HOME BANCSHARES INC
Form PRE 14A
March 06, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:
þ Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
o Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

Home BancShares, Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):
þ No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

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

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

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o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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HOME BANCSHARES, INC.
719 Harkrider Street, Suite 100
Conway, Arkansas 72032
(501) 328-4770
Internet Site: *www.homebancshares.com*

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held on April 23, 2009

The Annual Meeting of Shareholders of Home BancShares, Inc. (the Company) will be held on April 23, 2009, at 6:30 p.m. (CDT) at the Agora Conference Center, located at 705 East Siebenmorgan Road, Conway, Arkansas, for the following purposes:

(1) To elect twelve directors for a term of one year.

(2) To ratify the appointment of BKD, LLP as the Company s independent registered public accounting firm for the next fiscal year.

(3) To provide an advisory (non-binding) vote approving the Company s executive compensation.

(4) To transact such other business as may properly come before the meeting or any adjournments thereof.

Only shareholders of record on March 6, 2009, will be entitled to vote at the meeting or any adjournments thereof. A list of shareholders will be available for inspection at the office of the Company at 719 Harkrider, Suite 100, Conway, Arkansas, 72032, beginning two business days after the date of this notice and continuing through the meeting. The stock transfer books will not be closed.

The 2008 Annual Report to Shareholders is included in this publication.

By Order of the Board of Directors

C. RANDALL SIMS
Secretary

Conway, Arkansas
March ___, 2009

YOUR VOTE IS IMPORTANT
PLEASE EXECUTE YOUR PROXY WITHOUT DELAY

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HOW TO VOTE IF YOU ARE A SHAREHOLDER OF RECORD

Your vote is important. You can save the Company the expense of a second mailing by voting promptly. Shareholders of record can vote by telephone, on the Internet, by mail or by attending the Meeting and voting by ballot as described below. (Please note: if you are a beneficial owner of shares held in the name of a bank, broker or other holder, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.)

The Internet and telephone voting procedures are designed to authenticate shareholders by use of a control number and to allow you to confirm that your instructions have been properly recorded. ***If you vote by telephone or on the Internet, you do not need to return your proxy card.*** *Telephone and Internet voting facilities for shareholders of record will be available 24 hours a day and will close at 1:00 a.m. on April 23, 2009.*

VOTE BY TELEPHONE

You can vote by calling the toll-free telephone number on your proxy card. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded.

VOTE ON THE INTERNET

You also can choose to vote on the Internet. The website for Internet voting is *www.envisionreports.com/HOBA*. Easy-to-follow prompts allow you to vote your shares and confirm that your instructions have been properly recorded. If you vote on the Internet, you can also request electronic delivery of future proxy materials.

VOTE BY MAIL

If you choose to vote by mail, simply mark your proxy, date and sign it, and return it to Computershare in the postage-paid envelope provided. If the envelope is missing, please mail your completed proxy card to Home BancShares, Inc., c/o Computershare, P. O. Box 43101, Providence, Rhode Island 02940-5067.

VOTING AT THE ANNUAL MEETING

The method by which you vote will not limit your right to vote at the Annual Meeting if you decide to attend in person. If your shares are held in the name of a bank, broker or other holder of record, you must obtain a legal proxy, executed in your favor, from the holder of record to be able to vote at the Meeting.

All shares that have been properly voted and not revoked will be voted at the Annual Meeting. If you sign and return your proxy card but do not give voting instructions, the shares represented by that proxy will be voted as recommended by the Board of Directors.

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HOME BANCSHARES, INC.
719 Harkrider Street, Suite 100
Conway, Arkansas 72032
(501) 328-4770
Internet Site: *www.homebancshares.com*

PROXY STATEMENT

This Proxy Statement and the accompanying proxy card are being mailed in connection with the solicitation of proxies by the Board of Directors (the Board) of Home BancShares, Inc. (the Company) for use at the Annual Meeting of Shareholders. This Proxy Statement and the accompanying proxy card were first mailed to shareholders of the Company on or about March ___, 2009.

This introductory section is a summary of selected information from this Proxy Statement and may not contain all of the information that is important to you. To better understand the nominees being solicited for directors and the proposals that are submitted for a vote, you should carefully read this entire document and other documents to which we refer.

The proxies being solicited by this Proxy Statement are being solicited by the Company. The expense of soliciting proxies, including the cost of preparing, assembling and mailing the material submitted with this Proxy Statement, will be paid by the Company. The Company will also reimburse brokerage firms, banks, trustees, nominees and other persons for the expense of forwarding proxy material to beneficial owners of shares held by them of record. Solicitations of proxies may be made personally or by telephone, electronic communication or facsimile, by directors, officers and regular employees, who will not receive any additional compensation in respect of such solicitations.

Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to be Held on April 23, 2009:
The Notice and Proxy Statement and the Annual Report on Form 10-K
are available at www.edocumentview.com/homb.

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ABOUT THE ANNUAL MEETING

When and Where Is the Annual Meeting?

Date: Thursday, April 23, 2009
Time: 6:30 p.m., Central Daylight Time
Location: Agora Conference Center, located at 705 East Siebenmorgan Road, Conway, Arkansas

What Matters Will Be Voted Upon at the Annual Meeting?

At our Annual Meeting, shareholders will be asked to:

elect twelve directors for a term of one year;

ratify the appointment of BKD, LLP as the Company s independent registered public accounting firm for the next fiscal year;

approve, on an advisory (non-binding) basis, the Company s executive compensation; and

transact such other business as may properly come before the meeting or any adjournments thereof.

Who Is Entitled to Vote?

Only shareholders of record at the close of business on the record date, March 6, 2009, are entitled to receive the Notice of Annual Meeting and to vote the shares of common stock that they held on that date at the Meeting or at any postponement or adjournment of the Meeting. Each outstanding share entitles its holder to cast one vote on each matter to be voted on.

Who Can Attend the Meeting?

All shareholders as of the record date, or their duly appointed proxies, may attend the Meeting, and each may be accompanied by one guest. Seating is limited and will be on a first-come, first-served basis. Registration will begin at 5:30 p.m., and seating will be available at approximately 6:00 p.m.

No cameras, electronic devices, large bags, briefcases or packages will be permitted at the Meeting.

Please note that if you hold your shares in street name (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the Meeting.

What Constitutes a Quorum?

The presence at the Meeting, in person or by proxy, of the holders of a majority of the shares of common stock outstanding on the record date will constitute a quorum, permitting the Company to conduct its business. As of the record date, _____ shares of common stock of the Company were outstanding. Proxies received, but marked as abstentions and broker non-votes, will be included in the calculation of the number of shares considered to be present at the Meeting.

Can a Shareholder Nominate a Director?

