruing prior to the issue date of such further notes or except for the first payment of interest following the issue date of such further notes) in order that such further notes may be consolidated and form a single series with the Notes and have the same terms as to status, redemption or otherwise as the Notes; provided, that a separate CUSIP number will be issued for any such additional notes unless such additional notes are fungible with the Notes for U.S. federal income tax purposes, subject to the procedures of DTC.

No additional Notes may be issued if an Event of Default with respect to the Notes has occurred and is continuing with respect to the Notes.

## Events of Default; Waivers

An “Event of Default” shall occur upon the following occurrences:

- (i) a court having jurisdiction enters a decree or order for relief in respect of us in an involuntary case or proceeding under any applicable bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) for us or for any substantial part of our property, or ordering the winding-up or liquidation of our affairs shall have been entered and remained unstayed and in effect for a period of 60 consecutive days;
- (ii) we commence a voluntary case under any applicable bankruptcy, insolvency or other similar law, or consent to the entry of a decree or order for relief in an involuntary case or proceeding under any such law, or the consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) for us or of any substantial part of our property, or the making by us of a general assignment for the benefit of creditors;
- (iii) we default in the payment of any interest on the Notes when it becomes due and payable, and continuance of such default for a period of 30 days;
- (iv) we default in the payment of the principal or premium, if any, on the Notes as and when the same shall become due, either at its maturity, upon redemption, by declaration or otherwise; or
- (v) we default in the performance, or breach, of any covenant or warranty of ours in the Paying Agency Agreement or the Notes, and continuance of such default or breach for a period of 90 days after there has been given to us by the holders of at least 25% in principal amount of the outstanding Notes of such series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default.”

An “Insolvency Event of Default” is defined to include clauses (i) and (ii) above. We will promptly notify, and provide copies of such notice to, the Paying Agent of the occurrence of any Insolvency Event of Default. The Paying Agent will promptly deliver such copies of the notice to the holders of the Notes unless the Insolvency Event of Default shall have been cured or waived before the giving of such notice. If an Insolvency Event of Default occurs and continues, each holder of Notes may accelerate payment on such holder’s Notes by declaring the principal amount of and accrued interest on such Notes to be due and payable immediately subject to applicable laws and regulations then in effect and only with prior written approval, if then required, of the FDIC as our conservator or receiver. Any Event of Default with respect to a Note may be waived by the holder of such Note. There is no right of acceleration in any other circumstances, including, but not limited to items (iii), (iv) and (v) listed above or if we default in the payment of interest or principal or we breach the Paying Agency Agreement. Nevertheless, during the continuation of any other Event of Default under the Notes, the holders may, subject to certain limitations and conditions, seek to enforce their rights to regularly scheduled payments under the Notes, as well as the performance of any covenant or agreement by us.

In the event of a receivership, insolvency, liquidation or similar proceeding involving us, the FDIC as conservator or receiver has broad powers as conservator or receiver with respect to contracts, including the Notes, in spite of any acceleration provision.

## **Consolidation, Merger and Sale of Assets**

The Notes provide that we may consolidate with or merge into any other corporation, banking association or other legal entity or sell, convey, transfer or lease our assets as an entirety or substantially as an entirety if:

- immediately after such consolidation, merger, sale or conveyance, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have occurred and be continuing;
- such successor is organized under the laws of the United States of America or any state thereof or the District of Columbia; and
- such successor expressly assumes the due and punctual payment of the principal of and interest on the Notes and all of our obligations under the Notes and the Paying Agency Agreement.

This covenant would not apply to any transaction involving us that is a recapitalization, that constitutes a change of control or that involves our incurring a large amount of additional debt unless the transactions or change of control included a merger or consolidation or transfer of our assets as an entirety or substantially as an entirety. There will be no covenants or other provisions in the Paying Agency Agreement or Notes providing for a put option or increased interest or that would otherwise afford holders of the Notes additional protection in the event of a transaction that is a recapitalization, that constitutes a change of control or that involves our incurring a large amount of additional debt. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve “all or substantially all” of the property or assets of a person.

## **Modification and Waiver**

Modification, amendment or supplement of certain provisions of the Notes and the Paying Agency Agreement may be effected by us and the Paying Agent without the consent of any of the holders of the outstanding Notes affected thereby to:

- evidence succession of another entity and the assumption by any such successor of our obligations under the Notes and the Paying Agency Agreement;
- add further or supplement covenants, restrictions or conditions for the protection of holders of the Notes or to surrender any right or power conferred upon us;
- cure any ambiguities or correct or supplement the provisions of the Paying Agency Agreement that may be defective or inconsistent or inconsistent with the terms of the Notes, make such other provisions in regard to matters or questions arising under the Paying Agency Agreement or to make such other changes, provided that in each case, the changes shall not adversely affect the interests of the holders of the Notes;
- add or change any terms of the Paying Agency Agreement to permit or facilitate the issuance of the Notes in certificated form;
- secure the Notes;
- add any additional Events of Default for the benefit of the holders of the Notes;
- conform the Notes or the Paying Agency Agreement to the description thereof contained in this offering circular; or
- evidence or provide for the acceptance of appointment by a successor Paying Agent or add to or change any of the provisions of the Paying Agency Agreement that shall not adversely affect the interests of the holders of the Notes.

We and the Paying Agent may also amend or modify the provisions of the Notes or the Paying Agency Agreement with the consent of the holders of not less 66 2/3% of the aggregate principal amount of the Notes of such series at the time outstanding for the purposes of supplementing, changing or eliminating any other provisions of the Notes of such series or the Paying Agency Agreement, except that, in no event may we, without the consent of all holders of outstanding Notes affected thereby:

- change the maturity of the principal of, or any installment of interest on, any Note;
- reduce the principal amount of, or interest on, any Note, or reduce the amount of principal payable upon acceleration of the maturity of any Note;
- change any place of payment where, or the coin or currency in which, any Note or any interest on any note is payable;
- impair the right to institute suit for enforcement of any such payment on or after its maturity;
- modify the subordination provisions in a manner adverse to the holders of the Notes;
- reduce the percentage in principal amount of Notes the consent of whose holders is required for any such supplemental agreement or the consent of whose holders is required for any waiver of compliance with certain provisions under the Paying Agency Agreement and their consequences provided for under such agreement; or
- modify the provisions of the Paying Agency Agreement providing for the rescission and annulment of a declaration accelerating the maturity of the Notes, except to increase the percentage required to rescind or annul or to provide that certain other provisions of the Paying Agency Agreement cannot be modified or waived.

Any instrument given by or on behalf of a holder of a Note in connection with any consent to a modification, amendment or supplement to the Paying Agency Agreement will be irrevocable once given and will be conclusive and binding on all subsequent holders of that Note. All modifications, amendments, and supplements to the Paying Agency Agreement or the provisions of the Notes will be conclusive and binding on all holders of the Notes, whether or not notation of those modifications, amendments, or supplements is made on the Notes. In executing any amendment, modification or supplement, the Paying Agent will be entitled to receive, and conclusively rely upon, an opinion of counsel stating that such amendment, modification or supplement is authorized or permitted by the terms of the Paying Agency Agreement.

### **Book-Entry System**

Ownership of the Notes initially will be represented by one or more permanent global certificates registered with DTC, as depository, and will be registered in the name of Cede & Co. or other nominee of DTC, in each case for credit to an account of a direct or indirect participant in DTC as described below. DTC's nominee or any successor depository will thus be the only registered holder of the Notes and will be considered the sole owner of the Notes for purposes of the Paying Agency Agreement.

Beneficial interests in the Global Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Upon the issuance of the Notes and the deposit of the global certificate or certificates representing the Notes with or on behalf of DTC, DTC will immediately credit, on its book-entry registration and transfer system, the respective principal amounts of the Notes represented by such certificate or certificates to the accounts of the participants. The accounts to be credited will be designated by the purchasers of the Notes.

Owners of beneficial interests in the global certificates will not be entitled to receive certificated Notes in registered form and will not be considered holders of Notes unless (1) DTC notifies us in writing that it is no longer willing or able to act as a depository or if DTC ceases to be a clearing agency registered under the Exchange Act, and a successor depository is not appointed by us within 90 days after the effective date of DTC's ceasing to act as depository for the Notes; (2) we, at our option, notify the Paying Agent in writing that we elect to cause the issuance

of Notes in certificated form; or (3) any event shall have happened and be continuing which, after notice or lapse of time, or both, would constitute an Event of Default with respect to the Notes. In the event of such occurrences, upon surrender by DTC or a successor depository of the global certificates, Notes in certificated form will be issued to each person that DTC or a successor depository identifies as the beneficial owner of the related Notes. Upon such issuance, the Paying Agent, at our direction, is required to register such Notes in the name of, and cause the same to be delivered to, such person or persons (or the nominee thereof). Such Notes would be issued in fully registered form, without coupons, in minimum denominations of \$1,000 or in increments of \$1,000 in excess thereof.

Global certificates may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the global certificates may be held through Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, S.A. (“Clearstream”), each as indirect participants in DTC. Transfers of beneficial interests in any global certificate will be subject to the applicable rules and procedures of DTC and its direct and indirect participants, including, if applicable, those of Euroclear and Clearstream, which may change from time to time.

DTC has advised us that it is a New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation. DTC holds securities that its direct participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants’ accounts. This eliminates the need for physical movement of securities certificates.

Direct participants in DTC’s system include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. Access to DTC’s system also is available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly, which are collectively called indirect participants. Persons that are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and the indirect participants. The rules applicable to DTC and its participants are on file with the SEC.

DTC has also advised us that, upon the issuance of the global certificates evidencing the Notes, it will credit, on its book-entry registration and transfer system, the respective principal amounts of the Notes evidenced thereby to the designated accounts of participants. Ownership of beneficial interests in the global certificates will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in the global certificates will be shown on, and the transfer of those ownership interests may be effected only through, records maintained by DTC or its nominee (with respect to participants) and the records of participants and indirect participants (with respect to other owners of beneficial interests in the global certificates). Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participant through which the beneficial owner entered into the transaction. Beneficial owners that are not participants will be permitted to exercise their rights only indirectly through and according to the procedures of participants and, if applicable, indirect participants.

Investors in the global certificates that are participants may hold their interests therein directly through DTC. Investors in the global certificates that are not participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) that are participants in such system. Euroclear and Clearstream will hold interests in the global certificates on behalf of their participants through customers’ securities accounts in their respective names on the books of their respective depositories. All interests in a global certificate, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euro-clear or Clearstream may also be subject to the procedures and requirements of such systems.

The laws of some states require that certain purchasers of securities take physical delivery of those securities in definitive form. These laws may impair the ability of holders to transfer beneficial interests in global

certificates to certain purchasers. Because DTC can act only on behalf of the participants, which in turn act on behalf of the indirect participants, the ability of a person having beneficial interests in a global certificate to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

As long as DTC or any successor depository for a global certificate, or any nominee, is the registered holder of such global certificate, DTC or such successor depository or nominee will be considered the sole owner or holder of the Notes represented by such global certificate for all purposes under the Paying Agency Agreement. Except as set forth below, owners of beneficial interests in a global certificate will not be entitled to have Notes represented by such global certificates registered in their names, will not receive or be entitled to receive physical delivery of the Notes in definitive form, and will not be considered the owners or holders thereof for any purpose under the Paying Agency Agreement. Accordingly, each person owning a beneficial interest in a global certificate must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Paying Agency Agreement. We understand that, under existing industry practices, in the event that it requests any action of holders or that an owner of a beneficial interest in the global certificates desires to give any consent or take any action under the Paying Agency Agreement, DTC or any successor depository would authorize the participants holding the relevant beneficial interests to give or take such action or consent, and such participants would authorize beneficial owners owning through such participants to give or take such action or consent or would otherwise act upon the instructions of beneficial owners owning through them.

Payments on the Notes that are registered in the name of or held by DTC or any successor depository or nominee will be payable to DTC or such successor depository or nominee, as the case may be, in its capacity as registered holder of the global certificates representing the Notes. Under the terms of the Paying Agency Agreement, DTC and the Paying Agent will treat the persons in whose names the Notes, including the global certificates, are registered as the owners of such securities for the purpose of receiving payments and for all other purposes. Beneficial owners of securities other than DTC or its nominees will not be recognized by the relevant registrar, transfer agent or paying agent as registered holders of the securities. Consequently, neither we, nor the Paying Agent, will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the global certificates, for maintaining, supervising or reviewing any records relating to such beneficial ownership interests, or for any other matter relating to the actions and practices of DTC or any of its participants or indirect participants. Holders may experience some delay in their receipt of payments, as such payments will be forwarded by the depository to Cede & Co., as nominee for DTC. DTC will forward the payments to its participants, who will then forward them to indirect participants or holders.

DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer or its agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of that participant and not of DTC, the depository, the issuer, the Paying Agent or any of their agents, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer or its agent, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of direct and indirect participants, and will not be the responsibility of ours or the Paying Agent.

Neither we nor any such person or agent will be liable for any delay by DTC nor by any participant or indirect participant in identifying the beneficial owners of the Notes, and we and any such person or agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the

relevant global certificate in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream. DTC has advised us that it will take any action permitted to be taken by a holder of the Notes only at the direction of one or more participants to whose account DTC has credited the interests in the global certificates and only in respect of such portion of the aggregate principal amount of the Notes as to which such participant or participants has or have given such direction.

Except as provided in this offering circular, owners of beneficial interests in a global certificate will not be entitled to receive physical delivery of the Notes in certificated form and will not be considered the holders of the related Notes for any purpose under the Paying Agency Agreement, and no global certificate will be exchangeable, except for another global certificate of the same denomination and tenor to be registered in the name of DTC or a successor depository or nominee. Accordingly, each beneficial owner must rely on the procedures of DTC and, if the beneficial owner is not a participant, on the procedures of the participant or indirect participant through which the beneficial owner owns its interest to exercise any rights of a holder under the Paying Agency Agreement.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the global certificates among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither we nor the Paying Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section, including any description of the operations and procedures of DTC, Euroclear and Clearstream, has been provided solely as a matter of convenience. We do not take any responsibility for the accuracy of this information, and this information is not intended to serve as a representation, warranty or contract modification of any kind. The operations and procedures of DTC, Euroclear and Clearstream are solely within the control of such settlement systems and are subject to changes by them. We urge investors to contact such systems or their participants directly to discuss these matters.

### ***Clearstream***

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a bank. Clearstream holds securities for its participating organizations (“Clearstream participants”) and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interacts with domestic securities markets in over 30 countries through established depository and custodial relationships. As a bank, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier) and the Banque Centrale du Luxembourg. Clearstream participants are financial institutions recognized around the world and include underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Clearstream’s U.S. customers are limited to securities brokers, dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies, which clear through or maintain a custodial relationship with a Clearstream participant either directly or indirectly.

### ***Euroclear***

Euroclear has advised us that it was created in 1968 to hold securities for its participants (“Euroclear participants”) and to clear and settle transactions between its Euroclear participants and between its Euroclear participants and participants of certain other securities intermediaries through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous delivery of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interacts with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries, supranationals, custodians, investment managers, corporations, trust companies and certain other organizations. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the terms and conditions governing the use of Euroclear, when received by the U.S. depository for Euroclear.

Euroclear has further advised us that investors that acquire, hold and transfer interests in the Notes by book- entry through accounts with Euroclear or any securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global certificates.

Euroclear has advised us that under Belgian law, investors that are credited with securities on the records of Euroclear have a co-proprietary right in the fungible pool of interests in securities on deposit with Euroclear in an amount equal to the amount of interests in securities credited to their accounts. In the event of the insolvency of Euroclear, Euroclear participants would have a right under Belgian law to the return of the amount and type of interests in securities credited to their accounts with Euroclear. If Euroclear did not have a sufficient amount of interests in securities on deposit of a particular type to cover the claims of all Euroclear participants credited with such interests in securities on Euroclear's records, all Euroclear participants having an amount of interests in securities of such type credited to their accounts with Euroclear would then have the right under Belgian law only to the return of their pro rata share of the amount of interests in securities actually on deposit.

Under Belgian law, Euroclear is required to pass on the benefits of ownership in any interests in securities on deposit with it (such as dividends, voting rights and other entitlements) to any person credited with such interest in securities on its records.

### **Same-Day Settlement and Payment**

Settlement for the Notes will be made in immediately available funds. The Notes will trade in DTC's Same- Day Funds Settlement System until maturity of the Notes. All secondary trading activity in the Notes will be settled in immediately available funds.

### **Payment and the Paying Agent**

The Paying Agent will act as our sole agent with respect to the Notes through its office located at U.S. Bank National Association, Global Corporate Trust, 333 Commerce Street, Suite 800, Nashville, Tennessee 37201. The Paying Agency Agreement will provide that we may remove the Paying Agent upon 30 days' written notice and appoint a new issuing and paying agent.

The Paying Agent will serve only as our agent and will not assume any fiduciary duties for the holders of the Notes, except that all funds deposited with the Paying Agent for payment of the Notes will be held in trust by it for the benefit of the holders of the Notes until disbursed to such holders subject to certain of our rights with respect to such money that remains unclaimed for one year after such principal or interest has become due and payable. The Paying Agent will not have any responsibility for taking any discretionary actions on behalf of holders of the Notes, including in connection with any Default or Event.

Payments of interest and principal will be made in accordance with the procedures set forth under "— Book- Entry System."

### **Notice**

Notices to holders of the Notes will be given by first-class mail to the addresses of such holders as they appear in the note register or by electronic transmission through the facilities of DTC.

### **Governing Law**

The Notes and the Paying Agency Agreement will be governed by and construed in accordance with the laws of the State of New York.

**Calculation Agent**

We will appoint a calculation agent for the Notes prior to the commencement of the Floating Rate Period. BancorpSouth may appoint itself or an affiliate as the calculation agent.



## MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the Notes. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax on net investment income, and does not address any U.S. estate or gift tax consequences or any tax consequences arising under any state, local or foreign tax laws. This summary is limited to beneficial owners of the Notes who purchase the Notes in this offering at their “issue price” within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the “Code”) and will hold the Notes as “capital assets” within the meaning of Section 1221 of the Code. This summary does not apply to you if you are a member of a special class of holders subject to special rules, including but not limited to:

- a broker, dealer or trader in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organization;
- a “controlled foreign corporation;”
- a “passive foreign investment company;”
- a person holding our Notes as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a person that purchases or sells our Notes as part of a wash sale for tax purposes;
- a person who elects the mark-to-market method of accounting for its securities;
- a person liable for alternative minimum tax;
- a person who owns 10% or more of our voting stock;
- a person holding our Notes in an individual retirement or other tax deferred account;
- an “S” corporation, partnership or other pass-through entity for U.S. federal income tax purposes (or investors therein);
- a foreign government or agency;
- a person using the accrual basis that is required to recognize certain items of gross income for U.S. federal income tax purposes as a result of such item of income being taken into account in an applicable financial statement;
- an expatriate or former long-term resident of the United States; or
- a U.S. Holder (as defined below) whose “functional currency” is not the U.S. dollar.

The following summary is based upon current provisions of the Code, U.S. Treasury regulations (final, temporary and proposed) and judicial or administrative authority, all as of the date hereof, and all of which are subject to change, possibly with retroactive effect. All of the foregoing authorities are subject to differing interpretations or change, and any such differing interpretations or change may result in U.S. federal income tax consequences to you that are materially different from those described herein. We have not sought and will not seek any ruling from the Internal Revenue Service (“IRS”) with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will not assert, or that a court would not sustain, a position contrary with such statements and conclusions.

**PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES, AS WELL AS OTHER U.S. FEDERAL TAX CONSIDERATIONS AND STATE, LOCAL AND NON-U.S. INCOME, ESTATE AND GIFT, AND OTHER TAX CONSIDERATIONS OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES.**

**U.S. Holders**

This subsection describes the tax consequences to a “U.S. Holder.” You are a “U.S. Holder” if you are a beneficial owner of the Notes for U.S. federal income tax purposes and you are:

- an individual citizen or resident of the United States;
- a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States or any State or the District of Columbia;
- a trust that (i) is subject to both the primary supervision of a court within the United States and the control of one or more U.S. persons, or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or
- an estate that is subject to U.S. federal income tax on its income regardless of its source.

If you are not a U.S. Holder, this subsection does not apply to you and you should refer to “—Non-U.S. Holders” below.

It is expected that the Notes will be treated as “variable rate debt instruments” for U.S. federal income tax purposes, providing for a fixed rate followed by a qualified floating rate. This discussion assumes that this characterization of the Notes as variable rate debt instruments is proper and will be respected.

The Notes may be deemed to be issued with original issue discount (“OID”). Please carefully read the description below under “—Payment of Interest” for more information on the calculation of OID on the Notes as of their issue date.

***Payments of Interest***

You will be required to recognize as ordinary income any interest paid or accrued on the Notes, in accordance with your regular method of tax accounting. In addition, you will be required to include any OID in gross income (as ordinary income) periodically over the term of the Notes, before receipt of any cash attributable to such income, and regardless of your regular method of tax accounting.

The Notes will be treated as issued with OID for U.S. federal income tax purposes if the “stated redemption price at maturity” of the Notes exceeds their “issue price” by a statutory *de minimis* amount. The “issue price” of the Notes is the first price at which a substantial amount of the debt securities are sold to the public. The “stated redemption price at maturity” is the total of all payments to be made under the Notes other than “qualified stated interest.” A floating rate note that meets certain requirements is a variable rate debt instrument. For a variable rate

debt instrument treated as providing for a fixed and a qualified floating rate, “qualified stated interest” is the interest that is unconditionally payable at least annually during the entire term of the security for the “equivalent fixed rate debt instrument.” The “equivalent fixed rate debt instrument” is constructed by (i) converting the initial fixed rate to a qualified floating rate that would preserve the fair market value of the notes and (ii) converting each qualified floating rate to a fixed rate substitute (which will generally be the value of the qualified floating rate as of the issue date of the Notes). OID will be the amount of payments under the equivalent fixed rate debt instrument in excess of the statutory *de minimis* amount, not taking into account any payments of qualified stated interest. The qualified stated interest allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest assumed to be paid during the accrual period.

Under U.S. Treasury regulations applicable to certain options arising under terms of a debt instrument, in determining the amount of OID, we will be deemed to exercise our optional redemption right if doing so would reduce the yield on the equivalent fixed rate debt instrument. This assumption is made solely for purposes of determining whether the Notes are issued with OID for U.S. federal income tax purposes, and is not an indication of our intention to call or not to call the Notes at any time. If, as of the issue date, exercising the optional make-whole redemption on November 20, 2024 would reduce the yield of the equivalent fixed rate debt instrument, the Notes will be treated as maturing on November 20, 2024. Under those circumstances, if we do not actually redeem the Notes on November 20, 2024, the Notes will be deemed retired for their principal amount and reissued as a variable rate debt instrument providing for a single floating rate, but you will not recognize any gain or loss on the deemed retirement and reissuance.