The Nominating and Corporate Governance Committee of the Board of Directors will consider a candidate properly and timely recommended for directorship by a shareholder or group of shareholders of the Company. The recommendation must be submitted by one or more shareholders that have beneficially owned, individually or as a group, 2% or more of the outstanding common stock for at least one year as of the date the recommendation is submitted. Shareholder recommendations must be submitted to the Secretary of the Company in writing via certified U.S. mail not less than 120 days prior to the first anniversary of the date of the Proxy Statement relating to the Company s previous Annual Meeting. Shareholder recommendations for the Annual Meeting of Shareholders in 2010 must be received by the Company by November ___, 2009. Recommendations must be addressed as follows:

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Home BancShares, Inc.
Attn: Corporate Secretary
P.O. Box 966
Conway, Arkansas 72033
DIRECTOR CANDIDATE RECOMMENDATION

Generally, candidates for a director position should possess:

relevant business and financial expertise and experience, including an understanding of fundamental financial statements;

the highest character and integrity and a reputation for working constructively with others;

sufficient time to devote to meetings and consultation on Board matters; and

freedom from conflicts of interest that would interfere with their performance as a director.

The full text of our Policy Regarding Director Recommendations by Stockholders and Nominating and Corporate Governance Committee Directorship Guidelines and Selection Policy are published on our website at *www.homebancshares.com* and can be found under the caption Investor Relations / Corporate Profile / Governance Documents.

How Can I Communicate Directly with the Board?

Shareholder communications to the Board of Directors, any committee of the Board of Directors, or any individual director must be sent in writing via certified U.S. mail to the Corporate Secretary at the following address:

Home BancShares, Inc.
Attn: Corporate Secretary
P.O. Box 966
Conway, Arkansas 72033

Our Stockholder Communications Policy is published on the Company s website at *www.homebancshares.com* and can be found under the caption Investor Relations / Corporate Profile / Governance Documents.

How Do I Vote?

The enclosed proxy card indicates the number of shares you own. There are four ways to vote:

By Internet at *www.envisionreports.com/HOBA*; we encourage you to vote this way.

By toll-free telephone at the number shown on your proxy card.

By completing and mailing your proxy card.

By written ballot at the Meeting.

If you vote by Internet or telephone, your vote must be received by 1:00 a.m. on April 23, 2009. Your shares will be voted as you indicate. *If you do not indicate your voting preferences, C. Randall Sims and Randy Mayor will vote your shares* FOR *Proposals 1, 2 and 3.*

If you Vote by Telephone or on the Internet, You Do NOT Need to Return Your Proxy Card.

If you complete and properly sign the accompanying proxy card and return it to the Company, or tender your vote via telephone or the Internet, it will be voted as you direct. If you attend the Meeting, you may deliver your completed proxy card in person. A proxy duly executed and returned by a shareholder, and not revoked prior to or at the Meeting, will be voted in accordance with the shareholder s instructions on such proxy.

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If your shares are held in street name, you will need to contact your broker or other nominee to determine whether you will be able to vote by telephone or Internet.

What Are the Board s Recommendations?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors. The Board s recommendation is set forth together with each proposal in this Proxy Statement. In summary, the Board recommends a vote:

For the election of the nominated slate of directors (see pages ___-___).

For the ratification of the appointment of BKD, LLP as the Company s independent registered public accounting firm (see pages ___-___).

For the approval, on an advisory (non-binding) basis, of the Company s executive compensation (see page___).

As of the date of this Proxy Statement, the Board knows of no other business that may properly be, or is likely to be, brought before the Annual Meeting. With respect to any other matter that properly comes before the Meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, at their own discretion.

What Vote Is Required to Approve Each Proposal?

Election of Directors. The affirmative vote of a plurality of the votes cast in person or by proxy at the Meeting is required for the election of directors. A properly executed proxy marked WITHHOLD AUTHORITY with respect to the election of one or more of the directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

Other Proposals. For each other proposal, the affirmative vote of a majority of the votes cast in person or by proxy at the Annual Meeting, assuming a quorum is present, will be required for approval. A properly executed proxy marked ABSTAIN with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have no effect on the outcome of the vote.

If you hold shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such broker non-votes will, however, be counted in determining whether there is a quorum.

The authorized common stock of the Company consists of 50,000,000 shares at $0.01 par value. As of the close of business on March 6, 2009, there were _____ shares eligible to vote.

Can I Change My Vote After I Return the Proxy Card?

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised by filing with the Secretary of the Company either a notice of revocation or a duly executed proxy bearing a later date. The powers of the proxy holders will be suspended if you attend the Meeting in person and so request, although attendance at the Meeting will not by itself revoke a previously granted proxy.

How Many Directors Are There?

Our Restated Articles of Incorporation provide that the number of directors shall not be less than two nor more than fifteen, with the exact number to be fixed by the shareholders or the Board. Currently, we have twelve directors.

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How Long Do Directors Serve?

Our Bylaws provide that the directors shall serve a term of one year and until their successors are duly elected and qualified. The shareholders of the Company elect successors for directors whose terms have expired at the Annual Meeting. The Board elects members to fill new membership positions and vacancies in unexpired terms on the Board.

Do the Shareholders Elect the Executive Officers?

No. Executive officers are elected by the Board and hold office until their successors are elected and qualified or until the earlier of their death, retirement, resignation or removal.

You Should Carefully Read this Proxy Statement in its Entirety.

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PROPOSAL ONE ELECTION OF DIRECTORS

Our Restated Articles of Incorporation provide that the number of directors shall not be less than two nor more than fifteen, with the exact number to be fixed by the shareholders or the Board. The Board of Directors proposes that the nominees for directors described below be re-elected for a new term of one year and until their successors are duly elected and qualified. All nominees are currently serving as directors.

Each of the nominees has consented to serve the term for which he is nominated. If any nominee becomes unavailable for election, which is not anticipated, the directors proxies will vote for the election of such other person as the Board may nominate, unless the Board resolves to reduce the number of directors to serve on the Board and thereby reduce the number of directors to be elected at the meeting.

The Board of Directors Recommends that Shareholders Vote
FOR
Each of the Nominees Listed Herein

DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

The names of the Company s directors and executive officers as of March 6, 2009, and their respective ages and positions are listed in the following table.

During 2008, the Company announced plans to combine the charters of the Company s bank subsidiaries into a single charter and adopt Centennial Bank as the common name. In December 2008, we began this combination process by changing the name of First State Bank to Centennial Bank and combining the charter of Marine Bank into this renamed First State Bank (now Centennial Bank). As of March 6, 2009, we have two separately chartered banks with the same Centennial Bank name. As used in the following table and hereinafter in this Proxy Statement, Centennial Bank (formerly First State Bank) refers to the newly renamed First State Bank (now Centennial Bank) and Centennial Bank refers to the pre-existing separately chartered Centennial Bank. We anticipate that our remaining bank charters will be merged into the Centennial Bank (formerly First State Bank) charter by the middle of 2009.

[Table follows on next page.]

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Name	Age	Positions Held	Positions Held with Bank Subsidiaries
John W. Allison	62	Chairman of the Board and Chief Executive Officer	Chairman of the Board, Centennial Bank (formerly First State Bank); Director, Community Bank, Twin City Bank, Bank of Mountain View, and Centennial Bank
Ron W. Strother	60	President, Chief Operating Officer, and Director	Director, Centennial Bank (formerly First State Bank), Community Bank, Twin City Bank, Bank of Mountain View, and Centennial Bank
Randy E. Mayor	44	Chief Financial Officer and Treasurer	Director, Centennial Bank (formerly First State Bank)
C. Randall Sims	54	Director and Secretary	President, Chief Executive Officer, and Director, Centennial Bank (formerly First State Bank); Director Community Bank
Brian S. Davis	43	Director of Financial Reporting and Investor Relations Officer	
Robert H. Adcock, Jr.	60	Vice Chairman of the Board	Director, Centennial Bank (formerly First State Bank)
Richard H. Ashley	53	Director	Chairman of the Board, Twin City Bank; Director, Centennial Bank (formerly First State Bank) and Community Bank
Dale A. Bruns	66	Director	Director, Centennial Bank (formerly First State Bank) and Twin City Bank
Richard A. Buckheim	65	Director	Regional Chairman, Centennial Bank (formerly First State Bank)
S. Gene Cauley	40	Director	Director, Centennial Bank
Jack E. Engelkes	59	Director	Director, Centennial Bank (formerly First State Bank)
James G. Hinkle	60	Director	Chairman of the Board, Bank of Mountain View
Alex R. Lieblong	58	Director	

William G. Thompson	61	Director	Director, Community Bank
Robert F. Birch, Jr.	59		President, Chief Executive Officer, and Director, Twin City Bank
Tracy M. French	47		President, Chief Executive Officer, and Director, Community Bank
Robert Hunter Padgett	50		Regional President, Centennial Bank (formerly First State Bank)
Chris S. Roberts	40		President, Chief Executive Officer, and Director, Centennial Bank
Michael L. Waddington	66		Chief Executive Officer and Director, Bank of Mountain View

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NOMINEES FOR DIRECTOR

The twelve director nominees consist of the current twelve members of the Board. Their experience and qualifications as Board members are as follows:

John W. Allison **Director Since 1998**

John W. Allison is the founder and has been Chairman of the Board of Home BancShares since 1998. He also serves on the Asset Quality Committee and Asset/Liability Committee of Home BancShares. Mr. Allison has more than 25 years of banking experience, including service as Chairman of First National Bank of Conway from 1983 until 1998, and as a director of First Commercial Corporation from 1985 (when First Commercial acquired First National Bank of Conway) until 1998. At various times during his tenure on First Commercial s board, Mr. Allison served as the Chairman of that company s Executive Committee and as Chairman of its Asset Quality Committee. Prior to its sale to Regions Financial Corporation in 1998, First Commercial was a publicly traded company and the largest bank holding company headquartered in Arkansas, with approximately $7.3 billion in assets. In 2008, Mr. Allison became a director of Lodgian, Inc., a publicly traded owner and operator of hotels.

Ron W. Strother **Director Since 2004**

Ron W. Strother has been President, Chief Operating Officer, and a director of Home BancShares since 2004. He also serves as Chairman of the Asset Quality Committee and Asset/Liability Committee of Home BancShares. Mr. Strother has more than 35 years of banking experience, which includes serving as Regional Chief Executive Officer over Central Arkansas for Arvest Bank Group (Bentonville) from 2000 to 2004, Chairman and Chief Executive Officer of Central Bank & Trust Company (Little Rock) from 1996 to 2000, President and Chief Operating Officer of First Commercial Bank (Little Rock) from 1991 to 1994, President of First Commercial Mortgage Company from 1984 to 1987, and President of Commercial National Mortgage Company from 1981 to 1984. Mr. Strother began his career in 1973 with Commercial National Bank (Little Rock), which became First Commercial Bank in 1983.

C. Randall Sims **Director Since 1998**

C. Randall Sims has been President and Chief Executive Officer of Centennial Bank (formerly First State Bank) and a director of Home BancShares since 1998. He has served as Secretary of Home BancShares since 1998. Prior to joining First State Bank, Mr. Sims was an executive vice president with First National Bank of Conway. He holds a Juris Doctor degree from the University of Arkansas at Little Rock School of Law and a Bachelor of Arts degree in accounting and business administration from Ouachita Baptist University in Arkadelphia, Arkansas. He attended the Graduate School of Banking at the University of Wisconsin and is an honor graduate of the American Bankers Association National Lending School held at the University of Oklahoma. Mr. Sims currently serves as a Trustee at the University of Central Arkansas and as Chairman of the Conway Christian School Board.

Robert H. Adcock, Jr. **Director From 1998 to 2003 and Since 2007**

Robert H. Adcock, Jr. has been a director and Vice Chairman of Home BancShares since July 2007. He also serves on the Asset Quality Committee, Audit Committee and Nominating and Corporate Governance Committee of Home BancShares. Mr. Adcock is a co-founder of Home BancShares with Mr. Allison. He previously served as a director and Vice Chairman of Home BancShares from 1998 to 2003. In June 2003, Mr. Adcock stepped down from the Board of Directors of Home BancShares to become the Arkansas State Bank Commissioner. He was reappointed as Vice Chairman of Home BancShares in July 2007 upon completion of his four-year term as Arkansas State Bank Commissioner. Mr. Adcock retired from the First National Bank of Conway, Arkansas (now Regions Bank), in 1996 after more than 20 years of service. He presently serves as Vice President of Financial Services for the University of Central Arkansas. He also operates a farming operation in Gould (Lincoln County), Arkansas, and has many real estate holdings in the Conway, Arkansas, area.

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Richard H. Ashley **Director Since 2004**

Richard H. Ashley has been a director of Home BancShares since 2004 and served as Vice Chairman from 2006 to July 2007. He also serves on the Asset Quality Committee, Asset/Liability Committee and the Compensation Committee of Home BancShares. He has served as a director of Twin City Bank since 2000 and as Chairman since 2002, and he became a director of Centennial Bank (formerly First State Bank) in February 2009. Since March 2007, he has been a director of Entergy Arkansas, Inc., an electric public utility company. Mr. Ashley is President and owner of the Ashley Company, a privately held company involved in land development and investment in seven states throughout the United States since 1978.

Dale A. Bruns **Director Since 2004**

Dale A. Bruns has been a director of Home BancShares since 2004 and a director of Centennial Bank (formerly First State Bank) since 1998. Mr. Bruns has also served as a director of Twin City Bank since 2000. Mr. Bruns is the chairman of the compensation committees for Home BancShares, Centennial Bank (formerly First State Bank), and Twin City Bank and is a member of the Nominating and Corporate Governance Committee of Home BancShares. Prior to his service with First State Bank, he served as a director of the First National Bank of Conway from 1985 to 1998. Mr. Bruns has owned and operated several McDonald s restaurants located in central Arkansas. He is also the owner of Central Arkansas Sign Company, Inc. He currently serves on the board of the Arkansas McDonald s Self Insurance Trust and on the impact committee for the McDonald s Great Southern Region. He is a past member of the McDonald s National Operator advisory board of directors.