### ***Sale, Exchange, Redemption or Other Disposition of the Notes***

A sale, exchange, redemption or other taxable disposition of the Notes will generally result in gain or loss equal to the difference between the amount realized upon the disposition (excluding amounts attributable to any accrued and unpaid interest, which will be taxable as ordinary income to the extent not previously included in income) and your adjusted tax basis in the Notes. The amount realized will equal the sum of any cash and the fair market value of any other property you received on the disposition. Your adjusted tax basis in the Notes will generally equal the amount you paid to acquire such Notes, increased by the amount, if any, of OID included in your gross income. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if your holding period for the Notes exceeds one year. Long-term capital gain recognized by a non-corporate U.S. Holder is generally eligible for reduced rates of taxation, subject to customary limitations. The deductibility of capital losses is subject to limitations.

### ***Deemed Exchange***

Under general principles of U.S. federal income tax law, the modification of a debt instrument may result in a deemed exchange of the original debt instrument for a new debt instrument. Generally, the modification of a debt instrument will result in a deemed exchange if such modification is “significant” within the meaning of applicable U.S. Treasury regulations. A modification is generally “significant” if, based on all the facts and circumstances and taking into account all modifications collectively, the legal rights and obligations that are altered and the degree to which they are altered are economically significant. If the Notes were treated as significantly modified, a holder might recognize gain or loss on the deemed exchange of the Notes for “new” notes, and the timing of a holder's inclusion of income with respect to the “new” notes might be different from that described above.

Due to the possible discontinuance of LIBOR, recently proposed U.S. Treasury regulations (which taxpayers are permitted to rely on pending their finalization) provide guidance where substituting an alternative reference rate that is a “qualified rate” for LIBOR would generally not result in a significant modification, provided the fair market value of the debt instrument is unchanged. If LIBOR is discontinued, the alternative reference rate in lieu of LIBOR in the Floating Rate Period and certain other factors related to the Notes would need to meet the requirements of the U.S. Treasury regulations such that a significant modification of the Notes would not result. We cannot guaranty that a significant modification would not occur. If such substitution were a significant modification, there would be a deemed exchange of the Notes, which could trigger recognition of gain or loss for holders of the Notes.

### ***Information Reporting and Backup Withholding***

A U.S. Holder will generally be subject to information reporting with respect to any payments of interest by us to such U.S. Holder and with respect to proceeds of the sale or other disposition (including a retirement or redemption) of the Notes, unless such U.S. Holder is an exempt recipient and appropriately establishes that exemption. In addition, such payments will generally be subject to U.S. federal backup withholding (currently at a rate of 24%) unless the U.S. Holder supplies a taxpayer identification number as well as certain other information, certified under penalties of perjury, or otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

#### **Non-U.S. Holders**

The discussion in this section is addressed to “Non-U.S. Holders” of the Notes. For purposes of this summary, a “Non-U.S. Holder” means a beneficial owner of the Notes that is for U.S. federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation (or entity treated as a foreign corporation for U.S. federal income tax purposes); or
- a foreign estate or foreign trust.

#### ***Payments of Interest***

Subject to the discussion below on backup withholding and FATCA (as defined below), any payment of interest on the Notes to Non-U.S. Holders will generally be exempt from U.S. federal income and withholding tax under the “portfolio interest exemption” (within the meaning of the Code), provided that such payment is not effectively connected with your conduct of a trade or business in the United States and either:

- you provide identifying information (i.e., name and address) to the applicable withholding agent on IRS Form W-8BEN or W-8BEN-E (or successor form), and certify, under penalty of perjury, that you are not a U.S. person; or
- a financial institution holding the Notes on your behalf certifies, under penalty of perjury, that it has received such a certification from the beneficial owner and, when required, provides the withholding agent with a copy.

If interest paid to you is effectively connected with your conduct of a trade or business within the United States, and, if required by a tax treaty, the interest is attributable to a permanent establishment or fixed base that you maintain in the United States, payments of interest on the Notes will be subject to tax on a net income basis in the same manner as if you were a U.S. Holder. Withholding tax will not generally be required for “effectively connected” interest paid to you, provided that you have furnished, as applicable, a valid IRS Form W-8ECI or an acceptable substitute form upon which you represent, under penalties of perjury, that:

- you are not a U.S. person (as defined by the Code), and
- the interest is effectively connected with your conduct of a trade or business within the United States and is includible in your gross income.

If you are a foreign corporation or treated as a foreign corporation for U.S. federal income tax purposes, “effectively connected” interest that you receive may, under certain circumstances, be subject to an additional

“branch profits tax” at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

### ***Sale, Exchange, Redemption or Other Disposition of the Notes***

A Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on any gain realized on the sale, exchange, redemption or other disposition of the Notes (other than with respect to payments attributable to accrued interest, which will be taxed as described under “—Non-U.S. Holders—*Payments of Interest*” above) unless:

- the gain is effectively connected with your conduct of a trade or business in the United States, and the gain is attributable to a permanent establishment or fixed base that you maintain in the United States, if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. taxation on a net income basis, in which case the gain would be taxed on a net income basis in the same manner as if you were a U.S. Holder, or
- you are an individual who is present in the United States for 183 or more days in the taxable year of the sale and certain other conditions exist, in which case, except as otherwise provided by an applicable income treaty, the gain would be subject to a 30% tax.

### ***Information Reporting and Backup Withholding***

The relevant payor must report annually to the IRS and to each Non-U.S. Holder the amount of interest on the Notes paid to such Non-U.S. Holder and the tax withheld, if any, with respect to such interest. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the Non-U.S. Holder resides or is established. Non-U.S. Holders will have to comply with specific certification procedures (such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI) to establish that the Non-U.S. Holder is not a U.S. person (as defined in the Code) or otherwise establishes an exemption to avoid backup withholding at the applicable rate with respect to interest on the Notes.

Information reporting and backup withholding will generally apply to the proceeds of a disposition of the Notes by a Non-U.S. Holder within the United States or effected by or through the U.S. office of any broker, U.S. or foreign, unless the Non-U.S. Holder certifies its status as not a U.S. person as described above and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker.

Backup withholding, currently at a rate of 24%, is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder may be allowed as a credit against the Non-U.S. Holder’s U.S. federal income tax liability, if any, and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

### **FATCA Withholding**

Pursuant to Sections 1471 through 1474 of the Code, commonly known as the Foreign Account Tax Compliance Act (“FATCA”), a 30% withholding tax (“FATCA withholding”) may be imposed on certain payments to you or to certain foreign financial institutions, investment funds and other non-U.S. persons receiving payments on your behalf if you or such persons fail to comply with certain information reporting requirements. Such payments generally include U.S.-source interest and the gross proceeds from the sale or other disposition of securities that can produce U.S.-source interest. Payments of interest that you receive in respect of the Notes could be affected by this withholding if you are subject to the FATCA information reporting requirements and fail to comply with them or if you hold Notes through a non-U.S. person (e.g., a “foreign financial institution” or a “non-financial foreign entity” as defined under FATCA) that fails to comply with these requirements (even if payments to you would not

otherwise have been subject to FATCA withholding). Payments of gross proceeds from a sale or other disposition of Notes could also be subject to FATCA withholding. However, proposed U.S. Treasury regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization) eliminate the withholding requirement on payments of gross proceeds of a taxable disposition (other than amounts treated as interest or other “fixed, determinable, annual, or periodical” income). If withholding applies, we will not be required to pay additional amounts with respect to amounts withheld. You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA withholding.

**THE SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS ABOVE IS INCLUDED FOR GENERAL INFORMATION PURPOSES ONLY. POTENTIAL PURCHASERS OF THE NOTES ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSIDERATIONS OF PURCHASING, OWNING AND DISPOSING OF THE NOTES.**

## CONSIDERATIONS FOR PENSION AND RETIREMENT PLAN INVESTORS

The following is a summary of the general considerations associated with the acquisition of the Notes by investors who are investing directly or indirectly on behalf of a pension, profit-sharing or other employee benefit plan, individual retirement account, or other plan or arrangement subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), Section 4975 of the Internal Revenue Code, as amended (“Code”), or similar provisions of any other U.S. or non-U.S. federal, state, local or other laws and regulations that apply to such arrangements that are exempt from ERISA and the Code (“Similar Laws”) (each, a “Plan”). The following discussion is general in nature and is not intended to be all-inclusive.

Under ERISA, any person who exercises any discretionary authority or control over the administration of a Plan subject to ERISA (an “ERISA Plan”) or the management or disposition of the assets of an ERISA Plan, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan. A person or entity with discretionary authority to invest Plan assets in the Notes generally would be considered a fiduciary under this definition and may also be a fiduciary under Similar Laws. A fiduciary considering the acquisition of the Notes directly or indirectly on behalf of a Plan should consider whether the investment would be consistent with and permissible under the documents and instruments governing the Plan. A fiduciary considering the acquisition of the Notes directly or indirectly on behalf of an ERISA Plan should also consider the fiduciary standards of ERISA, including the prudence and diversification requirements of ERISA. In addition, a fiduciary considering the acquisition of the Notes directly or indirectly on behalf of an ERISA Plan or other Plan subject to Section 4975 of the Code (*i.e.*, individual retirement account, health savings account, Archer MSA, Coverdell ESA) should consider whether the investment would involve a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. Similar Laws governing the investment and management of the assets of Plans that are governmental plans (as defined in Section 3(32) of ERISA), church plans (as defined in Section 3(33) of ERISA), or non-U.S. plans (as defined in Section 4(b)(4) of ERISA) may contain fiduciary and prohibited transaction requirements similar to those under ERISA and the Code. Accordingly, fiduciaries of such non-ERISA Plans, in consultation with their advisors, should consider the impact of such Similar Laws on an investment in the Notes and the applicable considerations discussed above.

Section 406 of ERISA prohibits ERISA Plans and Section 4975 of the Code prohibits ERISA Plans as well as other Plans subject to that section from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code with respect to the Plan. Parties in interest and disqualified persons generally include the employer that sponsors the Plan, its employees, officers and directors, service providers to the Plan, Plan fiduciaries, and certain persons and entities affiliated with the foregoing. A violation of these prohibited transaction rules may result in excise taxes under the Code or other penalties and liabilities under ERISA or the Code for the fiduciary of the Plan who engages in the transaction, unless there is a statutory or regulatory exemption. The Code requires that the prohibited transaction be undone to the extent possible, but in any case the Plan should be placed in a financial position not worse than that in which it would be if the disqualified person were acting under the highest fiduciary standards. Under these rules, the acquisition and/or ownership of the Notes directly or indirectly by an ERISA Plan or other Plan subject to Section 4975 of the Code with respect to which we are a service provider or otherwise considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code. Fiduciaries of ERISA Plans or other Plans subject to Section 4975 of the Code considering acquiring the Notes should ensure that we are not a service provider, a party in interest or disqualified person with respect to the Plan. Otherwise, if the fiduciary is relying on a statutory or regulatory exemption, the fiduciary should carefully review the exemption to ensure it is applicable.

ERISA and the regulations promulgated under ERISA by the U.S. Department of Labor, as amended by Section 3(42) of ERISA (“Plan Asset Regulations”), generally provide that when an ERISA Plan or other “benefit plan investor” (as defined in the Plan Asset Regulations) acquires an equity interest in an entity that is not a “publicly-offered security” (as defined in the Plan Asset Regulations) and not issued by an investment company registered under the Investment Company Act of 1940, the Plan’s assets include both the equity interest and an undivided interest in each of the underlying assets of the entity. However, this rule does not apply if the Plan acquires an instrument that is not an “equity interest”. Under the Plan Asset Regulations, an “equity interest” means any interest in an entity other than an instrument treated as indebtedness under applicable local law and which has no substantial equity features.

We expect that the Notes would be treated as a debt instrument for purposes of the Plan Asset Regulations, and accordingly, only the Notes should be considered assets of a Plan and not our underlying assets, although no assurance can be given in this regard.

Any purchaser of Notes will be deemed to have represented, by its purchase of such Notes offered hereby, that it either (i) is not a “benefit plan investor” (as defined in the Plan Asset Regulations), or (ii) if it is a “benefit plan investor,” that (a) the decision to invest in the Notes has been made by a “fiduciary” (as defined in Section 3(21) of ERISA or other applicable law) who is independent of BancorpSouth Bank, (b) the Plan fiduciary has determined that the purchase of the Notes is consistent with and permissible under the fiduciary standards of ERISA, to the extent applicable, including the prudence and diversification requirements of ERISA, and under the documents and instruments governing the Plan, and (c) the acquisition of the Notes will not constitute a non-exempt prohibited transaction under ERISA or the Code. Similarly, with respect to any purchase of the Notes on behalf of a Plan that is a governmental plan, church plan or non-U.S. plan subject to Similar Laws, the purchaser will be deemed to have represented, by such purchase, that such purchase would be consistent with and permissible under the fiduciary responsibility or prohibited transaction provisions contained in Similar Laws. Plan fiduciaries who invest in the Notes have exclusive responsibility for ensuring that their purchase of the Notes do not violate the fiduciary or prohibited transaction rules of ERISA or the Code or any applicable Similar Law. The sale of Notes to a Plan is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plans generally or any particular Plan or that such investment is appropriate for such Plans.

**EACH PLAN FIDUCIARY SHOULD CONSULT WITH ITS OWN LEGAL ADVISOR  
CONCERNING THE CONSIDERATIONS DISCUSSED ABOVE AND THE POTENTIAL  
CONSEQUENCES UNDER ERISA, THE CODE AND ANY APPLICABLE SIMILAR LAW BEFORE  
MAKING AN INVESTMENT IN THE NOTES.**



## UNDERWRITING

We have entered into an underwriting agreement, dated November 13, 2019 (the “Underwriting Agreement”), with the underwriters named below, for whom Keefe, Bruyette & Woods, Inc. is acting as representative, with respect to the Notes. Subject to certain conditions, each of the underwriters has agreed to purchase the aggregate principal amount of Notes set forth next to its name in the following table.

<b>Underwriter</b>	<b>Principal Amount of Notes</b>
Keefe, Bruyette & Woods, Inc.	\$ 225,000,000
Piper Jaffray & Co.	21,000,000
Raymond James & Associates, Inc.	21,000,000
Stephens Inc.	15,000,000
SunTrust Robinson Humprhey, Inc.	18,000,000
Total:	\$ 300,000,000

The obligations of the underwriters under the Underwriting Agreement, including their agreement to purchase the Notes, are several and not joint. The Underwriting Agreement provides that the obligations of the underwriters to purchase the Notes offered hereby are subject to certain conditions precedent and that the underwriters will purchase all of the Notes if any of the Notes are purchased. In the event of a default by any underwriter, the Underwriting Agreement provides that, in certain circumstances, non-defaulting underwriters may increase their purchase commitments, or the Underwriting Agreement may be terminated.

Notes sold by the underwriters to the public will be offered at the public offering price set forth on the cover of this offering circular. The underwriters may offer the Notes to selected dealers at the public offering price set forth on the cover of this offering circular less a concession not in excess of 0.50% of the principal amount per note.

### Underwriting Discount and Expenses

The following table summarizes the compensation to be paid by us to the underwriters. The underwriting discount is the difference between the public offering price and the amount the underwriters pay us to purchase the Notes from us.

Per Note	0.875%
Total	\$2,625,000

We estimate that the total offering expenses, including filing fees, printing fees, legal and accounting expenses, but excluding the underwriting discount, will be approximately \$500,000. We also have agreed to reimburse the underwriters for certain of their expenses incurred in connection with this offering. In accordance with FINRA Rule 5110, these reimbursed expenses are deemed underwriting compensation for this offering.

### Indemnification

We have agreed to indemnify the underwriters, and persons who control the underwriters, against certain liabilities, including liabilities under the Securities Act of 1933, as amended, and to contribute to payments that the underwriters may be required to make in respect of these liabilities.

### No Public Trading Market

There is currently no public trading market for the Notes. In addition, we have not applied and do not intend to apply to list the Notes on any national securities exchange or to have the Notes quoted on an automated dealer quotation system. The Notes will be issued as a series of debt securities under the Paying Agency Agreement, to be dated as of November 20, 2019, between us and U.S. Bank National Association. The underwriters have advised us that they intend to make a market in the Notes. However, the underwriters are not

obligated to do so and may discontinue any market-making in the Notes at any time in their sole discretion and without prior notice. Therefore, we cannot assure you that a liquid trading market for the Notes will develop or continue, that you will be able to sell your Notes at a particular time, or that the price that you receive when you sell will be favorable.

### **Stabilization**

In connection with this offering of the Notes, the underwriters may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which create a short position for the underwriters. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the Notes to be higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may discontinue such activities at any time without notice.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor any of the underwriters make any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

### **Electronic Distribution**

This offering circular may be made available in electronic format on websites or through other online services maintained by one or more of the underwriters or their affiliates.

Other than the offering circular in electronic format, information on such websites and any information contained in any other website maintained by any of the underwriters or their affiliates is not part of this offering circular, has not been approved or endorsed by us or any of the underwriters in their capacity as underwriters and should not be relied on by investors.

### **Our Relationships with the Underwriters**

The underwriters and their affiliates have engaged, or may in the future engage, in investment banking transactions and other commercial dealings in the ordinary course of business with us or our affiliates. The underwriters have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of its business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade indebtedness and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own accounts and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Other Matters**

We expect that delivery of the Notes will be made against payment therefor on or about November 20, 2019, which will be the fifth Business Day following the date hereof (such settlement being referred to as “T+5”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two Business Days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes prior to the delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their advisors.

## **Selling Restrictions**

### ***European Economic Area***

In relation to each member state of the EEA, each a Relevant Member State, no offer of the Notes to the public has been or will be made in that Member State, except that offers of the Notes to the public may be made in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes shall require us or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of the above provisions, the expression “an offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Notes to be offered so as to enable an investor to decide to purchase or subscribe for any Notes, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

### ***United Kingdom***

This document is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, referred to herein as the Order, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated. Each such person is referred to herein as a Relevant Person.

In the United Kingdom, any investment or investment activity to which this offering circular relates is available only to Relevant Persons and will only be engaged with Relevant Persons. This offering circular and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents.

## **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We are subject to the reporting requirements of the Exchange Act, as administered and enforced by the FDIC, and we are subject to FDIC rules promulgated thereunder. Consequently, we file annual, quarterly and current reports, proxy statements and other information with the FDIC, copies of which are made available to the public over the Internet at <https://efr.fdic.gov/fcxweb/efr/index.html>. You may also inspect and copy any document we file with the FDIC at the public reference facilities maintained at the FDIC, Accounting and Securities Disclosure Section, Division of Risk Management Supervision, 550 17th Street, N.W., Washington, D.C. 20429 or Public Reference Section, Room F-6043, 550 17th Street, N.W., Washington, D.C. 20429.

Copies of the FDIC filings referenced below in “Incorporation of Certain Documents by Reference” are also available on our website at <http://www.bancorpsouth.com> by selecting “Investor Relations” and then selecting “Public Filings.” You may request a copy of these filings at no cost by writing or by telephoning us at the following address or telephone number:

BancorpSouth Bank  
One Mississippi Plaza  
Tupelo, Mississippi 38804  
(662) 680-2000  
Attention: Corporate Secretary

We have included the web addresses of the FDIC and BancorpSouth as inactive textual references only. The information contained on, or that can be accessed through, these websites is not part of or incorporated by reference into this offering circular.

## **INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

We are allowed to “incorporate by reference” information into this offering circular which means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this offering circular from the date we file that document with the FDIC. Any reports filed by us with the FDIC after the date of this offering circular and before the date that the offering of the Notes by means of this offering circular is terminated will automatically update and, where applicable, supersede any information contained in this offering circular or incorporated by reference into this offering circular.

We incorporated by reference into this offering circular the following documents or information filed with the FDIC other than, in each case, documents or information deemed to have been “furnished” to, and not “filed” with, the FDIC:

- Our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the FDIC on February 28, 2019;
- Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019, and September 30, 2019, filed with the FDIC on May 7, 2019, August 7, 2019, and November 5, 2019, respectively;
- Our Current Reports on Form 8-K filed on April 25, 2019, June 14, 2019 and November 13, 2019; and
- The information contained in our Definitive Proxy Statement on Schedule 14A for our 2019 Annual Meeting of Shareholders, filed with the FDIC on March 22, 2019, to the extent incorporated by reference in Part III of our Annual Report on Form 10-K for the year ended December 31, 2018.

You may obtain a copy of these filings as described under “Where You Can Find Additional Information.”

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this offering circular and before the termination of the offering of the Notes shall also be deemed to be incorporated herein by reference. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed “filed” with the FDIC, including information furnished pursuant to Item 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

### **LEGAL MATTERS**

The validity of the Notes offered by this offering circular will be passed upon by Waller Landen Dortch & Davis, LLP, Nashville, Tennessee. Certain legal matters in connection with the offering will be passed upon for the underwriters by Covington & Burling LLP, Washington, D.C.

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The consolidated financial statements of BancorpSouth Bank and subsidiaries as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2018 have been incorporated by reference into this offering circular in reliance upon the reports of KPMG LLP, independent registered public accounting firm.

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**\$300,000,000**



**4.125% Fixed-to-Floating Rate Subordinated Notes Due November 20, 2029**

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**OFFERING CIRCULAR**

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*Sole Book-Running Manager*

**Keefe, Bruyette & Woods**  
*A Stifel Company*

*Co-Managers*

**Piper Jaffrey   Raymond James   Stephens Inc.   SunTrust Robinson Humphrey**

**November 13, 2019**

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6,000,000 Shares



## 5.50% Series A Non-Cumulative Perpetual Preferred Stock

We are offering to sell 6,000,000 shares of our 5.50% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, with a liquidation preference of \$25 per share (the “Series A Preferred Stock”).

We will pay dividends on the Series A Preferred Stock, when, as, and if declared by our board of directors (or a duly authorized committee of our board of directors). Dividends will accrue and be payable from the original date of issuance at a rate of 5.50% per annum, payable quarterly, in arrears, on February 20, May 20, August 20 and November 20 of each year, beginning on February 20, 2020.

Dividends on the Series A Preferred Stock will not be cumulative or mandatory. If our board of directors (or a duly authorized committee of our board of directors) does not declare a dividend on the Series A Preferred Stock for any Dividend Period (as defined herein) prior to the related Dividend Payment Date (as defined herein), that dividend will not accrue, and we will have no obligation to pay a dividend for that Dividend Period at any time, whether or not dividends on the Series A Preferred Stock or any other series of our preferred stock or common stock are declared.

We may redeem the Series A Preferred Stock at our option, subject to regulatory approval, at a redemption price equal to \$25 per share, plus any declared and unpaid dividends (without regard to any undeclared dividends) to, but excluding, the redemption date, (i) in whole or in part, from time to time, on any Dividend Payment Date on or after November 20, 2024, or (ii) in whole, but not in part, at any time within 90 days following a Regulatory Capital Treatment Event (as defined herein).

The Series A Preferred Stock will rank (i) senior to our common stock and any other class or series of future preferred stock that, by its terms, ranks junior to the Series A Preferred Stock, (ii) equally with all future class or series of preferred stock that does not by its terms rank junior or senior to the Series A Preferred Stock, and (iii) junior to our existing and future indebtedness and other liabilities and any class or series of preferred stock that expressly provides in the articles of amendment creating such class or series of preferred stock that it ranks senior to the Series A Preferred Stock (subject to any requisite consents prior to issuance), with respect to payment of dividends and rights upon our liquidation, dissolution or winding up, including our 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029.

The Series A Preferred Stock will not have voting rights, except in certain limited circumstances described in “Description of Series A Preferred Stock—Voting Rights” and as otherwise required by applicable law.

Currently no market exists for the Series A Preferred Stock. We have filed an application to list the Series A Preferred Stock on the New York Stock Exchange (“NYSE”) under the symbol “BXS-PrA.” If the application is approved, trading of the Series A Preferred Stock on the NYSE is expected to begin within 30 days after the date of initial issuance of the Series A Preferred Stock. Our common stock is traded on the NYSE under the symbol “BXS.”

**Investing in shares of Series A Preferred Stock involves risks. See the section entitled “Risk Factors” beginning on page 13 of this offering circular and in our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and the other documents that we file with the Federal Deposit Insurance Corporation (the “FDIC”) that are incorporated by reference into this offering circular for factors that you should consider before investing in shares of Series A Preferred Stock.**

	Per Share	Total
Public offering price	\$ 25.0000	\$ 150,000,000
Underwriting discount <sup>(1)</sup>	\$ 0.6756	\$ 4,053,600
Proceeds, before expenses, to us <sup>(1)</sup>	\$ 24.3244	\$ 145,946,400

(1) The underwriting discount represents the blended discount rate, at a weighted average, provided to certain institutional and retail investors. For certain institutional investors, the underwriting discount deducted will be \$0.50 per share, which will represent a total underwriting discount to such institutional investors of \$1,167,150. For certain retail investors, the underwriting discount deducted will be \$0.7875 per share, which will represent a total underwriting discount to such retail investors of \$2,886,739. As a result of sales of 2,334,300 shares to certain institutions and 3,665,700 shares to certain retail investors, the total proceeds to us, after deducting the underwriting discounts (but prior to deducting our expenses for the offering), will equal \$145,946,111. The underwriters will also be reimbursed for certain expenses incurred in this offering. See “Underwriting” for details.

We have granted the underwriters an option to purchase up to an additional 900,000 shares of Series A Preferred Stock within 30 days after the date of this offering circular at the public offering price, less the underwriting discount.

The underwriters expect to deliver the shares of Series A Preferred Stock in book-entry form only through the facilities of The Depository Trust Company (“DTC”) against payment therefor on or about November 20, 2019, which is the fifth business day following the date of pricing of the Series A Preferred Stock (“T+5”). See “Underwriting” for details.

Shares of Series A Preferred Stock are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) thereof. None of the Securities and Exchange Commission (the “SEC”), the FDIC, the Mississippi Secretary of State, the Mississippi Department of Banking and Consumer Finance or any other federal or state regulatory body has approved or disapproved of the Series A Preferred Stock or passed upon the adequacy or accuracy of this offering circular. Any representation to the contrary is a criminal offense.

Shares of our Series A Preferred Stock are not savings accounts or deposits. Shares of Series A Preferred Stock are not insured by the FDIC or any other governmental agency and are subject to investment risks, including the possible loss of the entire amount you invest.

*Joint Book-Running Managers*

**Keefe, Bruyette & Woods**  
A Stifel Company

**Raymond James**

*Co-Managers*

**D.A. Davidson & Co.**

**Janney Montgomery Scott**

**Piper Jaffray**

**Stephens Inc.**

The date of this offering circular is November 13, 2019

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## **ABOUT THIS OFFERING CIRCULAR**

In this offering circular, unless we state otherwise or the context otherwise requires, the terms “BancorpSouth Bank,” the “Company,” “we,” “our” and “us” mean BancorpSouth Bank and its wholly owned subsidiaries.

We have not, and the underwriters have not, authorized anyone to provide you with different or additional information. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give.

This offering circular (and any supplement or addendum) describes the specific details regarding this offering and the terms and conditions of our Series A Preferred Stock being offered hereby and the risks of investing in shares of our Series A Preferred Stock. In various places in this offering circular, we refer you to sections of other documents for additional information by indicating the caption heading of the other sections in such other documents. All cross-references in this offering circular are to captions contained in this offering circular unless otherwise indicated.

It is important for you to read and consider carefully all information contained or incorporated by reference in this offering circular prior to making a decision to invest in the Series A Preferred Stock. For additional information, please see the section entitled “Where You Can Find More Information.”

If the information set forth in this offering circular (and any supplement or addendum) conflicts with any statement in a document that we have incorporated by reference into this offering circular, then you should consider only the statement in the more recent document. You should not assume that the information appearing in this offering circular (and any supplement or addendum) or the documents incorporated by reference into this offering circular are accurate as of any date other than the date of the applicable documents. Our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations may have changed since those dates. You should not interpret the contents of this offering circular to be legal, business, investment or tax advice. You should consult with your own advisors and consult with them about the legal, tax, business, financial and other issues that you should consider before investing in shares of our Series A Preferred Stock.

We are not, and the underwriters are not, making an offer to sell, or the solicitation of an offer to buy, the Series A Preferred Stock in any jurisdiction where an offer or sale is not permitted. No action is being taken in any jurisdiction outside the United States to permit a public offering of the shares of our Series A Preferred Stock or possession or distribution of this offering circular in that jurisdiction. Persons who come into possession of this offering circular in jurisdictions outside the United States are required to inform themselves about, and to observe, any restrictions as to the offering and the distribution of this offering circular which are applicable in those jurisdictions.

## SUMMARY

*This summary highlights certain material information contained elsewhere or incorporated by reference into this offering circular. Because this is a summary, it may not contain all of the information that is important to you when deciding whether to invest in shares of Series A Preferred Stock. Therefore, you should carefully read this entire offering circular, as well as the information incorporated by reference herein, before investing. You should pay special attention to the information under the sections entitled “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” of this offering circular together with our consolidated financial statements and the related notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2018 and our Quarterly Reports on Form 10-Q for the quarters ended September 30, 2019, June 30, 2019 and March 31, 2019.*

### **BancorpSouth Bank**

#### **Overview**

We are a regional bank headquartered in Tupelo, Mississippi with commercial banking operations in Alabama, Arkansas, Florida, Louisiana, Mississippi, Missouri, Tennessee and Texas, and one loan production office in Oklahoma. Our insurance agency subsidiary also has an office in Illinois. We provide commercial banking, leasing, mortgage origination and servicing, insurance, brokerage and trust services to corporate customers, local governments, individuals and other financial institutions through an extensive network of branches and offices.

At September 30, 2019, we had total assets of approximately \$19.9 billion, total loans held for investment of approximately \$14.1 billion and total deposits of \$16.0 billion.

Our common stock is traded on the NYSE under the symbol “BXS.” Our principal office is located at One Mississippi Plaza, 201 South Spring Street, Tupelo, Mississippi 38804, and our telephone number is (662) 680-2000. Our website address is [www.bancorpsouth.com](http://www.bancorpsouth.com). The information contained on, or that can be accessed through, our website is not part of this offering circular. We have included our website address in this offering circular solely as an inactive textual reference.

#### **Recent Developments**

##### ***Third Quarter 2019 Financial Results***

We recently reported our financial results for the third quarter ended September 30, 2019. Highlights for the third quarter include the following:

- net income of approximately \$63.8 million, or \$0.63 per diluted share;
- mortgage production volume totaling approximately \$536.1 million with mortgage production and servicing revenue of approximately \$11.3 million;
- organic deposit and customer repurchase agreement growth for the quarter totaling approximately \$160.0 million;
- net interest margin of 3.88%;
- net recoveries of approximately \$0.7 million and a provision for credit losses of approximately \$0.5 million;
- net operating income – excluding pre-tax mortgage servicing rights (“MSR”) – of approximately \$69.7 million, or \$0.69 per diluted share; and
- operating efficiency ratio – excluding MSR – of 63.0%.

For all of our third quarter 2019 financial results, please read our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019. See the section entitled “Where You Can Find More Information.” For more information regarding net operating income – excluding MSR and operating efficiency ratio – excluding MSR, see the section titled

“Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions.”

***Notes Offering***

Simultaneously with this offering, we are also offering (the “Notes Offering”) our 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029 (the “Notes”). Series A Preferred Stock will rank junior to the Notes. We believe that this offering and the simultaneous Notes Offering will allow us to capitalize on the current low interest rate environment and the active markets for subordinated debt and preferred stock and enable us to procure an appropriate mix of low-cost capital on favorable terms.

Keefe, Bruyette & Woods, Inc. is acting as the sole book-running manager for the Notes Offering. Piper Jaffray & Co., Raymond James & Associates, Inc., Stephens Inc., and SunTrust Robinson Humphrey, Inc. are acting as co-managers for the Notes Offering.

***Recently Announced Merger***

*Texas First Bancshares, Inc.*

On September 23, 2019, we announced the signing of a definitive merger agreement (the “Texas First Merger Agreement”) with Texas First Bancshares, Inc., the parent company of Texas First State Bank (collectively, “Texas First”), pursuant to which Texas First will be merged with and into us (the “Texas First Merger”). Texas First operates six full-service banking offices in the Waco, Texas and Killeen-Temple, Texas metropolitan statistical areas. As of September 30, 2019, Texas First reported total assets of approximately \$398.1 million, total loans of approximately \$175.6 million and total deposits of approximately \$362.7 million.

Under the terms of the Texas First Merger Agreement, we will issue approximately 1,065,000 shares of our common stock plus approximately \$13.0 million in cash for all outstanding shares of Texas First. Our board of directors and the board of directors of Texas First have unanimously approved the Texas First Merger Agreement. The closing of the Texas First Merger is subject to certain conditions, including the approval of the Texas First shareholders and other customary conditions to closing. Subject to the satisfaction of all closing conditions, including the receipt of all required regulatory approvals, the Texas First Merger is expected to be completed during the first half of 2020, although we can provide no assurance that the Texas First Merger will close during this time period or at all. The Texas First Merger will provide an entry point into the Waco, Texas market as well as additional market share in certain other Central Texas markets and provides us with additional funding and liquidity to support future growth efforts.

***Recently Completed Mergers***

*Van Alstyne Financial Corporation*

On September 1, 2019, we completed a merger with Van Alstyne Financial Corporation and its wholly owned subsidiary, Texas Star Bank (collectively, “Texas Star”), pursuant to which Texas Star was merged with and into us (the “Texas Star Merger”). Texas Star operated seven full-service banking offices in Collin and Grayson counties in Texas, and one loan production office in Durant, Oklahoma. As of September 1, 2019, Texas Star reported total assets of approximately \$343.2 million, total loans of approximately \$316.1 million and total deposits of approximately \$340.9 million. As consideration, we issued approximately 2,100,000 shares of our common stock plus approximately \$21.4 million in cash for all outstanding shares of Texas Star. The Texas Star Merger significantly enhances our presence and market share in the Dallas, Texas metropolitan statistical area as well as other markets located north of Dallas.

*Summit Financial Enterprises, Inc.*

On September 1, 2019, we completed a merger with Summit Financial Enterprises, Inc. and its wholly owned subsidiary, Summit Bank (collectively, “Summit”), pursuant to which Summit was merged with and into us (the “Summit Merger”). Summit operated four offices located in Panama City, Panama City Beach, Fort Walton Beach, and Pensacola, Florida. As of September 1, 2019, Summit reported total assets of approximately \$462.1 million, total

loans of approximately \$294.1 million and total deposits of approximately \$453.3 million. As consideration, we issued approximately 2,500,000 shares of our common stock plus approximately \$26.75 million in cash for all outstanding shares of Summit. Prior to the completion of the Summit Merger, we had one office located in the Destin, Florida market; thus, the Summit Merger significantly enhances our presence across the panhandle of Florida.

*Casey Bancorp, Inc.*

On April 1, 2019, we completed a merger with Casey Bancorp, Inc. and its wholly owned subsidiary, Grand Bank of Texas (collectively, “Grand Bank”), pursuant to which Grand Bank was merged with and into us (the “Grand Bank Merger”). Grand Bank operated 4 full-service banking offices in the cities of Dallas, Grand Prairie, Horseshoe Bay and Marble Falls, each located within the state of Texas. As of April 1, 2019, Grand Bank reported total assets of approximately \$341.0 million, total loans of approximately \$261.0 million and total deposits of approximately \$324.0 million. As consideration, we issued approximately 1,275,000 shares of our common stock plus approximately \$14.6 million in cash for all outstanding shares of Grand Bank. The Grand Bank Merger expands our footprint in the Dallas, Texas metropolitan statistical area and also provides us with additional market share in certain other Texas markets. Our increased presence improves our ability to grow while branch overlap in other markets provides additional synergy opportunities.

*Merchants Trust, Inc.*

On April 1, 2019, we completed a merger with Merchants Trust, Inc. and its wholly owned subsidiary, Merchants Bank (collectively, “Merchants”), pursuant to which Merchants was merged with and into us (the “Merchants Merger”). Merchants operated 6 full-service banking offices in Clarke and Mobile counties located in the state of Alabama. As of April 1, 2019, Merchants reported total assets of approximately \$225.0 million, total loans of approximately \$154.0 million and total deposits of approximately \$205.0 million. As consideration, we issued approximately 950,000 shares of our common stock plus approximately \$9.7 million in cash for all outstanding shares of Merchants. The Merchants Merger provided us with an entry point into the Jackson, Alabama market as well as additional market share in Mobile, Alabama. The Jackson market provides core low-cost funding while the Mobile market provides us with additional growth opportunities.

*Icon Capital Corporation*

On October 1, 2018, we completed a merger with Icon Capital Corporation and its wholly owned subsidiary, Icon Bank of Texas, National Association (collectively, “Icon”), pursuant to which Icon was merged with and into us (the “Icon Merger” and, together with the Texas Star Merger, the Summit Merger, the Grand Bank Merger and the Merchants Merger, the “Completed Mergers”). Icon was headquartered in Houston, Texas and operated 7 full-service banking offices in the Houston, Texas metropolitan area. As of October 1, 2018, Icon, on a consolidated basis, reported total assets of \$760.4 million, total loans of \$650.4 million and total deposits of \$675.8 million. As consideration, we issued approximately 4,125,000 shares of our common stock plus \$17.5 million in cash, \$7 million of which was placed in a separate non-interest bearing escrow account that is to be paid if certain conditions are met, for all outstanding shares of Icon’s capital stock. The Icon Merger significantly enhanced our presence in the Houston, Texas market. Strategically, expansion into higher growth markets provides us with the opportunity to deploy core funding provided by slower growth markets.

## THE OFFERING

<b>Issuer</b>	BancorpSouth Bank, a Mississippi banking corporation
<b>Securities Offered</b>	<p>6,000,000 shares of 5.50% Series A Non-Cumulative Perpetual Preferred Stock (liquidation preference \$25 per share).</p> <p>We have granted the underwriters an option to purchase up to an additional 900,000 shares of Series A Preferred Stock within 30 days after the date of this offering circular at the public offering price, less the underwriting discount.</p> <p>We may, from time to time and without notice to or the consent of holders of the Series A Preferred Stock, issue additional shares of Series A Preferred Stock, provided that, if the additional shares are not fungible for U.S. federal income tax purposes with the initial shares of such series, the additional shares shall be issued under a separate CUSIP number. The additional shares would form a single series together with all previously issued shares of Series A Preferred Stock.</p>
<b>Dividends</b>	<p>Holders of the Series A Preferred Stock will be entitled to receive, only when, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), out of assets legally available under applicable law for payment, non-cumulative cash dividends based upon the liquidation preference of \$25 per share of Series A Preferred Stock, and no more, at a rate equal to 5.50% per annum, payable quarterly, in arrears, on each Dividend Payment Date (defined below) for each quarterly Dividend Period (as defined below) occurring from, and including, the original issue date of the Series A Preferred Stock. We will pay cash dividends to the holders of record of shares of the Series A Preferred Stock as they appear on our stock register on the applicable record date, which shall be the 15th calendar day before that Dividend Payment Date or such other record date fixed by our board of directors (or a duly authorized committee of the board of directors) that is not more than 60 nor less than 10 days prior to such Dividend Payment Date.</p> <p>Dividends on the Series A Preferred Stock will not be cumulative or mandatory. If our board of directors (or a duly authorized committee of our board of directors) does not declare a dividend (or declares less than a full dividend) on the Series A Preferred Stock for any Dividend Period prior to the related Dividend Payment Date, that dividend will not accrue, we will have no obligation to pay, and you will have no right to receive, a dividend (or a full dividend) for that Dividend Period at any time, whether or not dividends on the Series A Preferred Stock or any other class or series of our preferred stock or common stock are declared for any future Dividend Period.</p> <p>See “Description of Series A Preferred Stock—Dividends.”</p>
<b>Dividend Payment Dates and Dividend Period</b>	<p>When, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), we will pay cash dividends on the Series A Preferred Stock quarterly, in arrears, on, February 20, May 20, August 20 and November 20 of each year (each such date, a “Dividend Payment Date”), beginning on February 20, 2020.</p> <p>A “Dividend Period” means the period from, and including, each Dividend Payment Date to, but excluding, the next succeeding Dividend Payment Date, except for the initial Dividend Period, which will be the period from, and including, the original issue date of the shares of Series A Preferred Stock to, but excluding, the next succeeding Dividend Payment Date.</p> <p>See “Description of Series A Preferred Stock—Dividends.”</p>
<b>Priority Regarding Dividends</b>	So long as any share of Series A Preferred Stock remains outstanding:

(1) no dividend will be declared and paid or set aside for payment, and no distribution will be declared and made or set aside for payment on, any Junior Stock (as defined herein), subject to certain exceptions;

(2) no shares of Junior Stock will be repurchased, redeemed, or otherwise acquired for consideration by us, directly or indirectly, subject to certain limited exceptions, nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by us; and

(3) no shares of Parity Stock (as defined herein) will be repurchased, redeemed or otherwise acquired for consideration by us, subject to certain limited exceptions,

during a Dividend Period, unless, in the case of clauses (1), (2) and (3) above, the full dividends for the most recently completed Dividend Period on all outstanding shares of the Series A Preferred Stock have been declared and paid in full or declared and a sum sufficient for the payment of those dividends has been set aside.

See “Description of Series A Preferred Stock—Priority Regarding Dividends.”

## **Redemption**

The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

We may redeem shares of the Series A Preferred Stock at our option, subject to regulatory approval, at a redemption price equal to \$25 per share, plus any declared and unpaid dividends (without regard to any undeclared dividends) to, but excluding, the redemption date, (i) in whole or in part, from time to time, on any Dividend Payment Date on or after November 20, 2024 or (ii) in whole but not in part, at any time within ninety (90) calendar days following a Regulatory Capital Treatment Event (as defined herein).

See “Description of Series A Preferred Stock— Redemption.”

The holders of Series A Preferred Stock do not have the right to require the redemption or repurchase of shares of the Series A Preferred Stock.

## **Liquidation Rights**

Upon our voluntary or involuntary liquidation, dissolution or winding up, the holders of the outstanding shares of Series A Preferred Stock are entitled to be paid out of our assets legally available for distribution to our shareholders, before any distribution of assets is made to holders of common stock or any other Junior Stock, a liquidating distribution in the amount of a liquidation preference of \$25 per share plus the sum of any declared and unpaid dividends for prior Dividend Periods prior to the Dividend Period in which the liquidation distribution is made and any declared and unpaid dividends for the then current Dividend Period in which the liquidation distribution is made to the date of such liquidation distribution. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of shares of Series A Preferred Stock will have no right or claim to any of our remaining assets.

Distributions will be made only to the extent that assets are available after satisfaction of all liabilities to depositors and creditors and subject to the rights of holders of any securities ranking senior to the Series A Preferred Stock, including, without limitation, the Notes. If our remaining assets are not sufficient to pay the full liquidating distributions to the holders of shares of all outstanding Series A Preferred Stock and all Parity Stock, then we will distribute our assets to those holders pro rata in proportion to the full liquidating distributions to which they would otherwise have received.

See “Description of Series A Preferred Stock—Liquidation Rights.”

## **Voting Rights**

Holders of shares of the Series A Preferred Stock will have no voting rights with respect to matters that generally require the approval of holders of shares of our

common stock. Holders of shares of the Series A Preferred Stock will have voting rights only with respect to (i) authorizing, creating or issuing any capital stock ranking senior to the Series A Preferred Stock as to dividends and rights upon liquidation, dissolution or winding up, or reclassifying any authorized capital stock into any such shares of such capital stock or issuing any obligation or security convertible into or evidencing the right to purchase any such shares of capital stock, (ii) amending, altering or repealing any provision of the Articles of Amendment to our Amended and Restated Articles of Incorporation creating the Series A Preferred Stock (the “Articles of Amendment”) or our Amended and Restated Articles of Incorporation (the “Articles”), including by merger, consolidation or otherwise, so as to affect the powers, preferences or special rights of the Series A Preferred Stock, (iii) electing two directors, following non-payments of dividends for at least six quarterly Dividend Periods and (iv) as otherwise required by applicable law.

See “Description of Series A Preferred Stock—Voting Rights.”

**Ranking**

With respect to the payment of dividends and rights upon our liquidation, dissolution or winding up, the Series A Preferred Stock will rank:

- senior to our common stock and any other class or series of preferred stock that by its terms ranks junior to the Series A Preferred Stock;
- equally with any future class or series of preferred stock the terms of which do not rank junior or senior to the Series A Preferred Stock; and
- junior to all existing and future indebtedness and other liabilities and any class or series of preferred stock that expressly provides in the articles of amendment creating such preferred stock that expressly provide that such series ranks senior to the Series A Preferred Stock (subject to any requisite consents prior to issuance).