Richard A. Buckheim **Director Since 2005**

Richard A. Buckheim has been a director of Home BancShares since 2005. He also serves on the Compensation Committee of Home BancShares. From 2000 until December 2008 when the Marine Bank charter was merged into Centennial Bank (formerly First State Bank), he served as Chairman of the Board of Marine Bank and served on the bank s compensation committee. He currently serves as Regional Chairman of Centennial Bank (formerly First State Bank) for the bank s Florida region. Mr. Buckheim formerly owned two restaurants in Key West, Florida. Prior to moving to Key West, he founded and served as President of Buckheim and Rowland, Inc., a Michigan-based advertising and marketing company with offices in Ann Arbor, Detroit, New York, New York, and Melbourne, Florida.

S. Gene Cauley **Director Since January 2008**

S. Gene Cauley has been a director of Home BancShares since January 2008. Since December 2004, he has been a member of the Board of Directors of Centennial Bank. He also serves on the Asset Quality Committee and the Asset/Liability Committee of Home BancShares. Mr. Cauley has substantial jury trial and arbitration experience representing both plaintiffs and defendants. He is a recognized authority on class action procedure and often serves as a guest lecturer on the topic. Mr. Cauley has significant experience in owning and operating commercial real estate. He is a graduate of Vanderbilt University School of Law and graduated summa cum laude from the University of Arkansas where he earned a bachelor s degree in Business Administration.

Jack E. Engelkes **Director Since 2004**

Jack E. Engelkes has been a director of Home BancShares since 2004 and a director of Centennial Bank (formerly First State Bank) since 1998. He also serves as Chairman of the Audit Committee and a member of the Compensation Committee of Home BancShares. From 1995 to 1998, he served as a director of First National Bank of Conway. Since 1990, Mr. Engelkes has served as managing partner in the accounting firm of Engelkes and Felts, Ltd. He became President of the Board of Conway Regional Health Foundation in 2006. He has also been a director of the Conway Regional Medical Center since 2005 and the Conway Development Corporation since 2000. Mr. Engelkes holds a bachelor s degree in Business and Economics from Hendrix College in Conway.

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James G. Hinkle **Director Since 2005**

James G. Hinkle has been a director of Home BancShares since 2005. Mr. Hinkle currently serves as Chairman of the Bank of Mountain View and as a member of the Asset/Liability Committee of Home BancShares. He has over 27 years of banking experience. From 1995 to 2005, he served as President of Mountain View BancShares, Inc., until the company s merger into Home BancShares. He served as President of the Bank of Mountain View from 1981 to 2005.

Alex R. Lieblong **Director Since 2003**

Alex R. Lieblong has been a director of Home BancShares since 2003. He has served as an advisory director of Centennial Bank (formerly First State Bank) since 2002, and he served as a director of First State Bank from 1998 to 2002. He also serves as Chairman of the Nominating and Corporate Governance Committee and a member of the Audit Committee of Home BancShares. Mr. Lieblong became a director of Lodgian, Inc., a publicly traded owner and operator of hotels, in 2006. He also currently serves on the board of directors of Ballard Petroleum, a privately held energy company. Since 1997, Mr. Lieblong has been an owner and general principal in the brokerage firm of Lieblong & Associates, Inc. Prior to Lieblong & Associates, Inc., he held management positions with Paine Webber, Merrill Lynch, and E.F. Hutton. Mr. Lieblong was a founder and has been managing partner of Key Colony Fund, L.P., a hedge fund, since 1998.

William G. Thompson **Director Since 2004**

William G. Thompson has been a director of Home BancShares since 2004 and a director of Community Bank since 1988. He also serves on the Audit Committee and the Nominating and Corporate Governance Committee of Home BancShares. Mr. Thompson has over 27 years of banking experience. From 2002 to 2004, he served as Chairman of the Board of Community Bank. Mr. Thompson owns several privately held businesses located in Cabot, Arkansas, including Transloading Service Inc., Thompson Service Inc., and Thompson Sales Inc.

CORPORATE GOVERNANCE

Duties of the Board

The Board of Directors has the responsibility to serve as the trustee for the shareholders. It also has the responsibility for establishing broad corporate policies and for the overall performance of the Company. The Board, however, is not involved in day-to-day operating details. Members of the Board are kept informed of the Company s business through discussion with the Chief Executive Officer and other officers, by reviewing analyses and reports sent to them quarterly, and by participating in Board and Committee meetings.

Corporate Governance Guidelines and Policies

We believe that good corporate governance helps ensure that the Company is managed for the long-term benefit of its shareholders. We continue to review our corporate governance policies and practices, corporate governance rules and regulations of the Securities and Exchange Commission (the SEC), and the listing standards of the NASDAQ Global Select Market on which our common stock is traded. The Board has adopted various corporate governance guidelines and policies to assist the Board in the exercise of its responsibilities to the Company and its shareholders. The guidelines and policies address, among other items, director independence and director qualifications. You can access and print our corporate governance guidelines and policies, including the charters of our Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee, our Corporate Code of Ethics for Directors, Executive Officers and Employees and other Company policies and procedures required by applicable law or regulation on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

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Director Independence

NASDAQ rules require that a majority of the directors of NASDAQ-listed companies be independent. An independent director generally means a person other than an officer or employee of the listed company or its subsidiaries, or any other individual having a relationship which, in the opinion of the listed company s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Certain categories of persons are deemed not to be independent under the NASDAQ rules, such as persons employed by the listed company within the last three years, and persons who have received (or whose immediate family members have received) payments exceeding a specified amount from the listed company within the last three years, excluding payments that are not of a disqualifying nature (such as compensation for board service, payments arising solely from investments in the listed company s securities, and benefits under a tax-qualified retirement plan). NASDAQ rules impose somewhat more stringent independence requirements on persons who serve as members of the audit committee of a listed company.

Of the twelve persons who currently serve on our Board of Directors, we believe that nine are independent for purposes of NASDAQ rules. Messrs. Allison, Strother, and Sims are not considered independent because they are officers of Home BancShares. The Board has also determined that no member of the Audit Committee, Compensation Committee or Nominating and Corporate Governance Committee has any material relationship with the Company (either directly or indirectly as a partner, shareholder or officer of an organization that has a relationship with the Company) and that all members of these committees meet the criteria for independence under the NASDAQ listing standards.

Code of Ethics

We have adopted a Code of Ethics that applies to all of our directors, officers, and employees. We believe our Code of Ethics is reasonably designed to deter wrongdoing and to promote honest and ethical conduct, including the ethical handling of conflicts of interest, full, fair and accurate disclosure in filings and other public communications made by us, compliance with applicable laws, prompt internal reporting of ethics violations, and accountability for adherence to the Code of Ethics. This Code of Ethics is published in its entirety on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents. We will post on our website any amendment to this code and any waivers of any provision of this code made for the benefit of any of our senior executive officers or directors.

BOARD MEETINGS AND COMMITTEES OF THE BOARD

The business of the Company is managed under the direction of the Board of Directors, who meet on a regularly scheduled basis during the calendar year to review significant developments affecting the Company and to act on matters that require Board approval. Special meetings are also held when Board action is required on matters arising between regularly scheduled meetings. Written consents to action without a meeting may be obtained if the Company deems it more appropriate.

All members of the Board are strongly encouraged to attend each meeting of the Board and meetings of the Board Committees on which they serve, as well as the Annual Meeting. The Board of Directors held four regularly scheduled meetings and one special meeting during calendar year 2008. During this period all current members of the Board participated in at least 80% of the Board and committee meetings. Our Director Attendance Policy is published on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

Our Board of Directors has five standing committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, the Asset/Liability Committee and the Asset Quality Committee. Committee members are elected annually by the Board and serve until their successors are elected and qualified or until their earlier resignation or removal.

The following table discloses the Board members who serve on each of the Board s committees and the number of meetings held by each committee during calendar year 2008.

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Committees of the Board

	Audit	Compensation	Nominating and Corporate Governance	Asset/Liability	Asset Quality
Robert H. Adcock, Jr.	X		X		X
John W. Allison				X	X
Richard H. Ashley		X		X	X
Dale A. Bruns		Chair	X		
Richard A. Buckheim		X			
S. Gene Cauley				X	X
Jack E. Engelkes	Chair	X			
James G. Hinkle				X	
Alex R. Lieblong	X		Chair		
Ron W. Strother				Chair	Chair
William G. Thompson	X		X		
Number of Meetings	**5**	**7**	**1**	**4**	**4**

Audit Committee

The Audit Committee assists the Board in fulfilling its oversight responsibility relating to the integrity of our accounting and financial reporting processes and our financial statements, our compliance with legal and regulatory requirements, the independent auditor s qualifications and independence, and the performance of our internal audit function and our independent auditors. In fulfilling its duties, the Audit Committee, among other things:

prepares the Audit Committee report for inclusion in the annual proxy statement;

appoints, compensates, retains and oversees the independent auditors;

pre-approves all auditing and appropriate non-auditing services performed by the independent auditor;

discusses with the internal and independent auditors the scope and plans for their respective audits;

reviews the results of each quarterly review and annual audit by the independent auditors;

reviews the Company s financial statements and related disclosures in the Company s quarterly and annual reports prior to filing with the SEC;

reviews the Company s policies with respect to risk assessment and risk management;

reviews the Company s internal controls, the results of the internal audit program, and the Company s disclosure controls and procedures and quarterly assessment of such controls and procedures;

establishes procedures for handling complaints regarding accounting, internal accounting controls, and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding such matters; and

reviews the Company s legal and regulatory compliance programs.

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The Board of Directors has adopted a written charter for the Audit Committee that meets the applicable standards of the SEC and NASDAQ. A copy of the Audit Committee Charter is published on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

The Audit Committee is comprised of Jack E. Engelkes, Chairman, Robert H. Adcock, Jr., Alex R. Lieblong and William G. Thompson. The Board has determined that each member of the Committee satisfies the independence requirements of the NASDAQ listing standards, that each member of the Committee is financially literate, knowledgeable and qualified to review financial statements, and that Mr. Engelkes has the attributes of an audit committee financial expert as defined by the regulations of the SEC.

Compensation Committee

The Compensation Committee aids the Board in discharging its responsibility with respect to the compensation of our executive officers and directors. The Compensation Committee is responsible for evaluating and approving the Company s compensation plans and policies and for communicating the Company s compensation policies to shareholders in our annual proxy statement. In fulfilling its duties, the Compensation Committee, among other things:

- reviews and approves corporate goals and objectives relevant to the compensation of our Chief Executive Officer (CEO) and Chief Operating Officer (COO);
- evaluates the performance and determines the annual compensation of the CEO and COO in accordance with these goals and objectives;
- reviews and approves the amounts and terms of the annual compensation for our other executive officers;
- reviews and approves employment agreements, severance agreements or arrangements, retirement arrangements, change in control agreements/provisions and special or supplemental benefits for the executive officers;
- reviews and makes recommendations to the Board with respect to incentive based compensation plans and equity based plans, and establishes criteria for and grants awards to participants under such plans;
- reviews and recommends to the Board the compensation for our directors; and
- reviews and recommends to the Board that the Compensation Discussion and Analysis be included in the annual proxy statement and Form 10-K annual report.

The Board of Directors has adopted a written charter for the Compensation Committee that meets the applicable standards of the SEC and NASDAQ. The Compensation Committee Charter is published on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

The Compensation Committee is comprised of Dale A. Bruns, Chairman, Richard H. Ashley, Richard A. Buckheim and Jack E. Engelkes. The Board has determined that each member of the Committee satisfies independence requirements of the NASDAQ listing standards and Section 162(m) of the Internal Revenue Code of 1986, as amended.

The Compensation Committee charter authorizes the Committee to delegate to subcommittees of the Committee any responsibility the Committee deems necessary or appropriate. The Committee shall not, however, delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole. The Committee did not utilize the services of a subcommittee in 2008.

The CEO provides recommendations to the Committee regarding the form and amount of compensation paid to executive officers who report directly to him. Additionally, the CEO and our Chief Financial Officer (CFO) regularly attend Committee meetings, other than executive sessions. Traditionally, management has provided to the Committee historical and prospective breakdowns of primary compensation components for each executive officer, including internal pay equity analyses.

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Historically, the Committee meets subsequent to year end to finalize discussion regarding the Company s performance goals for the previous and current year with respect to performance-based compensation to be paid to executive officers and to approve its report for the annual proxy statement. These goals are approved within 90 days of the beginning of the year. Each year in December and/or January, the Committee generally discusses any new compensation issues, the compensation, bonus and incentive plan award analyses and the engagement of a compensation consultant for annual executive and director compensation. The Committee also meets in December and/or January to:

1. review and discuss the recommendations made by the CEO;

2. review the performance of the Company and the individual officers;

3. review the level to which the Company s performance goals were attained and approve short-term cash bonus and long-term incentive awards; and

4. determine the executive officers base salaries for the following year.

Management also advises the full Board, including the Committee members, throughout the year of new issues and developments regarding executive compensation.

Compensation Committee Interlocks And Insider Participation

During 2008, Messrs. Bruns, Ashley, Buckheim and Engelkes served as members of the Compensation Committee. None of these four directors during 2008 or at any previous time served as an officer or employee of Home BancShares or any of our bank subsidiaries. During 2008, none of our executive officers served as a director or member of the compensation committee (or group performing equivalent functions) of any other entity for which any of our independent directors served as an executive officer. See CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS for information concerning transactions during 2008 involving Mr. Ashley.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee develops and maintains the corporate governance policies of the Company. The Committee s responsibilities include, among other things:

developing and maintaining the Company s corporate governance policies;

identifying, screening and recruiting qualified individuals to become Board members;

determining the composition of the Board and its committees;

assisting the Board in assessing the Board s effectiveness;

assisting management in preparing the disclosures regarding the Committee s operation to be included in the Company s annual proxy statement; and

reviewing and approving all related party transactions.

The Board of Directors has adopted a written charter for the Nominating and Corporate Governance Committee that meets the applicable standards of the SEC and NASDAQ. The Nominating and Corporate Governance Committee Charter is published on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

The Nominating and Corporate Governance Committee is comprised of Alex R. Lieblong, Chairman, Robert H. Adcock, Jr., Dale A. Bruns and William G. Thompson. The Board has determined that all members of the Committee satisfy independence requirements of the NASDAQ listing standards. The Nominating and Corporate Governance Committee met on January 16, 2009 to select director nominees to be voted on at the Annual Meeting.