**No Maturity**

The Series A Preferred Stock does not have any maturity date, and we are not required to redeem the Series A Preferred Stock at any time. Accordingly, the Series A Preferred Stock will remain outstanding perpetually, unless and until we decide to redeem it and, if required, receive prior approval of the FDIC to do so.

**Preemptive and Conversion Rights**

None.

**Listing**

We have filed an application to list the Series A Preferred Stock on the NYSE under the symbol “BXS-PrA.” If the application is approved, trading of the Series A Preferred Stock on the NYSE is expected to begin within 30 days after the date of initial issuance of the Series A Preferred Stock.

**Directed Share Program**

We have reserved 280,900 shares of Series A Preferred Stock being offering by this offering circular for sale at the public offering price to specified directors, executive officers, employees and persons having relationships with us.

**Tax Consequences**

For discussion of material United States federal income tax consequences relating to the Series A Preferred Stock, see “Material U.S. Federal Income Tax Considerations.”

**Use of Proceeds**

We intend to use the net proceeds of this offering of shares of Series A Preferred Stock for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs.

**Risk Factors**

See the section entitled “Risk Factors” beginning on page 13 of this offering circular and in our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and the other documents that we file with the FDIC that are incorporated by reference into this offering circular for factors that you should consider before investing in shares of Series A Preferred Stock.

**Registrar and Transfer Agent**

Computershare Trust Company, N.A. (“Computershare”) will be the transfer agent and registrar for the Series A Preferred Stock.



## SELECTED FINANCIAL INFORMATION

The following tables set forth selected historical financial and other information for the periods ended and as of the dates indicated. The selected financial information presented below at and for the nine months ended September 30, 2019 and 2018 is derived from our unaudited consolidated financial statements incorporated by reference into this offering circular from our Quarterly Report on Form 10-Q for the nine months ended September 30, 2019. The selected financial information presented below at and for the years ended December 31, 2018, 2017 and 2016 is derived from our audited consolidated financial statements incorporated by reference into this offering circular from our Annual Report on Form 10-K for the year ended December 31, 2018. The selected financial information at and for the years ended December 31, 2015 and 2014 is derived from our audited consolidated financial statements for the years then ended, which are not included or incorporated by reference into this offering circular. Results from prior periods are not necessarily indicative of results that may be expected for any future period.

The financial ratios and other data, credit quality and equity ratios, capital adequacy metrics, certain common stock data and yield/rate metrics are unaudited and derived from our audited and unaudited financial statements and other financial information at and for the periods presented. Average balances have been calculated using daily averages.

This selected financial information should be read in conjunction with the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2019 and our Annual Report on Form 10-K for the year ended December 31, 2018 and with our consolidated financial statements and the related notes thereto that are incorporated by reference into this offering circular.

The selected financial information presented below at and for the years ended December 31, 2017, 2016, 2015 and 2014 do not reflect the impact of the Texas First Merger or the Completed Mergers. The selected financial information presented below at and for the year ended December 31, 2018 does reflect the impact of the Icon Merger. The selected financial information presented below at and for the nine months ended September 30, 2019 do reflect the impact of the Completed Mergers. Due to our evaluation of post-merger activity and the extensive information gathering and management review processes required to properly record acquired assets and liabilities, we consider our valuations of the assets and liabilities of Texas Star, Summit, Grand Bank and Merchants to be provisional as management continues to identify and assess information regarding the nature of these assets and liabilities for the associated valuation assumptions and methodologies used.

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
<b>Earnings Summary:</b>	(Dollars in thousands, except per share amounts)						
Interest revenue	\$571,200	\$474,643	\$653,493	\$512,991	\$ 483,179	\$ 464,378	\$ 450,257
Interest expense	92,030	52,302	78,271	38,955	29,727	28,696	33,595
Net interest revenue	479,170	422,341	575,222	474,036	453,452	435,682	416,662
Provision for credit losses	1,500	3,500	4,500	3,000	4,000	(13,000)	-
Net interest revenue, after provision for credit losses	477,670	418,841	570,722	471,036	449,452	448,682	416,662
Noninterest revenue	205,984	223,006	282,037	268,033	274,901	274,370	269,146
Noninterest expense	467,256	435,292	587,634	507,446	527,909	536,313	518,406
Income before income taxes	216,398	206,555	265,125	231,623	196,444	186,739	167,402
Income tax expense	47,986	32,335	43,808	78,590	63,716	59,248	50,652
Net Income	<u>\$ 168,412</u>	<u>\$ 174,220</u>	<u>\$ 221,317</u>	<u>\$ 153,033</u>	<u>\$ 132,728</u>	<u>\$ 127,491</u>	<u>\$ 116,750</u>
<b>Balance Sheet - Period-End Balances:</b>							
Total assets	\$19,850,225	\$17,249,175	\$18,001,540	\$15,298,518	\$14,724,388	\$13,798,662	\$13,326,369
Total securities	2,766,446	2,826,359	2,749,188	2,798,542	2,531,676	2,082,329	2,156,927
Loans and leases, net of unearned income	14,120,783	12,449,995	13,112,149	11,056,434	10,811,991	10,372,778	9,712,936
Allowance for credit losses	116,908	121,019	120,070	118,200	123,736	126,458	142,443
Total deposits	16,025,756	13,347,193	14,069,966	11,915,596	11,688,141	11,331,161	10,972,339
Long-term debt	5,161	33,182	6,213	30,000	530,000	69,775	78,148
Total shareholders' equity	2,489,427	2,116,375	2,205,737	1,713,485	1,723,883	1,655,444	1,606,059
<b>Balances Sheet - Average Balances:</b>							
Total assets	\$18,618,066	\$17,024,756	\$17,240,092	\$14,773,217	\$14,226,953	\$13,583,715	\$13,034,800
Total securities	2,725,595	2,895,410	2,867,439	2,454,545	2,193,937	2,180,117	2,323,695
Loans and leases, net of unearned income	13,453,898	12,285,440	12,481,534	10,932,505	10,557,103	9,995,005	9,308,680
Total deposits	15,015,973	13,496,251	13,641,476	11,871,281	11,520,186	11,149,567	10,734,843
Long-term debt	5,509	33,588	29,508	278,493	313,979	72,900	83,189
Total shareholders' equity	2,297,322	2,051,561	2,086,922	1,702,176	1,701,052	1,654,028	1,581,870
<b>Nonperforming Assets:</b>							
Non-accrual loans and leases	\$ 76,383	\$ 55,532	\$ 70,555	\$ 61,891	\$ 71,812	\$ 83,028	\$ 58,052
Loans and leases 90+ days past due, still accruing	16,659	2,934	18,695	8,503	3,983	2,013	2,763
Restructured loans and leases, still accruing	15,033	7,564	7,498	8,060	26,047	9,876	10,920
Non-performing loans (NPLs)	108,075	66,030	96,748	78,454	101,842	94,917	71,735
Other real estate owned	7,929	4,301	9,276	6,038	7,810	14,759	33,984
Non-performing assets (NPAs)	116,004	70,331	106,024	84,492	109,652	109,676	105,719
<b>Financial Ratios and Other Data:</b>							
Return on average assets	1.21%	1.37%	1.28%	1.04%	0.93%	0.94%	0.90%
Operating return on average assets- excluding MSR*	1.35%	1.29%	1.28%	1.03%	0.99%	1.02%	0.95%
Return on average shareholders' equity	9.80%	11.35%	10.60%	8.99%	7.80%	7.71%	7.38%
Operating return on tangible equity- excluding MSR*	15.61%	14.75%	15.12%	10.90%	10.09%	10.30%	9.59%
Net interest margin-fully taxable equivalent	3.87%	3.68%	3.72%	3.54%	3.52%	3.57%	3.59%
Efficiency ratio (tax equivalent)*	67.9%	67.1%	68.2%	67.6%	71.7%	74.5%	74.3%
Operating efficiency ratio-excluding MSR (tax equivalent)*	65.1%	66.5%	66.6%	67.8%	69.8%	72.1%	73.0%
<b>Credit Quality Ratios:</b>							
Net (recoveries) charge-offs to average	0.05%	0.01%	0.02%	0.08%	0.06%	0.03%	0.12%

loans and leases (annualized)

Provision for credit losses to average loans and leases (annualized)	0.01	0.04	0.04	0.03	0.04	-0.13	0.00
Allowance for credit losses to net loans and leases	0.83	0.97	0.92	1.07	1.14	1.22	1.47
Allowance for credit losses to non-performing loans and leases	108.17	183.28	124.11	150.66	121.50	133.23	198.57
Allowance for credit losses to non-performing assets	100.78	172.07	113.25	139.89	112.84	115.30	134.74
Non-performing loans and leases to net loans and leases	0.77	0.53	0.74	0.71	0.94	0.92	0.74
Non-performing assets to net loans and leases	0.82	0.56	0.81	0.76	1.01	1.06	1.09

#### Equity Ratios:

Total shareholders' equity to total assets	12.54%	12.27%	12.25%	11.20%	11.71%	12.00%	12.05%
Tangible shareholders' equity to tangible assets*	8.47	8.96	8.46	9.31	9.73	9.96	9.92

#### Capital Adequacy:

Common Equity Tier 1 capital	10.54%	11.71%	10.84%	12.15%	12.23%	12.07%	NA
Tier 1 capital	10.54	11.71	10.84	12.15	12.34	12.27	13.27
Total capital	11.28	12.60	11.68	13.13	13.38	13.37	14.52
Tier 1 leverage capital	9.14	9.68	9.06	10.12	10.32	10.61	10.55

#### Common Stock Data:

Basic earnings per share	\$1.68	\$1.76	\$2.24	\$1.67	\$1.41	\$1.33	\$1.22
Diluted earnings per share	1.67	1.76	2.23	1.67	1.41	1.33	1.21
Operating earnings per share-excluding MSR*	1.86	1.67	2.23	1.66	1.50	1.44	1.28
Cash dividends per share	0.53	0.45	0.62	0.53	0.45	0.35	0.25
Book value per share	23.76	21.48	22.10	18.97	18.40	17.58	16.69
Tangible book value per share*	15.33	15.12	14.62	15.44	14.95	14.27	13.40
Dividend payout ratio	31.31 %	25.51%	27.72%	31.71%	31.94%	26.31%	20.61%
Total shares outstanding	104,775,876	98,525,516	99,797,271	90,312,378	93,696,687	94,162,728	96,254,903
Average shares outstanding - basic	100,428,809	98,772,832	98,965,115	91,560,499	94,218,694	95,824,989	95,972,406
Average shares outstanding - diluted	100,699,510	98,939,743	99,134,861	91,754,749	94,454,640	96,123,847	96,301,627

\* Non-GAAP financial measure.

#### Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions

We evaluate our capital position and operating performance by utilizing certain financial measures not calculated in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), including net operating income-excluding MSR, tangible shareholders' equity to tangible assets, operating return on tangible equity-excluding MSR, operating return on average assets, tangible book value per share, operating earnings per share excluding MSR and operating efficiency ratio-excluding MSR (tax equivalent).

We have included these non-GAAP financial measures in this offering circular for the applicable periods presented.

Management believes that the presentation of these non-GAAP financial measures (i) provides important supplemental information that contributes to an understanding of our capital position and operating performance, (ii) enables a more complete understanding of factors and trends affecting our business and (iii) allows investors to evaluate our performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered substitutes for GAAP financial measures, and we strongly encourage you to review the GAAP financial measures included in and incorporated by reference into this offering circular and not to place undue reliance upon any single financial measure.

In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this offering circular with other companies' non-GAAP financial measures having the same or similar names.

**Reconciliation of Net Operating Income-Excluding MSR to Net Income:**

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
	(Dollars in thousands, except per share amounts)						
Net income	\$ 168,412	\$ 174,220	\$ 221,317	\$ 153,033	\$ 132,728	\$ 127,491	\$ 116,750
Plus: Legal charge, net of tax	—	—	—	—	—	10,246	—
BSA charge, net of tax	—	—	—	—	—	—	1,903
Merger expense, net of tax	6,072	6,439	9,784	427	2	15	1,092
Changes due to tax reform	—	—	—	623	—	—	—
Regulatory related charges, net of tax	—	—	—	—	9,412	—	—
Less: Security gains (losses), net of tax	162	(22)	100	1,006	80	84	23
Tax-related Matters	—	11,288	11,288	—	—	—	—
Net operating income	<u>\$ 174,322</u>	<u>\$ 169,393</u>	<u>\$ 219,713</u>	<u>\$ 153,077</u>	<u>\$ 142,062</u>	<u>\$ 137,668</u>	<u>\$ 119,722</u>
Less: MSR market value adjustment, net of tax	(13,268)	5,106	(946)	1,091	626	(720)	(3,995)
Net operating income-excluding MSR	<u>\$ 187,590</u>	<u>\$ 164,287</u>	<u>\$ 220,659</u>	<u>\$ 151,986</u>	<u>\$ 141,436</u>	<u>\$ 138,388</u>	<u>\$ 123,717</u>

**Total Operating Expense to Noninterest Expense, Total Operating Revenue to Total Revenue and Calculation of Operating Efficiency Ratio-excluding MSR (tax equivalent) (1)**

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
	(Dollars in thousands, except per share amounts)						
Noninterest expense	\$ 467,256	\$ 435,292	\$ 587,634	\$ 507,446	\$ 527,909	\$ 536,313	\$ 518,406
Less: Legal charge	—	—	—	—	—	16,500	—
BSA charge	—	—	—	—	—	—	3,069
Merger expense	8,089	8,580	13,036	688	3	24	1,762
Regulatory related charges	—	—	—	—	13,777	—	—
Total operating expense	459,167	426,712	574,598	506,758	514,129	519,789	513,575
Noninterest revenue	205,984	223,006	282,037	268,033	274,901	274,370	269,146
Net interest revenue	479,170	422,341	575,222	474,036	453,452	435,682	416,662
Total revenue	685,154	645,347	857,259	742,069	728,353	710,052	685,808
Plus: Tax equivalent adjustment	2,982	3,302	4,390	8,897	9,884	10,789	11,228
Less: MSR market value adjustment	(17,679)	6,804	(1,260)	1,751	1,009	(1,161)	(6,444)
Security gains (losses)	215	(29)	133	1,622	128	136	37
Operating revenue-fully taxable equivalent	705,600	641,874	862,776	747,593	737,100	721,866	703,443
Operating efficiency ratio - excluding MSR (tax equivalent)	65.1%	66.5%	66.6%	67.8%	69.8%	72.1%	73.0%

(1) The operating efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as nonoperating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.

# **Reconciliation of Tangible Assets and Tangible Shareholders' Equity to Total Assets and Total Shareholders' Equity:**

	At or for Nine Months Ended September 30,		At or for the Year Ended December 31,				
	2019	2018	2018	2017	2016	2015	2014
(Dollars in thousands, except per share amounts)							
Tangible assets:							
Total assets	\$19,850,225	\$17,249,175	\$18,001,540	\$15,298,518	\$14,724,388	\$13,798,662	\$13,326,369
Less: Goodwill	822,093	590,292	695,720	300,798	300,798	291,498	291,498
Other identifiable intangible assets	61,100	36,475	50,896	17,882	21,894	20,545	24,508
Total tangible assets	<u>\$18,967,032</u>	<u>\$16,622,408</u>	<u>\$17,254,924</u>	<u>\$14,979,838</u>	<u>\$14,401,696</u>	<u>\$13,486,619</u>	<u>\$13,010,363</u>
Tangible shareholders' equity:							
Total shareholders' equity	\$ 2,489,427	\$ 2,116,375	\$ 2,205,737	\$ 1,713,485	\$ 1,723,883	\$ 1,655,444	\$ 1,606,059
Less: Goodwill	822,093	590,292	695,270	300,798	300,798	291,498	291,498
Other identifiable intangible assets	61,100	36,475	50,896	17,882	21,894	20,545	24,508
Total tangible shareholders' equity	<u>\$ 1,606,234</u>	<u>\$ 1,489,608</u>	<u>\$ 1,459,121</u>	<u>\$ 1,394,805</u>	<u>\$ 1,401,191</u>	<u>\$ 1,343,401</u>	<u>\$ 1,290,053</u>
Total average assets	18,618,066	17,024,756	17,240,092	14,773,217	14,226,953	13,583,715	13,034,800
Total shares of common stock outstanding	104,775,876	98,525,516	99,797,271	90,312,378	93,696,687	94,162,728	96,254,903
Average shares outstanding-diluted	100,699,510	98,939,743	99,134,861	91,754,749	94,454,640	96,123,847	96,301,627
Tangible shareholders' equity to tangible assets(1)	8.47%	8.96%	8.46%	9.31%	9.73%	9.96%	9.92%
Operating return on tangible equity-excluding MSR(2)	15.61%	14.75%	15.12%	10.90%	10.09%	10.30%	9.59%
Operating return on average assets-excluding MSR(3)	1.35%	1.29%	1.28%	1.03%	0.99%	1.02%	0.95%
Tangible book value per share(4)	\$15.33	\$15.12	\$14.62	\$15.44	\$14.95	\$14.27	\$13.40
Operating earnings per share-excluding MSR(5)	\$1.86	\$1.67	\$2.23	\$1.66	\$1.50	\$1.44	\$1.28

(1) Tangible shareholders' equity to tangible assets is defined by us as total shareholders' equity less goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.

(2) Operating return on tangible equity-excluding MSR is defined by us as annualized net operating income-excluding MSR divided by tangible shareholders' equity.

(3) Operating return on average assets-excluding MSR is defined by us as annualized net operating income-excluding MSR divided by total average assets.

(4) Tangible book value per share is defined by us as tangible shareholders' equity divided by total shares of common stock outstanding.

(5) Operating earnings per share-excluding MSR is defined by us as net operating income-excluding MSR divided by average shares outstanding-diluted.

## RISK FACTORS

*An investment in shares of the Series A Preferred Stock involves a high degree of risk. You should carefully consider the risks described below and the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2018, as updated by our Quarterly Reports on Form 10-Q, and other FDIC filings as well as the other information included in and incorporated by reference into this offering circular, before making an investment decision. Our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations could be materially adversely affected by any of these risks. The risks and uncertainties we describe herein are not the only risks we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also adversely affect our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations. Any adverse effect on our assets, business, cash flows, condition (financial or otherwise), liquidity, prospects and/or results of operations could result in a decline in the value of the shares of Series A Preferred Stock and the loss of all or part of your investment.*

*Further, to the extent that any of the information contained in this offering circular constitutes forward-looking statements, the risk factors set forth below and set forth in the documents incorporated by reference into this offering circular also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any such forward-looking statements. See “Cautionary Note Regarding Forward-Looking Statements.”*

### **The shares of Series A Preferred Stock are equity securities and will be subordinate to our existing and future indebtedness.**

The shares of Series A Preferred Stock are equity interests and will not constitute indebtedness. This means that the shares of Series A Preferred Stock will rank junior to all our existing and future indebtedness and our other non-equity claims with respect to assets available to satisfy claims against us, including claims in the event of our liquidation. Series A Preferred Stock will rank junior to the Notes that we are offering simultaneously with this offering.

As of September 30, 2019, our total liabilities were approximately \$17.4 billion, and we may incur additional indebtedness in the future to increase our capital resources. Additionally, if our capital ratios fall below minimum ratios required by the FDIC, we could be required to raise additional capital by making additional offerings of debt securities, including medium-term notes, senior or subordinated notes, or other applicable securities. The Series A Preferred Stock places no restrictions on our business or operations or on our ability to incur indebtedness or engage in any transactions, subject only to the limited voting rights referred to below in “Risk Factors—Holders of the Series A Preferred Stock will have limited voting rights.” Further, our existing and future indebtedness may restrict the payment of dividends on the Series A Preferred Stock.

### **The Series A Preferred Stock is expected to be rated below investment grade.**

Although it has not yet been rated, we have sought to obtain a rating for the Series A Preferred Stock. We currently expect the rating of the Series A Preferred Stock, if obtained, to be below investment grade, which could adversely impact the market price of the Series A Preferred Stock. Below investment-grade securities are subject to a higher risk of price volatility than similar, higher-rated securities. Furthermore, increases in leverage or deteriorating outlooks for an issuer, or volatile markets, could lead to continued significant deterioration in market prices of below-investment grade rated securities.

Generally, rating agencies base their ratings on information, and such of their investigative studies and assumptions, as they deem appropriate. Real or anticipated changes in the credit ratings assigned to the Series A Preferred Stock generally could affect the trading price of the Series A Preferred Stock. Credit ratings are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. In addition, credit rating agencies continually review their ratings for the companies that they follow. The credit rating agencies also evaluate the financial services industry as a whole and

may change their credit rating for us and our securities, including the Series A Preferred Stock, based upon their overall view of our industry.

We cannot be sure that rating agencies will rate the Series A Preferred Stock or maintain their ratings once issued. Neither we nor any underwriter undertakes any obligation to obtain a rating, maintain any rating once issued or advise holders of Series A Preferred Stock of any change in ratings. A future downgrade or withdrawal, or the announcement of a possible downgrade or withdrawal, in the ratings assigned to the Series A Preferred Stock, us or our other securities, or any perceived decrease in our creditworthiness, could cause the trading price of the Series A Preferred Stock to decline significantly.

**Additional issuances of preferred stock or securities convertible into preferred stock may dilute existing holders of shares of Series A Preferred Stock.**

We may determine that it is advisable, or we may encounter circumstances where we determine it is necessary, to issue additional shares of preferred stock, securities convertible into, exchangeable for or that represent an interest in preferred stock, or preferred stock-equivalent securities to fund strategic initiatives or other business needs or to build additional capital. Our board of directors is authorized to cause us to issue one or more classes or series of preferred stock from time to time without any action on the part of the shareholders, including issuing additional shares of Series A Preferred Stock. Our board of directors also has the power, without shareholder approval, to set the terms of any such classes or series of preferred stock that may be issued, including voting rights, dividend rights and preferences over the Series A Preferred Stock with respect to dividends or upon our dissolution, winding-up and liquidation and other terms.

Although the affirmative vote or consent of the holders of at least 66 2/3% of all outstanding shares of the Series A Preferred Stock is required to authorize or issue any shares of capital stock senior in rights and preferences to the Series A Preferred Stock, if we issue preferred stock in the future with voting rights that dilute the voting power of the Series A Preferred Stock, the rights of holders of the Series A Preferred Stock or the market price of the Series A Preferred Stock could be adversely affected. The market price of the Series A Preferred Stock could decline as a result of these other offerings, as well as other sales of a large block of Series A Preferred Stock or similar securities in the market thereafter, or the perception that such sales could occur. Holders of the shares of Series A Preferred Stock are not entitled to preemptive rights or other protections against dilution.