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Director Candidate Qualifications

The Nominating and Corporate Governance Committee Directorship Guidelines and Selection Policy outlines the qualifications the Committee looks for in a director nominee. Generally, the candidate should possess:

relevant business and financial expertise and experience, including an understanding of fundamental financial statements;

the highest character and integrity and a reputation for working constructively with others;

sufficient time to devote to meetings and consultation on Board matters; and

freedom from conflicts of interest that would interfere with performance as a director.

More specifically, the Nominating Committee seeks candidates who possess various qualifications or skills, including leadership experience in business or other relevant fields, knowledge of the Company and the financial services industry, experience in serving as a director of another financial institution or public company generally, wisdom, integrity, analytical ability, familiarity with and participation in the communities served by the Company and its subsidiaries, commitment to and availability for services as a director, and any other factors the Committee deems relevant.

Director Nominations Process

After assessing and considering prevailing business conditions of the Company, legal and listing standard requirements for Board composition, the size and composition of the current Board, and the skills and experience of current Board members, any of the Chairman, the Nominating Committee or any Board member may identify the need to add a Board member or to fill a vacancy on the Board. The Committee identifies qualified director nominees from among persons known to the members of the Committee, by reputation or otherwise, and through referrals from trusted sources, including senior management, existing Board members, shareholders and independent consultants hired for such purpose. The Committee may request that senior officers of the Company assist the Committee in identifying and assessing prospective candidates who meet the criteria established by the Board.

The Nominating Committee evaluates candidates based upon the candidate s qualifications, recommendations, or other relevant information, including a personal interview. The Committee meets to consider and approve the candidates to be presented to the Board. The Committee then presents its proposed nominees to the full Board. The Board considers the recommendations of the Committee and approves candidates for nomination.

The Nominating and Corporate Governance Committee Directorship Guidelines and Selection Policy is published on our website at *www.homebancshares.com* under the caption Investor Relations"/ Corporate Profile"/ Governance Documents.

Asset/Liability Committee

Our Asset/Liability Committee consists of John W. Allison, Richard H. Ashley, S. Gene Cauley, James G. Hinkle, and Ron W. Strother. Mr. Strother serves as Chairman of the Asset/Liability Committee. The Asset/Liability Committee meets quarterly, and is primarily responsible for:

development and control over the implementation of liquidity risk and market risk management policies;

review of interest rate movements, forecasts, and the development of the Company s strategy under specific market conditions; and

continued monitoring of the overall asset/liability structure of our bank subsidiaries to minimize interest rate sensitivity and liquidity risk.

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Asset Quality Committee

Our Asset Quality Committee consists of Robert H. Adcock, Jr., John W. Allison, Richard H. Ashley, S. Gene Cauley and Ron W. Strother. Mr. Strother serves as Chairman of the Asset Quality Committee. The Asset Quality Committee meets quarterly, and is primarily responsible for:

development and control over the implementation of credit risk policies.

evaluation of the impact of changing market conditions as its relates to the corresponding changes to the value of real estate used as collateral.

review of problem loans such as: past due loans, special mention loans and classified loans (accruing and non-accruing).

monitoring of the overall asset quality of our bank subsidiaries to minimize exposure to losses in the loan portfolio.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

In accordance with its written charter, which was re-approved in its current form by the Board of Directors on January 16, 2009, the Audit Committee assists the Board in, among other things, oversight of our accounting and financial reporting processes, our compliance with legal regulatory requirements, the qualifications and independence of the independent auditors and the performance of the internal and independent auditors. A copy of the Audit Committee charter is published on the Company s website at *www.homebancshares.com* under the caption Investor Relation"/ Corporate Profile"/ Governance Documents.

Our Board of Directors has determined that all four members of the Committee are independent based upon the independence requirements of the SEC and NASDAQ, and that our Chairman, Mr. Engelkes, satisfies the criteria of an audit committee financial expert as defined by the regulations of the SEC.

Management is responsible for the preparation, presentation, and integrity of our financial statements, for the appropriateness of our accounting principles and reporting policies and for implementing and maintaining internal control over financial reporting. Our independent auditors are responsible for auditing the financial statements and internal controls over financial reporting and for reviewing our unaudited interim financial statements. The Audit Committee s responsibility is to monitor and review these processes and procedures. Except for our Chairman, Mr. Engelkes, the members of the Audit Committee are not engaged in the practice of accounting or auditing and are not professionals in those fields. The Audit Committee relies, without independent verification, on the information provided to us and on the representations made by management that the financial statements have been prepared with integrity and objectivity and on the representations of management and the opinion of the independent auditors that such financial statements have been prepared in conformity with accounting principles generally accepted in the United States.

During 2008, the Audit Committee had five regularly scheduled meetings and no telephonic meetings. The Audit Committee s regular meetings were conducted in order to encourage communication among the members of the Audit Committee, management, the internal auditors, and our independent auditors, BKD, LLP. Among other things, the Audit Committee discussed with our internal and independent auditors the overall scope and plans for their respective audits. The Audit Committee separately met with each of the internal and independent auditors, with and without management, to discuss the results of their examinations and their observations and recommendations regarding our internal controls. The Audit Committee also discussed with our independent auditors all matters required by generally accepted auditing standards, including those described in Statement on Auditing Standards No. 61, as amended, Communication with Audit Committees.

The Audit Committee reviewed and discussed our audited consolidated financial statements as of and for the year ended December 31, 2008, with management, the internal auditors, and our independent auditors. Management s discussions with the Audit Committee included a review of critical accounting policies.

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The Audit Committee obtained from the independent auditors a formal written statement describing all relationships between us and our auditors that might bear on the auditors independence consistent with Public Company Accounting Oversight Board Rule 3526, Communication with Audit Committees Concerning Independence. The Audit Committee discussed with the auditors any relationships that may have an impact on their objectivity and independence and satisfied itself as to the auditors independence. The Audit Committee has reviewed and approved the amount of fees paid to BKD, LLP for audit and non-audit services. The Audit Committee concluded that the provision of services by BKD, LLP is compatible with the maintenance of BKD s independence.

Based on the above-mentioned review and discussions with management, the internal auditors, and the independent auditors, and subject to the limitations on our role and responsibilities described above and in the Audit Committee Charter, the Audit Committee recommended to the Board of Directors that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the calendar year ended December 31, 2008, for filing with the SEC.

Home BancShares, Inc.
Audit Committee Members
Jack E. Engelkes, Chairman
Robert H. Adcock, Jr.
Alex R. Lieblong
William G. Thompson

COMPENSATION DISCUSSION AND ANALYSIS

Overview of Compensation Philosophy and Program

The Compensation Committee, composed entirely of independent directors, administers the Company s executive compensation program. The role of the Committee is to oversee the Company s compensation and benefit plans and policies, administer its stock plans, and review and approve annually all compensation decisions related to the named executive officers, the board members, and the CEO and CFO. Our named executive officers are our CEO, our CFO and our three other most highly-compensated executive officers, as listed in the Summary Compensation Table of this Proxy Statement. The Committee submits its decision with regard to the CEO and CFO to the independent directors for their ratification.

The Committee recognizes the importance of compensation and performance and seeks to reward performance with cost-effective compensation that aligns employee efforts with the business strategy of the Company and with the interest of the shareholders. The Committee also recognizes that the compensation should assist the Company in attracting and retaining key executives critical to its long-term success.

The following principles guide the Committee:

Compensation levels should be sufficiently competitive to attract and retain key management for the banks and holding company. The Company hires experienced bank executives that have a track record in the market. Competition is strong for these talented and experienced people. The compensation package must be strong and competitive in that market.

Compensation should relate directly to performance and responsibility. Compensation should vary with the performance and responsibility of the individual. It should always be proportional to the contribution to the Company s success.

Short-term incentive compensation should motivate high performance. The Company uses the cash bonus plan to motivate individuals with roles and responsibilities that give them the ability to directly impact the Company s performance and strategic direction. The incentive compensation should not cause the individual to take excessive and unnecessary risks that would threaten the institution.

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The Company s Non-Qualified Stock Option Plan should align management with shareholders interests. Awards of stock options or other forms of long-term compensation should encourage management to focus on the long-term growth and success of the Company. It should provide management with a meaningful stake in the Company and the prospects of a long-term career.

The Committee in the past has compared total compensation levels for the executive officers to the compensation paid to executives of a peer group comprised of similar bank holding companies of comparable size. The Committee did not perform a peer review in 2008. The Committee will review this decision on an annual basis and perform peer reviews as the Committee deems necessary. For 2008, the Committee evaluated and considered the overall performance of the Company and, for our bank presidents, the performance of each bank, as well as the individual s performance and recommendations by the CEO.

The Company did not use the services of an independent compensation consultant to advise on compensation issues in 2008. The Committee will review this decision on an annual basis and employ such a consultant when the Committee determines that it would be helpful.

Executive Compensation Limitations Related to Capital Purchase Program

On January 16, 2009, the Company sold $50 million of senior preferred shares to the U.S. Department of the Treasury (the Treasury) under the Capital Purchase Program (CPP) of the Treasury s Troubled Asset Relief Program (TARP). The Board of Directors viewed the CPP as a voluntary opportunity to raise additional low cost capital to bolster the Company s already adequate sources of liquidity and well-capitalized position to support existing operations as well as anticipated future growth. As a result of the Company s participation in the CPP, the Company became subject to certain executive compensation requirements under section 111(b) of the Emergency Economic Stabilization Act of 2008 (EESA), the rules and guidelines promulgated by the Treasury thereunder, and the contract pursuant to which we sold the senior preferred shares.

On February 17, 2009, the President signed into law the American Recovery and Reinvestment Act of 2009 (ARRA). The ARRA amended in its entirety Section 111 of the EESA. In doing so, the ARRA continues all the same compensation and governance restrictions and adds substantially to the restrictions in several areas. The ARRA implements many, but not all, of the restrictions in the Treasury guidelines and in several instances goes beyond the Treasury guidelines. These restrictions apply to all participants that have received or will receive financial assistance under the TARP, and therefore, these additional restrictions apply to us.

The compensation requirements imposed by the EESA and ARRA and our contractual agreement with the Treasury apply to what the Treasury refers to as our senior executive officers (SEOs) and, in certain instances, additional officers or employees of the Company. Presently, our SEOs are the same five officers who are our named executive officers. These requirements are:

Prohibition on Incentive Compensation that Provides an Incentive to Take Unnecessary and Excessive Risks. The EESA prohibits us from providing incentive compensation arrangements that encourage our SEOs to take unnecessary and excessive risks that threaten the value of the financial institution.

Risk Review. The Compensation Committee is required within 90 days after the sale of the senior preferred shares by the Company to the Treasury to review the incentive compensation of the SEOs with the Company s senior risk officer(s), or other personnel acting in a similar capacity, to ensure that the SEO incentive compensation arrangements do not encourage SEOs to take unnecessary and excessive risks that threaten the value of the Company. The Committee must thereafter meet at least annually with the senior risk officer(s), or individual(s) acting in a similar capacity, to discuss and review the relationship between the Company s risk management policies and practices and the SEO incentive compensation arrangements. The Committee has met with the Company s risk officer to review and discuss the SEO incentive compensation arrangements and determined that such arrangements do not encourage the SEOs to take unnecessary and excessive risks that could threaten the value of the Company. *See* REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS.

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Clawback. In order to comply with the EESA and the ARRA, the Company must require that any bonus, retention award, and incentive compensation paid to an SEO or the next 20 most highly compensated employees during the period that the Treasury holds an equity or debt position in the Company acquired under the CPP are subject to recovery or clawback by the Company if it is determined that the payments were based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.

Golden Parachutes. Under the EESA and the ARRA, the Company must prohibit any golden parachute payment to an SEO or the next five most highly compensated employees during the period that the Treasury holds an equity or debt position in the Company acquired pursuant to the CPP. For purposes of this requirement, golden parachute payment means any payment to an SEO for departure for any reason, except for payments for services performed or benefits accrued.

Prohibition on Bonuses and Similar Payments. The Company is prohibited by the ARRA from paying or accruing any bonus, retention award, or incentive compensation during the period in which any obligation to the Treasury remains outstanding. There is an exception for long-term restricted stock meeting certain criteria. The prohibition applies only to the SEOs.

Limit on Tax Deduction. In connection with its sale of the senior preferred shares, the Company agreed not to claim, during any taxable year in which the Treasury holds an equity or debt position with the Company, any deduction for federal income tax purposes for compensation that would not be deductible if section 162(m)(5) of the Internal Revenue Code were to apply to the Company. Section 162(m)(5) limits the aggregate amount of compensation, including performance-based compensation, that may be deducted annually by an applicable institution for each of its five most highly compensated executive officers to $500,000 during any applicable taxable year. Section 162(m)(5) applies to any financial institution that has sold an aggregate of $300 million of troubled assets to the Treasury under a program established pursuant to the EESA. Because the Company s sale of preferred stock to the Treasury occurred on January 16, 2009, the Company will be subject to this $500,000 deduction limitation beginning with the 2009 taxable year and during any future taxable year in which the Treasury holds an equity or debt position with the Company.

Binding SEO Agreements. Prior to the Company s sale of senior preferred shares to the Treasury, each of the Company s SEOs entered into a letter agreement with the Company through which the SEO agreed to certain actions as described below in connection with the Company s compliance with the executive compensation restrictions under the CPP. Specifically, each SEO agreed to the following:

Prohibition by the Company of any golden parachute payment to the SEO during any period during which he is a senior executive officer and the Treasury holds an equity or debt position acquired from the Company in the CPP (the CPP Covered Period);

Any bonus and incentive compensation paid to the CEO during a CPP Covered Period being subject to recovery or clawback by the Company if the payments were based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria;

Amendment by the Company to the extent necessary to give effect to the agreed upon limitations described above of each of the Company s compensation, bonus, incentive and other benefit plans, arrangements and agreements (including golden parachute, severance and employment agreements) (collectively, Benefit Plans) with respect to the SEO, and

Review by the Company of its Benefit Plans to ensure that they do not encourage SEOs to take unnecessary and excessive risks that threaten the value of the Company and, to the extent any such review requires revisions to any Benefit Plan with respect to the SEO, the SEO and the Company agree to negotiate such changes promptly and in good faith.