**The Series A Preferred Stock may be junior in rights and preferences to any future classes or series of preferred stock.**

The Series A Preferred Stock may rank junior to preferred stock issued in the future that by its terms is expressly senior in rights and preferences to the Series A Preferred Stock, although the affirmative vote or consent of the holders of at least 66 2/3% of all outstanding shares of the Series A Preferred Stock is required to authorize or issue any shares of stock senior in rights and preferences to the Series A Preferred Stock. The terms of any future class or series of preferred stock expressly senior to the Series A Preferred Stock may restrict dividend payments on the Series A Preferred Stock.

**Dividends on the Series A Preferred Stock are discretionary and non-cumulative.**

Dividends on the Series A Preferred Stock are discretionary and will not be mandatory or cumulative. If our board of directors (or a duly authorized committee of our board of directors) does not declare a dividend on the Series A Preferred Stock or declares less than a full dividend in respect of a Dividend Period, then no dividend shall be payable on the applicable Dividend Payment Date, no dividend shall be deemed to be unpaid for such Dividend Period, and we will have no obligation to pay, and you shall have no right to receive, a full dividend for that Dividend Period at any time, whether or not our board of directors (or a duly authorized committee of our board of directors) declares a dividend on the Series A Preferred Stock or any other class or series of our capital stock for any future Dividend Period. In addition, even at a time when sufficient funds are available to make the payment, our board of directors (or a duly authorized committee of our board of directors) could also determine that it would be in our best interest to pay less than the full amount of stated dividends or no dividends on the Series A Preferred Stock for any dividend period. In making this determination, our board of directors (or a duly authorized committee of our board of directors) would consider all the factors it considers relevant, which we

expect would include our financial condition and liquidity and capital needs, our ability to service any equity or debt obligations senior to the Series A Preferred Stock, dividend restrictions contained in any credit agreements, the impact of current or pending legislation and regulations, general economic and regulatory conditions and the requirement that we pay a dividend on our common stock in any period in which we do not pay full dividends to holders of our Series A Preferred Stock.

**Our ability to declare and pay dividends is subject to various statutory and regulatory restrictions and our results of operations.**

We are subject to various federal and state laws and regulatory limitations on our ability to declare and pay dividends on the Series A Preferred Stock. In particular, dividends on the Series A Preferred Stock will be subject to our receipt of any required prior approval by the FDIC (if then required) and to the satisfaction of conditions set forth in the capital adequacy and prompt corrective action requirements of the FDIC applicable to dividends on the Series A Preferred Stock. Under the FDIC's capital rules, dividends on the Series A Preferred Stock may only be paid out of our net income, retained earnings or surplus related to other additional Tier 1 capital instruments. The capital rules also require that we maintain a capital conservation buffer of at least 2.5 percent in order to avoid any limits on, or the FDIC approval process for, the amount of dividends we may declare and pay on the Series A preferred stock. Our capital conservation buffer was approximately 3.28% as of September 30, 2019. The FDIC also has the authority to prohibit us from engaging in business practices that the FDIC considers to be unsafe or unsound, which, depending on our financial condition, could include the payment of dividends. Under Mississippi law, the Company must obtain the non-objection of the Commissioner of the Mississippi Department of Banking and Consumer Finance prior to paying any dividend on the Series A Preferred Stock. Further, the Company may not pay any dividends without prior FDIC approval if, after paying the dividend, it would be undercapitalized under applicable capital requirements.

In addition to the foregoing, our ability to declare and pay dividends on the Series A Preferred Stock will also be dependent upon our results of operations and such other relevant business-related factors that our board of directors (or a duly authorized committee of our board of directors) considers in making such declaration.

**The Series A Preferred Stock may be redeemed at our option, and you may not be able to reinvest the redemption price you receive in a similar security.**

Subject to the approval of the FDIC or the appropriate federal banking agency (if then required), at our option, we may redeem the Series A Preferred Stock at any time, either in whole or in part, for cash, on any Dividend Payment Date on or after November 20, 2024. We may also redeem the Series A Preferred Stock at our option, subject to the approval of the FDIC or the appropriate federal banking agency (if then required), at any time, in whole, but not in part, within 90 days following the occurrence of a Regulatory Capital Treatment Event (as defined herein), such as a proposed change in law or regulation after the initial issuance date with respect to whether the Series A Preferred Stock qualifies as an "additional Tier 1 capital" instrument.

Although the terms of the Series A Preferred Stock have been established at issuance to satisfy the criteria for "additional Tier 1 capital" instruments consistent with Basel III as set forth in the joint final rulemaking issued in July 2013 by the Federal Reserve, the FDIC and the Office of the Comptroller of the Currency, it is possible that the Series A Preferred Stock may not satisfy the criteria set forth in future rulemakings or interpretations. As a result, a Regulatory Capital Event could occur whereby we would have the right, subject to prior approval of the FDIC or the appropriate federal banking agency to redeem the Series A Preferred Stock, to the extent required, at any time within 90 days following such Regulatory Capital Treatment Event at a redemption price equal to \$25, plus accrued and unpaid dividends for the then-current dividend period to but excluding the redemption date, whether or not declared. See "Description of the Series A Preferred Stock—Redemption."

If we redeem the Series A Preferred Stock for any reason, you may not be able to reinvest the redemption proceeds you receive in a similar security or earn a similar rate of return on another security. See "Description of Series A Preferred Stock—Redemption" for more information on redemption of the Series A Preferred Stock.



**Investors should not expect us to redeem the Series A Preferred Stock on the date it becomes redeemable or on any particular date.**

The Series A Preferred Stock is a perpetual equity security. This means that it has no maturity or mandatory redemption date and is not redeemable at the option of the holders of the Series A Preferred Stock. The Series A Preferred Stock may be redeemed by us at our option, either in whole or in part, for cash, on any Dividend Payment Date on or after November 20, 2024, or in whole, but not in part, at any time within 90 days of the occurrence of a Regulatory Capital Treatment Event. Any decision we may make at any time to propose a redemption of the Series A Preferred Stock will depend upon, among other things, our evaluation of our capital position, the composition of our shareholders' equity and general market conditions at that time.

In addition, our right to redeem the Series A Preferred Stock is subject to limitations. Any redemption of the Series A Preferred Stock is subject to prior approval of the FDIC or the appropriate federal banking agency (if then required). We cannot assure you that the FDIC or the appropriate federal banking agency will approve any redemption of the Series A Preferred Stock that we may propose. There also can be no assurance that, if we propose to redeem the Series A Preferred Stock without replacing such capital with common equity Tier 1 capital, additional Tier 1 capital, or additional Tier 2 capital instruments or without demonstrating to the FDIC's or the appropriate federal banking agency's satisfaction that following redemption of the Series A Preferred Stock we would continue to hold an amount of capital commensurate with our risk, the FDIC or the appropriate federal banking agency will authorize such redemption. We understand that the factors that the FDIC or the appropriate federal banking agency will consider in evaluating a proposed redemption, or a request that we be permitted to redeem the Series A Preferred Stock without replacing it with common equity Tier 1 capital, additional Tier 1 capital, or additional Tier 2 capital instruments, include its evaluation of the overall level and quality of our capital components, considered in light of our risk exposures, earnings and growth strategy, and other supervisory considerations, although the FDIC or the appropriate federal banking agency may change these factors at any time.

**If we default under the subordinated notes governing the Notes, we may be unable to make distributions on or redeem shares of our Series A Preferred Stock.**

Simultaneously with this offering, we are also offering our 4.125% Subordinated Notes due November 20, 2029. Series A Preferred Stock will rank junior to the Notes. In addition to the Notes, as of September 30, 2019, we had approximately \$17.4 billion of indebtedness that ranked senior to the Notes, including approximately \$16.0 billion of deposit liabilities, approximately \$529.8 million of securities sold under agreements to repurchase, approximately \$480.0 million of outstanding collateralized advances from the Federal Home Loan Bank of Dallas ("FHLB"), \$13.1 million of accrued interest payable and approximately \$5.2 million of long-term debt.

As a consequence of the subordination of the Series A Preferred Stock to the Notes and to our existing and future senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law, if we become subject to any receivership, conservatorship, insolvency or similar proceeding, or in the case of any liquidation or other winding-up of or relating to us, our assets would be available to pay the liquidation price of the Series A Preferred Stock only after all other obligations, including the Notes, that are subject to any priority or preferences under applicable law have been paid in full. If we become to such a proceeding and if we do not have sufficient assets to satisfy our indebtedness obligations, including the Notes, we would be unable to make distributions on, or redeem, shares of our Series A Preferred Stock.

**Holders of the Series A Preferred Stock will have limited voting rights.**

Holders of the Series A Preferred Stock will have no voting rights with respect to matters that generally require the approval of holders of shares of our common stock. Holders of shares of the Series A Preferred Stock will have voting rights only with respect to (i) authorizing, creating or issuing any capital stock ranking senior to the Series A Preferred Stock as to dividends and rights upon liquidation, dissolution or winding up, or reclassifying any authorized capital stock into any such shares of such capital stock or issuing any obligation or security convertible into or evidencing the right to purchase any such shares of capital stock, (ii) amending, altering or repealing any provision of our Articles or the Articles of Amendment, including by merger, consolidation or otherwise, so as to adversely affect the powers, preferences or special rights of the Series A Preferred Stock, (iii) two directors, following non-payments of dividends for at least six quarterly Dividend Periods, and (iv) as

otherwise required by applicable law. See “Description of Series A Preferred Stock—Voting Rights.”

**We cannot assure you that a liquid trading market for shares of Series A Preferred Stock will develop, and you may find it difficult to sell the shares of Series A Preferred Stock that you own.**

There is no established public trading market for the shares of Series A Preferred Stock. We have filed an application to list the Series A Preferred Stock on the NYSE under the symbol “BXS-PrA.” If the application is approved, trading of the Series A Preferred Stock on the NYSE is expected to begin within 30 days after the date of initial issuance of the Series A Preferred Stock. If and when trading commences on the NYSE, there may be little or no secondary market for shares of Series A Preferred Stock. The underwriters have advised us that they intend to make a market in the Series A Preferred Stock. However, they are not obligated to do so and may discontinue any market making in the Series A Preferred Stock at any time in their sole discretion. Even if a secondary market for the Series A Preferred Stock develops, it may not provide significant liquidity. We cannot assure you that you will be able to sell any Series A Preferred Stock that you own at a particular time or at a price that you find favorable.

**General market conditions and unpredictable factors could adversely affect market prices for shares of the Series A Preferred Stock.**

Future trading prices of the Series A Preferred Stock will depend on many factors, including, without limitation:

- whether we declare or fail to declare dividends on the Series A Preferred Stock from time to time;
- our operating performance, financial condition and prospects, or the operating performance, financial condition and prospects of our competitors;
- our creditworthiness;
- the ratings given to our securities by credit rating agencies, including the ratings given to the Series A Preferred Stock;
- prevailing interest rates;
- economic, financial, geopolitical, regulatory or judicial events affecting us or the financial markets generally; and
- the market for similar securities.

Accordingly, the shares of Series A Preferred Stock may trade at a discount to the price per share paid for such shares even if a secondary market for the Series A Preferred Stock develops.

**Our management has broad discretion over the use of proceeds from this offering.**

Our management has significant flexibility in applying the proceeds that we receive from this offering. Although we have indicated our intent to use the proceeds from this offering for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs, our management retains significant discretion with respect to the use of proceeds. The proceeds of this offering may be used in a manner which does not generate a favorable return for us. We may use the proceeds to fund future acquisitions of other businesses and there can be no assurances that any business we acquire would be successfully integrated into our operations or otherwise perform as expected.

**Interest rate risks may affect the value of the Series A Preferred Stock.**

An investment in shares of Series A Preferred Stock involves risk that subsequent changes in market interest rates may adversely affect the value of the Series A Preferred Stock. An increase in interest rates could make alternative investments more attractive and decrease the value of the Series A Preferred Stock.

**An investment in shares of Series A Preferred Stock is not an insured deposit.**

Shares of Series A Preferred Stock are equity securities and are not savings accounts, deposits or other obligations and, therefore, are not insured against loss by the FDIC, any other deposit insurance fund or by any other public or private entity. An investment in shares of Series A Preferred Stock is inherently risky for the reasons described in this “Risk Factors” section and elsewhere in this offering circular and the other information included or incorporated by reference into this offering circular. As a result, if you acquire shares of Series A Preferred Stock, you may be at risk of losing some or all of your investment.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made or incorporated by reference into this offering circular which are not statements of historical fact constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “aspire,” “roadmap,” “achieve,” “estimate,” “intend,” “plan,” “project,” “projection,” “forecast,” “goal,” “target,” “would,” and “outlook,” or the negative version of those words or other comparable words of a future or forward-looking nature. These forward-looking statements include, without limitation, those relating to the benefits, costs, synergies and financial and operational impact of our Completed Mergers, the acceptance by customers of our Completed Mergers of our products and services after the closing of the Completed Mergers, the opportunities to enhance market share in certain markets and market acceptance of us generally in new markets, our ability and the ability of Texas First to complete the Texas First Merger, our ability and the ability of Texas First to satisfy the conditions to closing of the Texas First Merger, including the approval of the Texas First Merger by Texas First’s shareholders and the receipt of all required regulatory approvals, our ability and the ability of Texas First to meet expectations regarding the timing, completion and accounting and tax treatments of the Texas First Merger, the possibility that any of the anticipated benefits, cost savings and synergies of the Texas First Merger will not be realized or will not be realized as expected, the failure of the Texas First Merger to close for any other reason, the possibility that the Texas First Merger may be more expensive or time consuming to complete than anticipated, including as a result of unexpected factors or events, our ability to operate our regulatory compliance programs consistent with federal, state and local laws, including its Bank Secrecy Act (“BSA”) and anti-money laundering (“AML”) compliance program and its fair lending compliance program, our compliance with the Consent Order we entered into with the CFPB and the DOJ related to our fair lending practices, the impact of the Tax Cuts and Jobs Act of 2017 on us and our operations and financial performance, expectations regarding redemption of the Series A Preferred Stock, amortization expense for intangible assets, goodwill impairments, loan impairment, utilization of appraisals and inspections for real estate loans, maturity, renewal or extension of construction, acquisition and development loans, net interest revenue, fair value determinations, the amount of our non-performing loans and leases, credit quality, credit losses, liquidity, off-balance sheet commitments and arrangements, valuation of mortgage servicing rights, allowance and provision for credit losses, early identification and resolution of credit issues, utilization of non-GAAP financial measures, the ability of us to collect all amounts due according to the contractual terms of loan agreements, our reserve for losses from representation and warranty obligations, our foreclosure process related to mortgage loans, the resolution of non-performing loans that are collaterally dependent, real estate values, fully-indexed interest rates, interest rate risk, interest rate sensitivity, the impact of interest rates on loan yields, calculation of economic value of equity, impaired loan charge-offs, diversification of our revenue stream, the growth of our insurance business and commission revenue, the growth of our customer base and loan, deposit and fee revenue sources, liquidity needs and strategies, sources of funding, net interest margin, declaration and payment of dividends, the utilization of our share repurchase program, the implementation and execution of cost saving initiatives, improvement in our efficiencies, operating expense trends, future acquisitions, dispositions and other strategic growth opportunities and initiatives and the impact of certain claims and ongoing, pending or threatened litigation, administrative and investigatory matters.

These forward-looking statements are not historical facts, and are based upon current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain, involve risk and are beyond our control. The inclusion of these forward-looking statements should not be regarded as a representation by us or any other person that such expectations, estimates and projections will be achieved. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict and that are beyond our control. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date of this offering circular, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. These factors may include, but are not limited to, our ability to operate our regulatory compliance programs consistent with federal, state and local laws, including our BSA/AML compliance program and our fair lending compliance program, our ability to successfully implement and comply with the Consent Order, the ability of us to meet expectations regarding the benefits, costs, synergies, and financial and operational impact of our Completed Mergers or the Texas

First Merger, the possibility that any of the anticipated benefits, costs, synergies and financial and operational improvements of our Completed Mergers or the Texas First Merger will not be realized or will not be realized as expected, the possibility that integration of the Completed Mergers or the Texas First Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events, the lack of availability of our filings mandated by the Exchange Act from the SEC's publicly available website after the November 1, 2017, the impact of any ongoing pending or threatened litigation, administrative and investigatory matters involving the Company, conditions in the financial markets and economic conditions generally, the adequacy of our provision and allowance for credit losses to cover actual credit losses, the credit risk associated with real estate construction, acquisition and development loans, limitations on our ability to declare and pay dividends, the availability of capital on favorable terms if and when needed, liquidity risk, governmental regulation, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), and supervision of our operations, the short-term and long-term impact of changes to banking capital standards on our regulatory capital and liquidity, the impact of regulations on service charges on our core deposit accounts, the susceptibility of our business to local economic and environmental conditions, the soundness of other financial institutions, changes in interest rates, the impact of monetary policies and economic factors on our ability to attract deposits or make loans, volatility in capital and credit markets, reputational risk, the impact of the Tax Cuts and Jobs Act of 2017 on us and our operations and financial performance, the impact of the loss of any of our key personnel, the impact of hurricanes or other adverse weather events, any requirement that we write down goodwill or other intangible assets, diversification in the types of financial services that we offer, the growth of our insurance business and commission revenue, the growth of our loan, deposit and fee revenue sources, our ability to adapt our products and services to evolving industry standards and consumer preferences, competition with other financial services companies, risks in connection with completed or potential acquisitions, dispositions and other strategic growth opportunities and initiatives, our growth strategy, interruptions or breaches in our information system security, the failure of certain third-party vendors to perform, unfavorable ratings by rating agencies, dilution caused by our issuance of any additional shares of our common stock to raise capital or acquire other banks, bank holding companies, financial holding companies and insurance agencies, the utilization of our share repurchase program, the implementation and execution of cost saving initiatives, and other factors generally understood to affect the assets, business, cash flows, financial condition, liquidity, prospects and/or results of operations of financial services companies.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth in the section titled "Risk Factors" beginning on page 13 of this offering circular and included within the Series A Preferred Stock Offering Circular as well as those factors that are detailed from time to time in our periodic and current reports filed with the FDIC, including those factors included in our Annual Report on Form 10-K for the year ended December 31, 2018 under the heading "Item 1A. Risk Factors," in our Quarterly Reports on Form 10-Q and in our Current Reports on Form 8-K.

If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from our forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this offering circular, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence or how they will affect us.

## **USE OF PROCEEDS**

We estimate that the net proceeds for this offering will be approximately \$145.4 million, or approximately \$167.2 million if the underwriters exercise their option in full to purchase additional shares of Series A Preferred Stock, in each case after deducting the underwriting discount and estimated offering expenses. We intend to use the net proceeds of this offering of Series A Preferred Stock for general corporate purposes, potentially including repurchases of shares of our common stock, future acquisitions and ongoing working capital needs. Prior to such uses, we may temporarily invest the net proceeds of this offering in marketable securities and short-term investments.

## CAPITALIZATION

The following table sets forth our capitalization as of:

- September 30, 2019 on an actual basis; and
- September 30, 2019 on an as-adjusted basis, to give effect to:
  - the sale of 6,000,000 shares of Series A Preferred Stock (but excluding the underwriters' option to purchase an additional 900,000 shares of Series A Preferred Stock), after deducting the underwriting discount and estimated offering expenses, in this offering; and
  - the sale of \$300,000,000 of the Notes that we are simultaneously offering in addition to the Series A Preferred Stock, after deducting the underwriting discount and estimated offering expenses.

This information should be read together with the selected consolidated financial and other data in this offering circular as well as the unaudited consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in our quarterly report on Form 10-Q for the quarter ended September 30, 2019, which is incorporated by reference into this offering circular.

	<b>As of September 30, 2019(1)</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(Dollars in thousands except per-share data)</b>	
<b>Liabilities</b>		
Total deposits	\$16,025,756	\$16,025,756
Securities sold under agreement to repurchase	529,788	529,788
Federal funds purchased and other short-term borrowings	480,000	480,000
Accrued interest payable	13,120	13,120
Long-term debt (2)	5,161	5,161
Subordinated notes	—	296,875
Other liabilities	306,973	306,973
Total liabilities	\$ 17,360,798	\$ 17,657,673
<b>Shareholders' equity</b>		
Preferred stock, \$0.01 par value		
5.50% Series A Non-Cumulative Perpetual Preferred Stock, liquidation preference \$25.00 per share;		
Authorized - 6,900,000		
Issued - 6,000,000 (as adjusted)	\$ —	\$ 150,000
Common stock, \$2.50 par value;		
Authorized - 500,000,000		
Issued and outstanding - 104,775,876 (actual)	261,940	261,940
Capital surplus	611,115	606,561
Accumulated other comprehensive loss	(50,538)	(50,538)
Retained earnings	1,666,910	1,666,910
Total shareholders' equity	\$ 2,489,427	\$ 2,634,873
<b>Regulatory Capital Ratios</b>		
Tier 1 Leverage (Well Capitalized = 5%)	9.14%	9.70%
Tier 1 Common (Well Capitalized = 6.5%)	10.54%	10.49%
Tier 1 Capital (Well Capitalized = 8%)	10.54%	11.40%
Total Capital (Well Capitalized = 10%)	11.28%	13.99%

- (1) Includes approximately 10,950,000 shares of our common stock issued in the Completed Mergers. Does not include approximately 1,065,000 shares of our common stock that we expect to issue in the Texas First Merger.
- (2) Includes approximately \$2.8 million in long-term portion of FHLB advances.

## **DESCRIPTION OF SERIES A PREFERRED STOCK**

The following description summarizes the material terms of our Series A Preferred Stock.

The following summary of the terms and provisions of the Series A Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the relevant sections of the Articles, which we have previously filed with the SEC and have incorporated by reference into documents that we have filed with the FDIC, and the Articles of Amendment, which will be included as an exhibit to documents that we file with the FDIC. If any information regarding the Series A Preferred Stock contained in the Articles or the Articles of Amendment is inconsistent with the information in this offering circular, the information in the Articles or Articles of Amendment, as applicable, will apply and supersede information in this offering circular. We have also granted the underwriters an option to purchase up to an additional 900,000 shares of Series A Preferred Stock.

### **General**

The Articles authorize us to issue 500,000,000 shares of preferred stock, par value of \$0.01 per share, in one or more series, and our board of directors is authorized to fix the number of shares of each series and determine the rights, designations, voting powers, preferences, privileges, qualifications, limitations and restrictions of any such series. To date, we have not issued any shares of our authorized preferred stock.

We are offering 6,000,000 shares, in the aggregate, of our 5.50% Series A Preferred Stock, par value of \$0.01, with a liquidation preference of \$25 per share. Holders of the Series A Preferred Stock are entitled to receive, when, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), out of assets legally available under applicable law for payment, non-cumulative cash dividends at a rate equal to 5.50% per annum, for each quarterly Dividend Period (as defined below) occurring from, and including, the original issue date of the Series A Preferred Stock.

The 5.50% Series A Non-Cumulative Perpetual Preferred Stock will be designated as one series of our authorized preferred stock. The Series A Preferred Stock, upon issuance against full payment of the purchase price, will be fully paid and nonassessable. We may from time to time, without notice to or the consent of holders of the Series A Preferred Stock, issue additional shares of Series A Preferred Stock, provided that if the additional shares are not fungible for U.S. federal income tax purposes with the initial shares of such series, the additional shares shall be issued under a separate CUSIP number. The additional shares would form a single series together with all previously issued shares of Series A Preferred Stock.

### **Ranking**

With respect to the payment of dividends and rights upon our liquidation, dissolution or winding up, the Series A Preferred Stock will rank (i) senior to our common stock and any other class or series of preferred stock that by its terms ranks junior to the Series A Preferred Stock, (ii) equally with all existing or future series of preferred stock that does not by its terms rank junior or senior to the Series A Preferred Stock, and (iii) junior to all existing and future indebtedness and other liabilities and any class or series of preferred stock that expressly provides in the Articles of Amendment, or subsequent amendments thereto, creating such class or series of preferred stock that it ranks senior to the Series A Preferred Stock (subject to any requisite consents prior to issuance).

The Series A Preferred Stock will not be convertible into, or exchangeable for, shares of any other class or series of our capital stock or other securities and will not be subject to any sinking fund or other obligation to redeem or repurchase the Series A Preferred Stock. The preferred stock is not secured, is not guaranteed by us or any of our affiliates and is not subject to any other arrangement that legally or economically enhances the ranking of the Series A Preferred Stock.

### **Dividends**

Holders of the Series A Preferred Stock will be entitled to receive, only when, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), out of assets legally available under applicable law for payment, non-cumulative cash dividends based upon the liquidation preference of \$25 per share



of Series A Preferred Stock, and no more, at a rate equal to 5.50% per annum, for each quarterly Dividend Period occurring from, and including, the original issue date of the Series A Preferred Stock. A “Dividend Period” means the period from, and including, each Dividend Payment Date (as defined below) to, but excluding, the next succeeding Dividend Payment Date, except for the initial Dividend Period, which will be the period from, and including, the issue date of the shares of Series A Preferred Stock to, but excluding, the next succeeding Dividend Payment Date.

When, as, and if declared by our board of directors (or a duly authorized committee of our board of directors), we will pay cash dividends on the Series A Preferred Stock quarterly, in arrears, on February 20, May 20, August 20 and November 20 of each year (each such date, a “Dividend Payment Date”), beginning on February 20, 2020. We will pay cash dividends to the holders of record of shares of the Series A Preferred Stock as they appear on our stock register on the applicable record date, which shall be the 15<sup>th</sup> calendar day before that Dividend Payment Date or such other record date fixed by our board of directors (or a duly authorized committee of the board of directors) that is not more than 60 nor less than 10 days prior to such Dividend Payment Date.

If any Dividend Payment Date is a day that is not a Business Day (as defined below), then the dividend with respect to that Dividend Payment Date will instead be paid on the immediately succeeding Business Day, without interest or other payment in respect of such delayed payment. A “Business Day” for the Fixed Rate Period means any weekday in New York, New York that is not a day on which banking institutions in that city are authorized or required by law, regulation or executive order to be closed.

We will calculate dividends on the Series A Preferred Stock on the basis of a 360-day year of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to the nearest cent, with one-half cent being rounded upward. Dividends on the Series A Preferred Stock will cease to accrue after the redemption date, as described below under “—Redemption,” unless we default in the payment of the redemption price of the shares of the Series A Preferred Stock called for redemption.

Dividends on the Series A Preferred Stock will not be cumulative or mandatory. If our board of directors (or a duly authorized committee of our board of directors) does not declare a dividend on the Series A Preferred Stock for, or our board of directors authorizes and we declare less than a full dividend in respect of, any Dividend Period, the holders will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and we will have no obligation to pay a dividend or to pay full dividends for that Dividend Period at any time, whether or not dividends on the Series A Preferred Stock or any other series of our preferred stock or common stock are declared for any future Dividend Period.

Dividends on the Series A Preferred Stock will accrue from the issue date at the dividend rate on the liquidation preference amount of \$25 per share. If we issue additional shares of the Series A Preferred Stock, dividends on those additional shares will accrue from the issue date of those additional shares at the then-applicable dividend rate.

### **Priority Regarding Dividends**

During a Dividend Period, so long as any share of Series A Preferred Stock remains outstanding,

(1) no dividend will be declared and paid or set aside for payment and no distribution will be declared and made or set aside for payment on any Junior Stock (as defined below) (other than a dividend payable solely in shares of Junior Stock or any dividend in connection with the implementation of a shareholder rights plan or the redemption or repurchase of any rights under such a plan, including with respect to any successor shareholder rights plan);

(2) no shares of Junior Stock will be repurchased, redeemed, or otherwise acquired for consideration by us, directly or indirectly (other than as a result of a reclassification of Junior Stock for or into other Junior Stock, or the exchange for or conversion into Junior Stock, through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock or pursuant to a contractually binding requirement to buy Junior Stock pursuant to a binding stock repurchase plan existing prior to the most recently completed Dividend Period), nor will any monies be paid to or made available for a sinking fund for the redemption of any such

securities by us; and

(3) no shares of Parity Stock (as defined below) will be repurchased, redeemed or otherwise acquired for consideration by us (other than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series A Preferred Stock and such Parity Stock, through the use of the proceeds of a substantially contemporaneous sale of other shares of Parity Stock or Junior Stock, as a result of a reclassification of Parity Stock for or into other Parity Stock, or by conversion into or exchange for other Parity Stock or Junior Stock),

unless, in each case of clauses (1), (2) and (3), the full dividends for the most recently completed Dividend Period on all outstanding shares of the Series A Preferred Stock have been declared and paid in full or declared and a sum sufficient for the payment of those dividends has been set aside. The foregoing limitations do not apply to purchases or acquisitions of our Junior Stock pursuant to any employee or director incentive or benefit plan or arrangement (including any of our employment, severance, or consulting agreements) of ours or of any of our subsidiaries, adopted before or after the date of this offering circular.

Except as provided below, for so long as any share of Series A Preferred Stock remains outstanding, we will not declare, pay, or set aside for payment full dividends on any Parity Stock unless we have paid in full, or set aside payment in full, in respect of all accrued dividends for all Dividend Periods for outstanding shares of preferred stock. To the extent that we declare dividends on the Series A Preferred Stock and on any Parity Stock but cannot make full payment of such declared dividends, we will allocate the dividend payments on a pro rata basis among the holders of the shares of Series A Preferred Stock and the holders of any Parity Stock then outstanding. For purposes of calculating the pro rata allocation of partial dividend payments, we will allocate dividend payments based on the ratio between the then-current and unpaid dividend payments due on the shares of Series A Preferred Stock and (1) in the case of cumulative Parity Stock, the aggregate of the accrued and unpaid dividends due on any such Parity Stock, and (2) in the case of non-cumulative Parity Stock, the aggregate of the declared but unpaid dividends due on any such Parity Stock. No interest will be payable in respect of any dividend payment on Series A Preferred Stock that may be in arrears.

As used in this offering circular, “Junior Stock” means our common stock and any other class or series of our capital stock over which the Series A Preferred Stock has preference or priority in the payment of dividends and rights on our liquidation, dissolution or winding up, and “Parity Stock” means any other class or series of our capital stock that ranks equally with the Series A Preferred Stock in the payment of dividends and rights on our liquidation, dissolution or winding up, which includes any other class or series of our stock hereafter authorized the terms of which expressly provide that it ranks equally with the Series A Preferred Stock in the payment of dividends and rights on our liquidation, dissolution or winding up.

Subject to the conditions described above, and not otherwise, dividends (payable in cash, stock, or otherwise), as may be determined by our board of directors (or a duly authorized committee of our board of directors), may be declared and paid on our common stock and any Junior Stock from time to time out of any funds legally available for such payment, and the holders of the Series A Preferred Stock will not be entitled to participate in those dividends.

### **Liquidation Rights**

Upon our voluntary or involuntary liquidation, dissolution or winding up, the holders of the outstanding shares of Series A Preferred Stock are entitled to be paid out of our assets legally available for distribution to our shareholders, before any distribution of assets is made to holders of common stock or any other Junior Stock, a liquidating distribution in the amount of a liquidation preference of \$25 per share, plus the sum of any declared and unpaid dividends for prior Dividend Periods prior to the Dividend Period in which the liquidation distribution is made and any declared and unpaid dividends for the then current Dividend Period in which the liquidation distribution is made to the date of such liquidation distribution. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series A Preferred Stock will have no right or claim to any of our remaining assets.

Distributions will be made only to the extent that our assets are available after satisfaction of all liabilities to depositors and creditors and subject to the rights of holders of any securities ranking senior to the Series A Preferred

Stock. If our remaining assets are not sufficient to pay the full liquidating distributions to the holders of all outstanding Series A Preferred Stock and all Parity Stock, then we will distribute our assets to those holders pro rata in proportion to the full liquidating distributions to which they would otherwise have received.

Our merger or consolidation with one or more other entities or the sale, lease, exchange or other transfer of all or substantially all of our assets (for cash, securities or other consideration) will not be deemed to be a voluntary or involuntary liquidation, dissolution or winding up. If we enter into any merger or consolidation transaction with or into any other entity and we are not the surviving entity in such transaction, the Series A Preferred Stock may be converted into shares of the surviving or successor corporation or the direct or indirect parent of the surviving or successor corporation having terms identical to the terms of the Series A Preferred Stock set forth in this offering circular.

Holders of the Series A Preferred Stock may be fully subordinated to interests held by the U.S. Government in the event we enter into a receivership, insolvency, liquidation or similar proceeding.

### **Conversion Rights**

The Series A Preferred Stock is not convertible into or exchangeable for any other of our property, interests or securities.

### **Redemption**

The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The holders of Series A Preferred Stock do not have the right to require the redemption or repurchase of the Series A Preferred Stock. In addition, under the FDIC's risk-based capital rules applicable to banks, any redemption of the Series A Preferred Stock is subject to prior approval of the FDIC.

### **Optional Redemption**

We may redeem the Series A Preferred Stock, in whole or in part, at our option, on any Dividend Payment Date on or after November 20, 2024, with not less than 30 days' and not more than 60 days' notice ("Optional Redemption"), subject to the approval of the FDIC or the appropriate federal banking agency, at the redemption price provided below. Dividends will not accrue on those shares of Series A Preferred Stock on and after the redemption date.

#### ***Redemption Following a Regulatory Capital Event***

We may redeem the Series A Preferred Stock, in whole but not in part, at our option, for cash, at any time within 90 days following a Regulatory Capital Treatment Event, subject to the approval of the FDIC or the appropriate federal banking agency, at the redemption price provided below ("Regulatory Event Redemption"). A "Regulatory Capital Treatment Event" means a good faith determination by us that, as a result of any:

- amendment to, clarification of, or change (including any announced prospective change) in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of the Series A Preferred Stock;
- proposed change in those laws or regulations that is announced or becomes effective after the initial issuance of the Series A Preferred Stock; or
- official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced or becomes effective after the initial issuance of the Series A Preferred Stock;

there is more than an insubstantial risk that we will not be entitled to treat the full liquidation value of the

Series A Preferred Stock then outstanding as “Tier 1 Capital” (or its equivalent) for purposes of the capital adequacy laws or regulations of the FDIC (or, as and if applicable, the capital adequacy laws or regulations of any successor appropriate federal banking agency), as then in effect and applicable, for as long as any share of Series A Preferred Stock is outstanding. Dividends will not accrue on the shares of Series A Preferred Stock on and after the redemption date.

### ***Redemption Price***

The redemption price for any redemption of Series A Preferred Stock, whether an Optional Redemption or Regulatory Event Redemption, will be equal to \$25 per share of Series A Preferred Stock, plus any declared and unpaid dividends (without regard to any undeclared dividends) to, but excluding, the date of redemption.

### ***Redemption Procedures***

If we elect to redeem any shares of Series A Preferred Stock, we will provide notice to the holders of record of the shares of Series A Preferred Stock to be redeemed, not less than 30 days and not more than 60 days before the date fixed for redemption thereof (provided, however, that if the shares of Series A Preferred Stock are held in book-entry form through DTC, we may give this notice in any manner permitted by DTC). Any notice given as provided in this paragraph will be conclusively presumed to have been duly given, whether or not the holder receives this notice, and any defect in this notice or in the provision of this notice, to any holder of shares of Series A Preferred Stock designated for redemption will not affect the redemption of any other shares of Series A Preferred Stock. Each notice of redemption shall state:

- the redemption date;
- the redemption price;
- if fewer than all shares of Series A Preferred Stock are to be redeemed, the number of shares of Series A Preferred Stock to be redeemed; and
- the manner in which holders of Series A Preferred Stock called for redemption may obtain payment of the redemption price in respect to those shares.

If notice of redemption of any shares of Series A Preferred Stock has been given and if the funds necessary for such redemption have been set aside by us in trust for the benefit of the holders of any shares of Series A Preferred Stock so called for redemption, then from and after the redemption date such shares of Series A Preferred Stock will no longer be deemed outstanding, all dividends with respect to such shares of Series A Preferred Stock shall cease to accrue after the redemption date and all rights of the holders of such shares will terminate, except the right to receive the redemption price, without interest.

In the case of any redemption of only part of the Series A Preferred Stock at the time outstanding, the shares of Series A Preferred Stock to be redeemed will be selected either pro rata or by lot or in such other manner as our board of directors (or a duly authorized committee of our board of directors) determines to be fair and equitable and permitted by the rules of the New York Stock Exchange or any other stock exchange on which the Series A Preferred Stock is listed. Subject to the provisions set forth in the Articles, the board of directors (or a duly authorized committee of our board of directors) will have the full power and authority to prescribe the terms and conditions upon which shares of Series A Preferred Stock may be redeemed from time to time.

### **Regulatory Restrictions on Redemption Rights**

Under current risk-based capital regulations, a bank insured by the FDIC may not redeem shares of preferred stock included as Tier 1 capital without the prior approval of the FDIC. See “Risk Factors—Investors should not expect us to redeem the Series A Preferred Stock on the date it becomes redeemable or on any particular date afterwards, and any redemption is subject to FDIC approval” in this offering circular. Any redemption of the Series A Preferred Stock is subject to our receipt of any required prior approval by the FDIC and the Commissioner and to the satisfaction of any conditions in the capital guidelines or regulations of the FDIC applicable to such redemption.

Ordinarily, the FDIC would not permit such a redemption unless we replace the amount of the redeemed stock with an at least on equal amount of regulatory capital or unless the FDIC determines that the bank's condition and circumstances warrant the reduction of a source of permanent capital.

## **Voting Rights**

Registered owners of Series A Preferred Stock will not have any voting rights, except as set forth below or as otherwise required by applicable law. To the extent that owners of Series A Preferred Stock are entitled to vote, each holder of Series A Preferred Stock will have one vote per share.

Whenever dividends payable on the Series A Preferred Stock or any other class or series of preferred stock ranking equally with the Series A Preferred Stock as to payment of dividends, and upon which voting rights equivalent to those described in this paragraph have been conferred and are exercisable, have not been declared and paid in an aggregate amount equal to, as to any class or series, the equivalent of at least six quarterly Dividend Periods, whether or not for consecutive Dividend Periods (a "Nonpayment"), the holders of outstanding shares of the Series A Preferred Stock voting as a class with holders of shares of any other series of our preferred stock ranking equally with the Series A Preferred Stock as to payment of dividends, and upon which like voting rights have been conferred and are exercisable ("Voting Parity Stock"), will be entitled to vote for the election of two additional directors to our board of directors on the terms set forth below (and to fill any vacancies in the terms of such directorships) (the "Preferred Stock Directors"). Holders of all series of Voting Parity Stock will vote as a single class. In the event that the holders of the shares of the Series A Preferred Stock are entitled to vote as described in this paragraph, the number of members of our board of directors at the time will be increased by two directors, and the holders of the Series A Preferred Stock will have the right, as members of that class, as outlined above, to elect two directors at a special meeting called at the request of the holders of record of at least 20% of the aggregate voting power of the Series A Preferred Stock or any other series of Voting Parity Stock (unless such request is received less than 90 days before the date fixed for our next annual or special meeting of the shareholders, in which event such election shall be held at such next annual or special meeting of the shareholders), provided that the election of any Preferred Stock Directors shall not cause us to violate the corporate governance requirements of the New York Stock Exchange (or any other exchange on which our securities may at such time be listed) that listed companies must have a majority of independent directors, and provided further that at no time shall our board of directors include more than two Preferred Stock Directors.

When we have paid full dividends on the Series A Preferred Stock for the equivalent of at least four Dividend Periods following a Nonpayment, the voting rights described above will terminate, except as expressly provided by law. The voting rights described above are subject to re-vesting upon each and every subsequent Nonpayment.

Upon termination of the right of the holders of the Series A Preferred Stock and Voting Parity Stock to vote for Preferred Stock Directors as described above, the term of office of all Preferred Stock Directors then in office elected by only those holders will terminate immediately. Whenever the term of office of the Preferred Stock Directors ends and the related voting rights have expired, the number of directors automatically will be decreased to the number of directors as otherwise would prevail. Any Preferred Stock Director may be removed at any time by the holders of record of a majority of the outstanding shares of the Series A Preferred Stock (together with holders of any Voting Parity Stock) when they have the voting rights described in this offering circular.

Under regulations adopted by the Federal Reserve, if the holders of any series of preferred stock are or become entitled to vote for the election of directors, such series will be deemed a class of voting securities and a company holding 25% or more of the series, or that is deemed to exercise a "controlling influence" over us, will be subject to regulation as a bank holding company under the Bank Holding Company Act of 1956, as amended ("BHCA"). In addition, at the time the series is deemed a class of voting securities, any other bank holding company will be required to obtain the prior approval of the Federal Reserve under the BHCA to acquire or retain 5% or more of that series. Any other person (other than a bank holding company) may be required to enter into passivity or anti-association commitments with the Federal Reserve if it owns 5% or more and less than 25% of that series and will be required to obtain the non-objection of the FDIC under the Change in Bank Control Act of 1978, as amended, to acquire or retain 10% or more of that series.

So long as any shares of preferred stock remain outstanding, we will not, without the affirmative vote or

consent of holders of at least 66 2/3% in voting power of the Series A Preferred Stock and any Voting Parity Stock, voting together as a class, authorize, create or issue any capital stock ranking senior to the Series A Preferred Stock as to dividends and rights upon liquidation, dissolution or winding up, or reclassify any authorized capital stock into any such shares of such capital stock or issue any obligation or security convertible into or evidencing the right to purchase any such shares of capital stock. So long as any shares of the Series A Preferred Stock remain outstanding, we will not, without the affirmative vote of the holders of at least 66 2/3% in voting power of the Series A Preferred Stock, amend, alter or repeal any provision of the Articles of Amendment or our Articles, including by merger, consolidation or otherwise, so as to affect the powers, preferences or special rights of the Series A Preferred Stock.

Notwithstanding the foregoing, none of the following will be deemed to affect the powers, preferences or special rights of the Series A Preferred Stock:

- any increase in the amount of authorized common stock or authorized preferred stock, or any increase or decrease in the number of shares of any series of preferred stock, or the authorization, creation and issuance of other classes or series of capital stock, in each case ranking on parity with or junior to the Series A Preferred Stock as to dividends or distribution of assets upon our liquidation, dissolution or winding up;
- a merger or consolidation of us with or into another entity in which the shares of the Series A Preferred Stock remain outstanding; and
- a merger or consolidation of us with or into another entity in which the shares of the Series A Preferred Stock are converted into or exchanged for preference securities of the surviving entity or any entity, directly or indirectly, controlling such surviving entity and such new preference securities have powers, preferences and special rights that are not materially less favorable than the Series A Preferred Stock.

The foregoing voting rights of the holders of Series A Preferred Stock will not apply if, at or prior to the time when the act with respect to which the vote would otherwise be required will be effected, all outstanding shares of Series A Preferred Stock will have been redeemed or called for redemption upon proper notice and we have set aside sufficient funds for the benefit of holders of Series A Preferred Stock to effect the redemption.

### **Regulatory Risk of Voting Rights**

Although we do not believe that any series of our preferred stock is considered “voting securities” for purposes of the BHCA, if one or more series were to become a class of “voting securities,” holders of the preferred stock have the right to elect directors, or for other reasons, a company that owns or controls 25% or more of such class, or less than 25% if it otherwise exercises any “controlling influence” over us (including by holding more than 25% or, in some cases, more than one-third of our total equity), will then be subject to regulation as a bank holding company in accordance with the BHCA. Further, any holder of 5% or more of any class of voting securities should assure the Federal Reserve that the holder will be a passive investor, which may include entering into passivity commitments or divesting some or all of the voting securities. In addition, if our preferred stock becomes voting securities:

- any bank holding company may be required to obtain the prior approval of the Board of Governors of the Federal Reserve System (“Federal Reserve”) to acquire or retain more than 5% of the then-outstanding preferred stock;
- any person (or group of persons acting in concert) other than a bank holding company may be required to obtain the approval of the FDIC to acquire or retain 10% or more of the preferred stock; and
- any person may be required to obtain the prior approval of the Mississippi Banking Commissioner before acquiring “control” of us, as defined in Mississippi statutes and regulations.

Holders of our preferred stock should consult their own counsel with regard to regulatory implications.

**Information Rights**

During any period in which we are not subject to Section 13 or 15(d) of the Exchange Act and any shares of the Series A Preferred Stock are outstanding, we shall use our reasonable best efforts to mail to all holders copies of the annual reports on Form 10-K and quarterly reports on Form 10-Q that we would have been required to file pursuant to Section 13 or 15(d) of the Exchange Act if we were subject thereto and mail copies of such documents upon written request.

**Additional Rights**

Each holder of certificated shares of Series A Preferred Stock and, upon request, every holder of uncertificated shares of Series A Preferred Stock shall be entitled to have a certificate for shares of Series A Preferred Stock. We also agree, for the period of time during which the Series A Preferred Stock is outstanding, we will use reasonable best efforts to list the Series A Preferred Stock on the New York Stock Exchange within thirty days of issuance and to maintain the listing on the New York Stock Exchange or another national securities exchange.

**Transfer Agent and Registrar**

Computershare Trust Company, N.A., 250 Royall Street, Canton, Massachusetts 02021, will be the transfer agent and registrar for the Series A Preferred Stock.

## **BOOK-ENTRY PROCEDURES AND SETTLEMENT**

Ownership of the Series A Preferred Stock initially will be represented by one or more permanent global certificates registered with DTC, as depository, and will be registered in the name of Cede & Co. or other nominee of DTC, in each case for credit to an account of a direct or indirect participant in DTC as described below. DTC's nominee or any successor depository will thus be the only registered holder of the Series A Preferred Stock.

Beneficial interests in the Series A Preferred Stock will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Upon the issuance of the Series A Preferred Stock and the deposit of the global certificate or certificates representing the Series A Preferred Stock with or on behalf of DTC, DTC will immediately credit, on its book-entry registration and transfer system, the respective principal amounts of the Series A Preferred Stock represented by such certificate or certificates to the accounts of the participants. The accounts to be credited will be designated by the purchasers of the Series A Preferred Stock.

Owners of beneficial interests in the global certificates will not be entitled to receive certificated Series A Preferred Stock in registered form and will not be considered holders of Series A Preferred Stock unless (1) DTC notifies the Company in writing that it is no longer willing or able to act as a depository or if DTC ceases to be a clearing agency registered under the Exchange Act, and a successor depository is not appointed by the Company within 90 days after the effective date of DTC's ceasing to act as depository for the Series A Preferred Stock; (2) the Company, at its option, notifies Computershare in writing that the Company elects to cause the issuance of in certificated form; or (3) any event shall have happened and be continuing which, after notice or lapse of time, or both, would constitute an Event of Default with respect to the Series A Preferred Stock. In the event of such occurrences, upon surrender by DTC or a successor depository of the global certificates, Series A Preferred Stock in certificated form will be issued to each person that DTC or a successor depository identifies as the beneficial owner of the related Series A Preferred Stock. Upon such issuance, Computershare, at the Company's direction, is required to register such Series A Preferred Stock in the name of, and cause the same to be delivered to, such person or persons (or the nominee thereof).

Global certificates may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the global certificates may be held through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, S.A. ("Clearstream"), each as indirect participants in DTC. Transfers of beneficial interests in any global certificate will be subject to the applicable rules and procedures of DTC and its direct and indirect participants, including, if applicable, those of Euroclear and Clearstream, which may change from time to time.

DTC has advised the Company that it is a New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation. DTC holds securities that its direct participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates.

Direct participants in DTC's system include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. Access to DTC's system also is available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly, which are collectively called indirect participants. Persons that are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and the indirect participants. The rules applicable to DTC and its participants are on file with the SEC.



DTC has also advised the Company that, upon the issuance of the global certificates evidencing the Series A Preferred Stock, it will credit, on its book-entry registration and transfer system, the respective amounts of the Series A Preferred Stock evidenced thereby to the designated accounts of participants. Ownership of beneficial interests in the global certificates will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in the global certificates will be shown on, and the transfer of those ownership interests may be effected only through, records maintained by DTC or its nominee (with respect to participants) and the records of participants and indirect participants (with respect to other owners of beneficial interests in the global certificates). Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participant through which the beneficial owner entered into the transaction. Beneficial owners that are not participants will be permitted to exercise their rights only indirectly through and according to the procedures of participants and, if applicable, indirect participants.

Investors in the global certificates that are participants may hold their interests therein directly through DTC. Investors in the global certificates that are not participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) that are participants in such system. Euroclear and Clearstream will hold interests in the global certificates on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. All interests in a global certificate, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euro-clear or Clearstream may also be subject to the procedures and requirements of such systems.

The laws of some states require that certain purchasers of securities take physical delivery of those securities in definitive form. These laws may impair the ability of holders to transfer beneficial interests in global certificates to certain purchasers. Because DTC can act only on behalf of the participants, which in turn act on behalf of the indirect participants, the ability of a person having beneficial interests in a global certificate to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

As long as DTC or any successor depository for a global certificate, or any nominee, is the registered holder of such global certificate, DTC or such successor depository or nominee will be considered the sole owner or holder of the Series A Preferred Stock represented by such global certificate for all purposes. Except as set forth below, owners of beneficial interests in a global certificate will not be entitled to have Series A Preferred Stock represented by such global certificates registered in their names, will not receive or be entitled to receive physical delivery of the Series A Preferred Stock in definitive form, and will not be considered the owners or holders thereof for any purpose. Accordingly, each person owning a beneficial interest in a global certificate must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder. The Company understands that, under existing industry practices, in the event that it requests any action of holders, DTC or any successor depository would authorize the participants holding the relevant beneficial interests to give or take such action, and such participants would authorize beneficial owners owning through such participants to give or take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Payments on the Series A Preferred Stock that are registered in the name of or held by DTC or any successor depository or nominee will be payable to DTC or such successor depository or nominee, as the case may be, in its capacity as registered holder of the global certificates representing the Series A Preferred Stock. DTC will treat the persons in whose names the Series A Preferred Stock, including the global certificates, are registered as the owners of such securities for the purpose of receiving payments and for all other purposes. Beneficial owners of securities other than DTC or its nominees will not be recognized by the relevant registrar or transfer agent as registered holders of the securities. Consequently, the Company will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the global certificates, for maintaining, supervising or reviewing any records relating to such beneficial ownership interests, or for any other matter relating to the actions and practices of DTC or any of its participants or indirect participants. Holders may experience some delay in their receipt of payments, as such payments will be forwarded by the depository to Cede &

Co., as nominee for DTC. DTC will forward the payments to its participants, who will then forward them to indirect participants or holders.

DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer or its agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of that participant and not of DTC, the depository, the issuer, or any of their agents, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer or its agent, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of direct and indirect participants, and will not be the responsibility of the Company.

Neither the Company nor any such person or agent will be liable for any delay by DTC nor by any participant or indirect participant in identifying the beneficial owners of the Series A Preferred Stock, and the Company and any such person or agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant global certificate in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream. DTC has advised the Company that it will take any action permitted to be taken by a holder of the Series A Preferred Stock only at the direction of one or more participants to whose account DTC has credited the interests in the global certificates and only in respect of such portion of the aggregate principal amount of the Series A Preferred Stock as to which such participant or participants has or have given such direction.

Except as provided in this Offering Circular, owners of beneficial interests in a global certificate will not be entitled to receive physical delivery of the Series A Preferred Stock in certificated form and will not be considered the holders of the related Series A Preferred Stock for any purpose, and no global certificate will be exchangeable, except for another global certificate of the same denomination and tenor to be registered in the name of DTC or a successor depository or nominee. Accordingly, each beneficial owner must rely on the procedures of DTC and, if the beneficial owner is not a participant, on the procedures of the participant or indirect participant through which the beneficial owner owns its interest to exercise any rights of a holder.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the global certificates among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. The Company will not have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section, including any description of the operations and procedures of DTC, Euroclear and Clearstream, has been provided solely as a matter of convenience. The Company does not take any responsibility for the accuracy of this information, and this information is not intended to serve as a representation, warranty or contract modification of any kind. The operations and procedures of DTC, Euroclear and Clearstream

are solely within the control of such settlement systems and are subject to changes by them. The Company urges investors to contact such systems or their participants directly to discuss these matters.

**Clearstream.** Clearstream has advised the Company that it is incorporated under the laws of Luxembourg as a bank. Clearstream holds securities for its participating organizations (“Clearstream participants”) and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interacts with domestic securities markets in over 30 countries through established depository and custodial relationships. As a bank, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier) and the Banque Centrale du Luxembourg. Clearstream participants are financial institutions recognized around the world and include underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Clearstream’s U.S. customers are limited to securities brokers, dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies, which clear through or maintain a custodial relationship with a Clearstream participant either directly or indirectly.

**Euroclear.** Euroclear has advised the Company that it was created in 1968 to hold securities for its participants (“Euroclear participants”) and to clear and settle transactions between its Euroclear participants and between its Euroclear participants and participants of certain other securities intermediaries through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous delivery of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interacts with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries, supranationals, custodians, investment managers, corporations, trust companies and certain other organizations. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Distributions with respect to Series A Preferred Stock held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the terms and conditions governing the use of Euroclear, when received by the U.S. depository for Euroclear.

Euroclear has further advised the Company that investors that acquire, hold and transfer interests in the Series A Preferred Stock by book-entry through accounts with Euroclear or any securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global certificates.

Euroclear has advised the Company that under Belgian law, investors that are credited with securities on the records of Euroclear have a co-proprietary right in the fungible pool of interests in securities on deposit with Euroclear in an amount equal to the amount of interests in securities credited to their accounts. In the event of the insolvency of Euroclear, Euroclear participants would have a right under Belgian law to the return of the amount and type of interests in securities credited to their accounts with Euroclear. If Euroclear did not have a sufficient amount of interests in securities on deposit of a particular type to cover the claims of all Euroclear participants credited with such interests in securities on Euroclear’s records, all Euroclear participants having an amount of interests in securities of such type credited to their accounts with Euroclear would then have the right under Belgian law only to the return of their pro rata share of the amount of interests in securities actually on deposit.

Under Belgian law, Euroclear is required to pass on the benefits of ownership in any interests in securities on deposit with it (such as dividends, voting rights and other entitlements) to any person credited with such interest in securities on its records.

**Same-Day Settlement and Payment**

Settlement for the Series A Preferred Stock will be made in immediately available funds. The Series A Preferred Stock will trade in DTC's Same- Day Funds Settlement System until maturity of the Series A Preferred Stock. All secondary trading activity in the Series A Preferred Stock will be settled in immediately available funds.

## **MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the material U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the Series A Preferred Stock. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax on net investment income, and does not address any U.S. estate or gift tax consequences or any tax consequences arising under any state, local or foreign tax laws. This summary is limited to beneficial owners of the Series A Preferred Stock who purchase the Series A Preferred Stock in this offering and hold it as a “capital asset” within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”). This summary does not apply to you if you are a member of a special class of holders subject to special rules, including but not limited to:

- a broker, dealer or trader in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organization;
- a “controlled foreign corporation;”
- a “passive foreign investment company;”
- a person holding our Series A Preferred Stock as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a person that purchases or sells our Series A Preferred Stock as part of a wash sale for tax purposes;
- a person who elects the mark-to-market method of accounting for its securities;
- a person liable for alternative minimum tax;
- a person who owns 10% or more of our voting stock;
- a person holding our Series A Preferred Stock in an individual retirement or other tax deferred account;
- an “S” corporation, partnership or other pass-through entity for U.S. federal income tax purposes (or investors therein);
- a foreign government or agency;
- an expatriate or former long-term resident of the United States; or
- a U.S. Holder (as defined below) whose “functional currency” is not the U.S. dollar.

The following summary is based upon current provisions of the Code, U.S. Treasury regulations and judicial or administrative authority, all of which are subject to change, possibly with retroactive effect. We have not sought and will not seek any ruling from the Internal Revenue Service (“IRS”) with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will not assert, or that a court

would not sustain, a position contrary with such statements and conclusions.

**PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF SHARES OF THE SERIES A PREFERRED STOCK, AS WELL AS OTHER U.S. FEDERAL TAX CONSIDERATIONS AND STATE, LOCAL, AND NON-U.S. INCOME, ESTATE AND GIFT, AND OTHER TAX CONSIDERATIONS OF ACQUIRING, OWNING AND DISPOSING OF SHARES OF THE SERIES A PREFERRED STOCK.**

**U.S. Holders**

This subsection describes the tax consequences to a “U.S. Holder.” You are a “U.S. Holder” if you are a beneficial owner of Series A Preferred Stock for U.S. federal income tax purposes and you are:

- an individual citizen or resident of the United States,
- a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States or any State or the District of Columbia;
- a trust that (i) is subject to both the primary supervision of a court within the United States and the control of one or more U.S. persons, or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or
- an estate that is subject to U.S. federal income tax on its income regardless of its source.

If you are not a U.S. Holder, this subsection does not apply to you and you should refer to “—Non-U.S. Holders” below.

***Dividends***

Dividends paid on Series A Preferred Stock will be dividends for U.S. federal income tax purposes to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, and will be taxable as dividend income. To the extent that the amount of any dividend paid on a Series A Preferred Stock exceeds our current and accumulated earnings and profits allocable to that Series A Preferred Stock, the dividend will be treated first as a return of capital and will be applied against and reduce your adjusted tax basis (but not below zero) in that Series A Preferred Stock. This reduction in basis would increase any gain or reduce any loss realized by you on the subsequent sale, redemption or other disposition of your Series A Preferred Stock. The amount of any such dividend in excess of your adjusted tax basis will then be taxed as gain from the sale or exchange of your Series A Preferred Stock.

Subject to customary limitations and restrictions, if you are a corporation, dividends that are received by you that constitute dividends for U.S. federal income tax purposes may be eligible for a 50% dividends-received deduction under the Code (subject to reduction in the case of certain “debt-financed portfolio stock”) if you meet certain holding period and other applicable requirements. Any such dividend received by you if you are a non-corporate holder will generally represent “qualified dividend income” on the day actually or constructively received. Qualified dividend income is generally taxable at preferential rates applicable to long-term capital gains, provided that certain holding period requirements are met and certain other conditions are satisfied.

***Dispositions, Including Redemptions***

A sale, exchange or other disposition of Series A Preferred Stock will generally result in gain or loss equal to the difference between the amount realized upon the disposition and your adjusted tax basis in the Series A Preferred Stock, which will generally equal your purchase price for the Series A Preferred Stock, subject to reduction (if applicable) as described under the caption “—Dividends” above. Such gain or loss will be capital gain or loss and will be long-term capital gain or loss if your holding period for the Series A Preferred Stock exceeds one year. Long-term capital gain recognized by a non-corporate U.S. Holder is generally eligible for reduced rates of

taxation. The deductibility of capital losses is subject to limitations.

A redemption of Series A Preferred Stock for cash will first be treated as payment in satisfaction of any unpaid dividends that were declared prior to redemption, which will be treated as a distribution on the Series A Preferred Stock (taxable as described under the caption “—Dividends” above). The remainder, if any, will be treated as a sale or exchange if it is (1) “not substantially equivalent to a dividend,” (2) “substantially disproportionate” with respect to you, (3) “in complete redemption” of your interest in our Series A Preferred Stock, or (4) if you are not a corporate holder, “in partial liquidation,” each of the above within the meaning of Section 302(b) of the Code. In determining whether any of these tests has been met, Series A Preferred Stock, depositary shares, common shares and other preferred shares of the Company considered to be owned by you by reason of certain constructive ownership rules set forth in Section 318 of the Code, as well as Series A Preferred Stock, depositary shares, common shares and other preferred shares of the Company actually or beneficially owned by you, must generally be taken into account. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code will be satisfied with respect to any particular U.S. Holder of the Series A Preferred Stock depends upon the facts and circumstances at the time that the determination must be made, prospective U.S. Holders of the Series A Preferred Stock are advised to consult their own tax advisors regarding the tax treatment of a redemption, including the allocation of your tax basis between the redeemed Series A Preferred Stock and any remaining Series A Preferred Stock. If a redemption of Series A Preferred Stock is treated as a sale or exchange, it will be taxable as described in the preceding paragraph. If a redemption is treated as a distribution, the entire amount received will be treated as a distribution and will be taxable as described under the caption “—Dividends” above.

### ***Information Reporting and Backup Withholding***

A U.S. Holder will generally be subject to information reporting with respect to any dividend payments by us to such U.S. Holder and with respect to proceeds of the sale or other disposition by the U.S. Holder of our Series A Preferred Stock, unless the U.S. Holder is an exempt recipient and appropriately establish that exemption. In addition, such payments will generally be subject to U.S. federal backup withholding (currently at a rate of 24%) unless you supply a taxpayer identification number as well as certain other information, certified under penalties of perjury, or otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against your U.S. federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service (the “IRS”).

### **Non-U.S. Holders**

The discussion in this section is addressed to “Non-U.S. Holders” of the Series A Preferred Stock. For purposes of this summary, a “Non-U.S. Holder” means a beneficial owner of the Series A Preferred Stock that is for U.S. federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation (or entity treated as a foreign corporation for U.S. federal income tax purposes);  
or
- a foreign estate or foreign trust.

### ***Dividends***

Except as described below, as a Non-U.S. Holder of Series A Preferred Stock, dividends (including any redemption treated as a dividend for U.S. federal income tax purposes as discussed above under “U.S. Holders—Dispositions, Including Redemptions”) paid to you are subject to withholding of U.S. federal income tax at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate. Even if you are eligible for a lower treaty rate, withholding at a 30% rate (rather than the lower treaty rate) on dividend payments to you will generally be required, unless you have furnished:

- a valid IRS Form W-8BEN or W-8BEN-E or an acceptable substitute form upon which you certify, under penalties of perjury, your status as a Non-U.S. person and your entitlement to the lower treaty rate with respect to such payments, or
- in the case of payments made outside the United States to an offshore account (generally, an account maintained by you at an office or branch of a bank or other financial institution at any location outside the United States), other documentary evidence establishing your entitlement to the lower treaty rate in accordance with U.S. Treasury regulations.

If you are eligible for a reduced rate of U.S. withholding tax under a tax treaty, you may obtain a refund of any amounts withheld in excess of that rate by timely filing a refund claim with the IRS.

If dividends paid to you are effectively connected with your conduct of a trade or business within the United States, and, if required by a tax treaty, the dividends are attributable to a permanent establishment or fixed base that you maintain in the United States, withholding tax from the dividends paid to you will not generally be required, provided that you have furnished, as applicable, a valid IRS Form W-8ECI or an acceptable substitute form upon which you represent, under penalties of perjury, that:

- you are not a U.S. person (as defined by the Code), and
- the dividends are effectively connected with your conduct of a trade or business within the United States and are includible in your gross income.

“Effectively connected” dividends are taxed on a net income basis in the same manner as if you were a U.S. Holder.

If you are a foreign corporation or treated as a foreign corporation for U.S. federal income tax purposes, “effectively connected” dividends that you receive may, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

### ***Dispositions, Including Redemptions***

A Non-U.S. Holder generally will not be subject to U.S. federal income tax on gain that such U.S. Holder recognizes on a disposition (including a redemption that is treated as a disposition) of the Series A Preferred Stock unless:

- the gain is effectively connected with your conduct of a trade or business in the United States, and the gain is attributable to a permanent establishment or fixed base that you maintain in the United States, if that is required by an applicable income tax treaty as a condition for subjecting you to U.S. taxation on a net income basis,
- you are an individual, you hold the Series A Preferred Stock as a capital asset, you are present in the United States for 183 or more days in the taxable year of the sale and certain other conditions exist, or
- we are or have been a U.S. real property holding corporation for U.S. federal income tax purposes and you held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of the Series A Preferred Stock and you are not eligible for any treaty exemption.

“Effectively connected” gains that you recognize will be subject to tax on a net income basis in the same manner as if you were a U.S. Holder, and if you are a corporate Non-U.S. Holder, such gains may also, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.



If you are an individual Non-U.S. Holder as described in the second bullet point immediately above, you will be subject to tax at a flat rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on the aggregate amount of gain derived from this and any other sales or taxable dispositions, which may be offset by current or prior unused United States source capital losses, if any, provided that you have timely filed United States federal income tax returns with respect to such losses.

We believe that we are not currently and do not anticipate becoming a U.S. real property holding corporation for U.S. federal income tax purposes. The determination of whether we are a U.S. real property holding corporation depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests and is subject to change.

As discussed above in “U.S. Holders—Dispositions, Including Redemptions,” certain redemptions may be treated as dividends for U.S. federal income tax purpose. See “—Dividends,” above, for a discussion of the tax treatment of such redemptions.

### ***Information Reporting and Backup Withholding***

The relevant payor must report annually to the IRS and to each Non-U.S. Holder the amount of the dividends on the Series A Preferred Stock paid to such Non-U.S. Holder and the tax withheld, if any, with respect to such dividends. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the Non-U.S. Holder resides or is established. Non-U.S. Holders will have to comply with specific certification procedures (such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI) to establish that the Non-U.S. Holder is not a U.S. person (as defined in the Code) or otherwise establishes an exemption to avoid backup withholding at the applicable rate with respect to dividends on the Series A Preferred Stock. Dividends subject to withholding of U.S. federal income tax as described under the caption “Non-U.S. Holders—Dividends” above will not be subject to backup withholding.

Information reporting and backup withholding will generally apply to the proceeds of a disposition of the Series A Preferred Stock by a Non-U.S. Holder within the United States or effected by or through the U.S. office of any broker, U.S. or foreign, unless the Non-U.S. Holder certifies its status as not a U.S. person as described above and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker.

Backup withholding, currently at a rate of 24%, is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder may be allowed as a credit against the Non-U.S. Holder’s U.S. federal income tax liability, if any, and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

### **FATCA Withholding**

Pursuant to Sections 1471 through 1474 of the Code, commonly known as the Foreign Account Tax Compliance Act (“FATCA”), a 30% withholding tax (“FATCA withholding”) may be imposed on certain payments to you or to certain foreign financial institutions, investment funds and other non-U.S. persons receiving payments on your behalf if you or such persons fail to comply with certain information reporting requirements. Such payments generally include U.S.-source dividends and the gross proceeds from the sale or other disposition of shares that can produce U.S.-source dividends. Payments of dividends that you receive in respect of the Series A Preferred Stock could be affected by this withholding if you are subject to the FATCA information reporting requirements and fail to comply with them or if you hold Series A Preferred Stock through a non-U.S. person (e.g., a “foreign financial institution” or a “non-financial foreign entity” as defined under FATCA) that fails to comply with these requirements (even if payments to you would not otherwise have been subject to FATCA withholding). Payments of gross proceeds from a sale or other disposition of Series A Preferred Stock could also be subject to FATCA withholding. However, recently proposed U.S. Treasury regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization) eliminate the withholding requirement on payments of gross

proceeds of a taxable disposition (other than amounts treated as dividends or other “fixed, determinable, annual, or periodical” income). If withholding applies, we will not be required to pay additional amounts with respect to amounts withheld. You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA withholding.

**THE SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS ABOVE IS INCLUDED FOR GENERAL INFORMATION PURPOSES ONLY. POTENTIAL PURCHASERS OF THE SERIES A PREFERRED STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSIDERATIONS OF PURCHASING, OWNING AND DISPOSING OF THE SERIES A PREFERRED STOCK.**

## CONSIDERATIONS FOR PENSION AND RETIREMENT PLAN INVESTORS

The following is a summary of the general considerations associated with the acquisition of our Series A Preferred Stock by investors who are investing directly or indirectly on behalf of a pension, profit-sharing or other employee benefit plan, individual retirement account, or other plan or arrangement subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), Section 4975 of the Internal Revenue Code, as amended (“Code”), or similar provisions of any other U.S. or non-U.S. federal, state, local or other laws and regulations that apply to such arrangements that are exempt from ERISA and the Code (“Similar Laws”) (each, a “Plan”). The following discussion is general in nature and is not intended to be all-inclusive.

Under ERISA, any person who exercises any discretionary authority or control over the administration of a Plan subject to ERISA (an “ERISA Plan”) or the management or disposition of the assets of an ERISA Plan, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan. A person or entity with discretionary authority to invest Plan assets in our Series A Preferred Stock would generally be considered a fiduciary under this definition and may also be a fiduciary under Similar Laws. A fiduciary considering the acquisition of our Series A Preferred Stock directly or indirectly on behalf of a Plan should consider whether the investment would be consistent with and permissible under the documents and instruments governing the Plan. A fiduciary considering the acquisition of our Series A Preferred Stock directly or indirectly on behalf of an ERISA Plan should also consider the fiduciary standards of ERISA, including the prudence and diversification requirements of ERISA. In addition, a fiduciary considering the acquisition of our Series A Preferred Stock directly or indirectly on behalf of an ERISA Plan or other Plan subject to Section 4975 of the Code (i.e., individual retirement account, health savings account, Archer MSA, Coverdell ESA) should consider whether the investment would involve a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. Similar Laws governing the investment and management of the assets of Plans that are governmental plans (as defined in Section 3(32) of ERISA), church plans (as defined in Section 3(33) of ERISA) or non-U.S. plans (as defined in Section 4(b)(4) of ERISA) may contain fiduciary and prohibited transaction requirements similar to those under ERISA and the Code. Accordingly, fiduciaries of such Plans, in consultation with their advisors, should consider the impact of such Similar Laws on an investment in our Series A Preferred Stock and the considerations discussed above, if applicable.

Section 406 of ERISA prohibits ERISA Plans, and Section 4975 of the Code prohibits ERISA Plans and other Plans subject to that section, from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code with respect to the Plan. Parties in interest and disqualified persons generally include the employer that sponsors the Plan, its employees, officers and directors, service providers to the Plan, Plan fiduciaries, and certain persons and entities affiliated with the foregoing. A violation of these prohibited transaction rules may result in excise taxes under the Code or other penalties and liabilities under ERISA or the Code for the fiduciary of the Plan who engages in the transaction, unless there is a statutory or regulatory exemption. The Code requires that the prohibited transaction be undone to the extent possible, but in any case the Plan should be placed in a financial position not worse than that in which it would be if the disqualified person were acting under the highest fiduciary standards. Under these rules, the acquisition and/or ownership of our Series A Preferred Stock directly or indirectly by an ERISA Plan or other Plan subject to Section 4975 of the Code with respect to which we are a service provider or otherwise considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code. Fiduciaries of ERISA Plans or other Plans subject to Section 4975 of the Code considering the acquisition of our Series A Preferred Stock should ensure that we are not a service provider, a party in interest or disqualified person with respect to the Plan. Otherwise, if the fiduciary is relying on a statutory or regulatory exemption, the fiduciary should carefully review the exemption to ensure it is applicable.

ERISA and the regulations promulgated under ERISA by the U.S. Department of Labor, as amended by Section 3(42) of ERISA (“Plan Asset Regulations”), generally provide that when an ERISA Plan or other “benefit plan investor” (as defined in the Plan Asset Regulations) acquires an equity interest in an entity that is not a “publicly-offered security” and not issued by an investment company registered under the Investment Company Act of 1940, the Plan’s assets include both the equity interest and an undivided interest in each of the underlying assets of the entity.

Under the Plan Asset Regulations, a “publicly offered security” is one that is (i) “freely transferable,” (ii) part of a class of securities that is “widely held,” and (iii) (x) sold to the Plan as part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act and the class of securities to which such security is a part is registered under the Exchange Act within 120 days after the end of the fiscal year of the issuer during which the offering of such securities to the public has occurred, or (y) is part of a class of securities that is registered under Section 12(b) or 12(g) of the Exchange Act. We intend to effect such a registration under the Securities Act and the Exchange Act as described in clause (iii). The Plan Asset Regulations provide that a security is “widely held” only if it is part of a class of securities that is owned by 100 or more investors independent of the issuer and one another. A security will not fail to be “widely held” solely because the number of independent investors falls below 100 subsequent to the initial offering thereof as a result of events beyond the control of the issuer. Whether a security is “freely tradable” is based upon all relevant facts and circumstances. We are applying with the New York Stock Exchange for the listing of our Series A Preferred Stock. Accordingly, it is anticipated that the Series A Preferred Stock will be “widely held” and “freely transferable” under the Plan Asset Regulations, although no assurance can be given in this regard.

If our Series A Preferred Stock does not meet the requirements of a “publicly offered security” under the Plan Asset Regulations, then the underlying assets of BancorpSouth Bank could be considered “plan assets” unless it is established that (i) less than 25% of the total value of each class of our equity interests is held by “benefit plan investors” (as defined in the Plan Asset Regulations) (the “25% Test”) or (ii) we are an “operating company” (as defined in the Plan Asset Regulations). For purposes of the 25% Test, our assets will not be treated as “plan assets” if, immediately after the most recent acquisition of any equity interest in BancorpSouth Bank, less than 25% of the total value of each class of our equity interests is held by benefit plan investors. The term “benefit plan investors” generally means “employee benefit plans” as defined in Section 3(3) of ERISA subject to Title I of ERISA, Plans subject to Section 4975 of the Code, and any entity whose underlying assets include “plan assets” by reason of a plan’s investment in such entity. In calculating the 25% Test, equity interests held by persons (other than benefit plan investors) with discretionary authority or control over our assets or who provide investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates thereof, are disregarded. An “operating company” generally refers to an entity that is primarily engaged either directly or through majority owned subsidiaries in the production or sale of a product or service, other than the investment of capital. We are primarily engaged in the sale of financial services and expect to qualify as an operating company under the Plan Asset Regulations, although no assurance can be given in this regard.

If our assets are deemed to be “plan assets” under the Plan Asset Regulations, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to our investments, and (ii) the possibility that certain transactions in which we might seek to engage could constitute “prohibited transactions” under ERISA and the Code. We intend to rely on the exemption for investment in an operating company, the publicly-offered securities exemption, or the 25% Test under the Plan Asset Regulations to avoid our assets being deemed “plan assets” of any of the Plans that acquire our Series A Preferred Stock.

Any purchaser of our Series A Preferred Stock or any interest therein will be deemed to have represented, by its purchase of such Series A Preferred Stock offered hereby, that it either (i) is not a “benefit plan investor” (as defined in the Plan Asset Regulations), or (ii) if it is a “benefit plan investor,” that (a) the decision to invest in our Series A Preferred Stock has been made by a “fiduciary” (as defined in Section 3(21) of ERISA or other applicable law) who is independent of BancorpSouth Bank, (b) the Plan fiduciary has determined that the purchase of our Series A Preferred Stock is consistent with and permissible under the fiduciary standards of ERISA, to the extent applicable, including the prudence and diversification requirements of ERISA, and under the documents and instruments governing the Plan, and (c) the purchase of our Series A Preferred Stock will not constitute a non-exempt prohibited transaction under ERISA or the Code. Similarly, with respect to any purchase of our Series A Preferred Stock on behalf of a Plan that is a governmental plan, church plan or non-U.S. plan subject to Similar Laws, the purchaser will be deemed to have represented, by such purchase, that such purchase would be consistent with and permissible under the fiduciary responsibility or prohibited transaction provisions contained in Similar Laws. Plan fiduciaries who invest in Series A Preferred Stock have exclusive responsibility for ensuring that their purchase of Series A Preferred Stock do not violate the fiduciary or prohibited transaction rules of ERISA or the Code or any applicable Similar Laws. The sale of any Series A Preferred Stock to a Plan is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plans generally or any particular Plan or that such investment

is appropriate for such Plans.

**EACH PLAN FIDUCIARY SHOULD CONSULT WITH ITS OWN LEGAL ADVISOR CONCERNING THE CONSIDERATIONS DISCUSSED ABOVE AND THE POTENTIAL CONSEQUENCES UNDER ERISA, THE CODE AND ANY APPLICABLE SIMILAR LAWS BEFORE MAKING AN INVESTMENT IN THE SERIES A PREFERRED STOCK.**

## UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement between us and Keefe, Bruyette & Woods, Inc. and Raymond James & Associates, Inc., as representatives of the underwriters named therein, we have agreed to sell to the underwriters, and the underwriters have agreed to purchase from us, severally and not jointly, the number of Series A Preferred Stock indicated in the table below.

Name	Number of Series A Preferred Stock
Keefe, Bruyette & Woods, Inc.	2,400,000
Raymond James & Associates, Inc.	1,800,000
D.A. Davidson & Co.	300,000
Janney Montgomery Scott LLC	300,000
Piper Jaffray & Co.	300,000
Stephens Inc.	900,000
Total:	6,000,000

The underwriters' obligation to purchase the Series A Preferred Stock depends on the satisfaction of conditions contained in the underwriting agreement, including:

- the representations and warranties made by us to the underwriters are true;
- there is no material adverse change in the financial markets; and
- we deliver customary closing documents and legal opinions to the underwriter.

Subject to these conditions, the underwriters are committed to purchase and pay for all Series A Preferred Stock offered by this offering circular, if any such Series A Preferred Stock is purchased. The underwriters are not, however, obligated to purchase or pay for the Series A Preferred Stock covered by the underwriters' option to purchase additional Series A Preferred Stock described below, unless and until they exercise this option.

The Series A Preferred Stock are being offered by the underwriters, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of certain legal matters by counsel for the underwriters and other conditions. The underwriters reserve the right to withdraw, cancel or modify this offering and to reject orders in whole or in part.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

### Commissions and Discounts

The Series A Preferred Stock sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover page of this offering circular and to certain selected dealers at this price, less a concession not in excess of \$0.50 per share. The underwriters may allow, and any selected dealers may realow, a concession not in excess of \$0.05 per share to certain brokers and dealers. If all of the Series A Preferred Stock are not sold at the public offering price, the underwriters may change the offering price and the other selling terms.

The following table shows the price per Series A Preferred Stock and total public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of the option to purchase additional Series A Preferred Stock from us:

	Per Share	No Exercise	Full Exercise
Public offering price	\$ 25.0000	\$ 150,000,000	\$ 172,500,000
Underwriting discount <sup>(1)</sup>	\$ 0.6756	\$ 4,053,600	\$ 4,661,640
Proceeds, before expenses, to us <sup>(1)</sup>	\$ 24.3244	\$ 145,946,400	\$ 167,838,360

- (1) The underwriting discount represents the blended discount rate, at a weighted average, provided to certain institutional and retail investors. For certain institutional investors, the underwriting discount deducted will be \$0.50 per share, which will represent a total underwriting discount to such institutional investors of \$1,167,150. For certain retail investors, the underwriting discount deducted will be \$0.7875 per share, which will represent a total underwriting discount to such retail investors of \$2,886,739. As a result of sales of 2,334,300 shares to certain institutional investors and 3,665,700 shares to certain retail investors, the total proceeds to us, after deducting the underwriting discounts (but prior to deducting our expenses for the offering) and assuming the underwriters have not exercised the option to purchase additional shares, will equal \$145,946,111 and the total proceeds to us, after deducting the underwriting discounts (but prior to deducting our expenses for the offering) and assuming the underwriters purchased an additional 900,000 shares, will equal \$167,737,361.

We estimate that the total offering expenses, including filing fees, printing fees, legal and accounting expenses, but excluding the underwriting discount, will be approximately \$500,000. We also have agreed to reimburse the underwriters for certain of their expenses incurred in connection with this offering. In accordance with FINRA Rule 5110, these reimbursed expenses are deemed underwriting compensation for this offering.

### **Option to Purchase Additional Series A Preferred Stock**

We have granted the underwriters an option to purchase up to 900,000 additional Series A Preferred Stock at the public offering price less the underwriting discount. The underwriters may exercise this option, in whole or from time to time in part. The underwriters will have 30 days from the date of this offering circular to exercise this option.

### **Listing**

Prior to this offering, there has been no public market for the Series A Preferred Stock. We have filed an application to list the Series A Preferred Stock on the NYSE under the symbol “BXS-PrA.” If the application is approved, trading of the Series A Preferred Stock on the NYSE is expected to begin within 30 days after the date of initial issuance of the Series A Preferred Stock. We have agreed to use reasonable best efforts to maintain the listing on the NYSE or another national securities exchange. The underwriters have advised us that they presently intend to make a market in the Series A Preferred Stock. However, the underwriters are not obligated to do so and may discontinue making a market in the Series A Preferred Stock at any time without notice.

### **No Sales of Similar Securities**

We have agreed, with limited exceptions, not to sell or transfer any Series A Preferred Stock or any substantially similar security for 30 days after the date of this offering circular without first obtaining the written consent of Keefe, Bruyette & Woods, Inc. and Raymond James & Associates, Inc.

Specifically, we have agreed, subject to certain exceptions, not to, directly or indirectly:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, hypothecate, establish an open “put equivalent position” within the meaning of Rule 16a-1(h) under the Exchange Act, or otherwise dispose of or transfer any Series A Preferred Stock or substantially similar securities or any securities convertible into or exchangeable or exercisable for Series A Preferred Stock or substantially similar securities; or
- file or cause to be filed any registration statement in connection therewith under the Securities Act;
- enter into any swap, hedge or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Series A Preferred Stock, whether any such swap, hedge or transaction is to be settled by delivery of Series A Preferred Stock or other securities, in cash or otherwise.

### **Electronic Offering Delivery**

A offering circular in electronic format may be made available on the websites maintained by the underwriters or any selling group member. In connection with this offering, the underwriters, any selling group

member or securities dealers may distribute the offering circular electronically. The underwriters may agree to allocate a number of Series A Preferred Stock to selling group members, if any, for sale to their online brokerage account holders. The underwriters will allocate Series A Preferred Stock to any selling group member that may make Internet distributions on the same basis as other allocations. Other than this offering circular in electronic format, the information on any of these websites and any other information contained on a website maintained by the underwriters or any selling group member is not part of this offering circular.

## **Stabilization**

In connection with this offering, the underwriters may engage in stabilizing transactions, overallotment transactions, syndicate covering transactions and purchases to cover positions created by short sales in accordance with Regulation M under the Exchange Act.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our Series A Preferred Stock while this offering is in progress. These transactions may also include making short sales of Series A Preferred Stock, which involve the sale by the underwriters of a greater number of Series A Preferred Stock than they are required to purchase in this offering. Short sales may be “covered short sales” or “naked short sales.” In a covered short position, the number of excess Series A Preferred Stock sold by an underwriter, if any, are not greater than the number of Series A Preferred Stock that they may purchase pursuant to their option to purchase additional Series A Preferred Stock. In a naked short position, the number of Series A Preferred Stock involved is greater than the number of Series A Preferred Stock in the underwriters’ option to purchase additional Series A Preferred Stock.

The underwriters may close out any covered short position either by exercising, in whole or in part, their option to purchase additional Series A Preferred Stock, or by purchasing Series A Preferred Stock in the open market. In making this determination, the underwriters will consider, among other things, the price of Series A Preferred Stock available for purchase in the open market compared to the price at which they may purchase Series A Preferred Stock through the purchase option described above. The underwriters must close out any naked short position by purchasing Series A Preferred Stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Series A Preferred Stock in the open market that could adversely affect investors who purchased in this offering.

The underwriters also may engage in syndicate covering transactions, which are transactions that involve purchases of Series A Preferred Stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of Series A Preferred Stock to close out the short position, the underwriters will consider, among other things, the price of Series A Preferred Stock available for purchase in the open market as compared with the price at which the underwriters may purchase Series A Preferred Stock through exercise of the option to purchase additional Series A Preferred Stock.

These stabilizing transactions and syndicate covering transactions may have the effect of raising or maintaining the market price of our Series A Preferred Stock or preventing or lessening a decline in the market price of Series A Preferred Stock. As a result, the price of our Series A Preferred Stock in the open market may be higher than it would otherwise be in the absence of these transactions. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our Series A Preferred Stock. These transactions may be effected on NYSE, in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

## **Passive Market Making**

In connection with this offering, the underwriters may engage in passive market making transactions in our Series A Preferred Stock on NYSE in accordance with Rule 103 of Regulation M under the Exchange Act during a period before the commencement of offers or sales of our Series A Preferred Stock and extending through the completion of the distribution of this offering. A passive market maker must generally display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker’s bid, the passive market maker may continue to bid and effect purchases at a price exceeding



the then highest independent bid until specified purchase limits are exceeded, at which time such bid must be lowered to an amount no higher than the then highest independent bid. Passive market making may cause the price of our Series A Preferred Stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriters and selling shareholders engaged in passive market making are not required to engage in passive market making and may end passive market making activities at any time.

### **Directed Share Program**

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 280,900 shares of Series A Preferred Stock for sale to specified directors, executive officers, employees and persons having relationships with us. The number of Series A Preferred Stock shares available for sale to the general public will be reduced to the extent these persons purchase the reserved Series A Preferred Stock. We do not know if these persons will choose to purchase all or any portion of these reserved Series A Preferred Stock. Any reserved Series A Preferred Stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other depositary shares offered by this offering circular.

### **Other Relationships**

The underwriters and their affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and their affiliates have engaged in, and may in the future engage in, investment banking, commercial banking and other commercial dealings in the ordinary course of business with us and our affiliates, for which they have received and may continue to receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If the underwriters or their affiliates have a lending relationship with us, the underwriters or their affiliates may hedge their credit exposure to us consistent with their customary risk management policies. Typically, the underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Settlement**

We expect delivery of the Series A Preferred Stock offered hereby will be made against payment therefor on or about November 20, 2019, which is the 5<sup>th</sup> business day after the date of this offering circular. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Series A Preferred Stock offered hereby on the date of this offering circular or the next succeeding business day will be required, by virtue of the fact that such Series A Preferred Stock initially will settle in T+5, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

### **Selling Restrictions**

#### ***European Economic Area***

In relation to each member state of the EEA, each a Relevant Member State, no offer of shares to the public has been or will be made in that Member State, except that offers of shares to the public may be made in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of the above provisions, the expression “an offer of shares to the public” in relation to any shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

### ***United Kingdom***

This document is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, referred to herein as the Order, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated. Each such person is referred to herein as a Relevant Person.

In the United Kingdom, any investment or investment activity to which this offering circular relates is available only to Relevant Persons and will only be engaged with Relevant Persons. This offering circular and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents.

## **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We are subject to the reporting requirements of the Exchange Act, as administered and enforced by the FDIC, and we are subject to FDIC rules promulgated thereunder. Consequently, we file annual, quarterly and current reports, proxy statements and other information with the FDIC, copies of which are made available to the public over the Internet at <https://efr.fdic.gov/fcxweb/efr/index.html>. You may also inspect and copy any document we file with the FDIC at the public reference facilities maintained at the FDIC, Accounting and Securities Disclosure Section, Division of Risk Management Supervision, 550 17th Street, N.W., Washington, D.C. 20429 or Public Reference Section, Room F-6043, 550 17th Street, N.W., Washington, D.C. 20429.

Copies of the FDIC filings referenced below in “Incorporation of Certain Documents by Reference” are also available on our website at <http://www.bancorpsouth.com> by selecting “Investor Relations” and then selecting “Public Filings.” You may request a copy of these filings at no cost by writing or by telephoning us at the following address or telephone number:

BancorpSouth Bank  
One Mississippi Plaza  
Tupelo, Mississippi 38804  
(662) 680-2000  
Attention: Corporate Secretary

We have included the web addresses of the FDIC and BancorpSouth as inactive textual references only. The information contained on, or that can be accessed through, these websites is not part of or incorporated by reference into this offering circular.

## **INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

We are allowed to “incorporate by reference” information into this offering circular which means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this offering circular from the date we file that document with the FDIC. Any reports filed by us with the FDIC after the date of this offering circular and before the date that the offering of shares of Series A Preferred Stock by means of this offering circular is terminated will automatically update and, where applicable, supersede any information contained in this offering circular or incorporated by reference into this offering circular.

We incorporated by reference into this offering circular the following documents or information filed with the FDIC other than, in each case, documents or information deemed to have been “furnished” to, and not “filed” with, the FDIC:

- Our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the FDIC on February 28, 2019;
- Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019, and September 30, 2019, filed with the FDIC on May 7, 2019, August 7, 2019, and November 5, 2019, respectively;
- Our Current Reports on Form 8-K filed on April 25, 2019, June 14, 2019 and November 13, 2019;
- The information contained in our Definitive Proxy Statement on Schedule 14A for our 2019 Annual Meeting of Shareholders, filed with the FDIC on March 22, 2019, to the extent incorporated by reference in Part III of our Annual Report on Form 10-K for the year ended December 31, 2018; and
- Any registration statement on Form 8-A relating to the shares of Series A Preferred Stock.

You may obtain a copy of these filings as described under “Where You Can Find Additional Information.”

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this offering circular and before the termination of this offering shall also be deemed to be incorporated herein by reference. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed “filed” with the FDIC, including information furnished pursuant to Item 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

#### **LEGAL MATTERS**

The validity of the shares of Series A Preferred Stock offered by this offering circular will be passed upon by Waller Landen Dortch & Davis, LLP, Nashville, Tennessee. Certain legal matters in connection with the offering will be passed upon for the underwriters by Covington & Burling LLP, Washington, D.C.

#### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The consolidated financial statements of BancorpSouth Bank and subsidiaries as of December 31, 2018 and 2017, and for each of the years in the three-year period ended December 31, 2018, and management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2018 have been incorporated by reference into this offering circular in reliance upon the reports of KPMG LLP, independent registered public accounting firm.



**6,000,000 Shares of  
5.50% Series A Non-Cumulative Perpetual Preferred Stock**

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**OFFERING CIRCULAR**

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*Joint Book-Running Managers*

**Keefe, Bruyette & Woods**  
*A Stifel Company*

**Raymond James**

*Co-Managers*

**D.A. Davidson & Co.**

**Janney Montgomery Scott**

**Piper Jaffray**

**Stephens Inc.**

**November 13, 2019**

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