Shareholder Say-on-Pay Vote Required. Under the ARRA, we are required to permit a non-binding shareholder vote to approve the compensation of executives as disclosed in the Company s proxy statement. The ARRA directs the SEC to adopt regulations within one year to implement this say-on-pay requirement. The Company has included in

this Proxy Statement a proposal providing for an advisory vote to approve the compensation of our executives. *See* PROPOSAL THREE ADVISORY (NON-BINDING) VOTE APPROVING EXECUTIVE COMPENSATION.

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Prohibition on Compensation Plans that Encourage Earnings Manipulation. The Company is prohibited from implementing any compensation plan that would encourage manipulation of the reported earnings of the Company in order to enhance the compensation of any of its employees. The Company does not believe it has any compensation plan that would encourage manipulation of the reported earnings of the Company.

Semiannual Compensation Plan Evaluation Required. The ARRA requires the Company s Compensation Committee to meet at least semiannually to discuss and evaluate employee compensation plans in light of an assessment of any risk to the Company posed by such plans.

CEO and CFO Certification Requirements. The ARRA requires our CEO and CFO to provide a written certification of compliance with the executive compensation restrictions in the ARRA in our annual filings with the SEC (presumably our annual report on Form 10-K or proxy statement).

Policy on Luxury Expenditures. The ARRA requires us to implement a company-wide policy regarding excessive or luxury expenditures, including excessive expenditures on entertainment or events, office and facility renovations, aviation or other transportation services.

Treasury Review of Prior Payments. The ARRA directs the Treasury to review bonuses, retention awards, and other compensation paid to our SEOs and the next 20 most highly-compensated employees of the Company and to seek to negotiate with the Company and affected employees for reimbursement if it finds any such payments were inconsistent with CPP or otherwise in conflict with the public interest.

Many aspects of the foregoing restrictions will not be clear until the Treasury and the SEC publish new rules. At the present time, Treasury has not announced whether it intends to publish rules to implement the aspects of its current guidelines that were not addressed by the ARRA. The Compensation Committee and the Board of Directors will continue to monitor the future rules, regulations, guidelines and law changes regarding executive compensation for CPP participants and will promptly make appropriate changes to the Company s executive compensation program as needed.

Components of Compensation

The key elements of the Company s executive compensation program are:

Base salary

Short-term incentives (bonuses)

Long-term incentives compensation (options)

Retirement and insurance benefit plans

Certain defined perquisites

The Company tries to determine the proper mix of base, short-term and long-term incentive compensation. In our markets there are a number of national, regional and community banks. The competition for experienced executives in banking is strong. The Committee understands that being a public company that can offer equity incentives, a community banking philosophy, and an above average base pay puts the Company in a competitive position for strong management. The public market for the stock and its easily accessible value is a positive factor in aligning the management s interest with that of the shareholders and making them meaningful stakeholders.

Base Salary

Base salaries have been targeted at the upper levels for the peer group of companies and adjusted to recognize varying levels of responsibility, individual performance, individual bank performance if appropriate and internal equity issues. The Committee reviews the base salaries of the executive officers annually. This base salary provides the foundation for a total compensation package that is required to attract, retain and motivate the officers. Generally, base salaries are not directly related to specific measures of performance, but are determined by experience, the scope and complexity of the position, current job responsibilities, and salaries of competing banks. The Company does not use benchmarking.

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Short-term Incentives

An annual cash bonus plan is intended to reward individual performance for that year. The Compensation Committee reviews the individual performance of the officer, and if they are in charge of a subsidiary bank, the performance of that bank. In evaluating a bank president, the Committee reviews the goals for that subsidiary bank, including return on assets, growth in assets, asset quality, return on equity, gross margin, net income, operating income, net cash flow and regulatory examination results. In evaluating an executive officer of the parent, the Committee reviews the goals of the parent company including shareholder return, earnings per share, and the other criteria noted above. The final consideration is the overall profitability of the Company. The Committee then determines the amount of the awards.

Long-term Incentives

Consistent with the Company s philosophy that favors compensation based upon performance, long-term incentives comprise a significant component of total compensation. In 2006, the Board of Directors adopted and the shareholders approved the 2006 Stock Option and Performance Incentive Plan (the Plan). The purpose of the Plan is to attract and retain highly qualified officers, directors, and key employees, and to encourage those employees to improve our business results. The Plan is administered by our Compensation Committee. Subject to the terms of the Plan, the Committee may select participants to receive awards, determine the types, terms and conditions of awards and interpret provisions of the Plan.

It is the policy of the Committee to award grants with an exercise price set at the fair market value on the date of the grant. The Company does not have a practice of timing option grants to coordinate with the release of material non-public information. The Committee evaluates opportunities under the Plan along with the annual setting of salaries and awarding bonuses. The Committee will also consider awards under the Plan if appropriate in recruiting a new employee.

The Committee uses one or more of the following business criteria, on a consolidated basis and/or with respect to specified subsidiaries (except with respect to the total shareholder return and earnings per share criteria), in establishing performance goals for awards intended to comply with Section 162(m) of the Internal Revenue Code granted to covered employees:

shareholder return;

return on assets;

growth in assets;

return on equity;

earnings per share;

net income; and

operating income.

Section 162(m) of the Internal Revenue Code places a limit of $1,000,000 on the compensation that publicly held corporations may deduct in any one year with respect to each of its five most highly paid executive officers. There is an exception to the $1,000,000 limitation for performance-based compensation meeting certain requirements. Annual cash incentive compensation and stock option awards are generally performance-based meeting those requirements and, as such, are deductible. We did not have any executive officer with compensation of $1,000,000 during 2008, and the Compensation Committee has not adopted a policy with regard to this issue.

However, as described above, financial institutions such as the Company that have sold securities to the Treasury under the CPP are subject to Section 162(m)(5), enacted as part of the EESA, which limits the aggregate amount of compensation, including performance-based compensation, that may be deducted annually by an applicable institution for each of its five most highly compensated executive officers to $500,000 during the period that the Treasury holds

an equity or debt position in the institution. Because the Company sold senior preferred shares to the Treasury on January 16, 2009, we will be subject to this $500,000 deduction limitation beginning with the 2009 taxable year and during any future taxable year in which the Treasury holds an equity or debt position with the Company. *See* Executive Compensation Limitations Related to Capital Purchase Program.

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The Company has both regular and performance-based nonqualified stock options. The Committee has set a cliff-vesting date of January 1, 2010, for the issued performance-based options, and has tied the eligibility for those options to annual or cumulative performance goals for the Company and for individual banks. If the annual goals are met, then a percentage of the options are eligible for exercise at the end of the cliff-vesting period. If annual goals are not met, but the Company meets its five-year cumulative goals, participants in the Plan may still become eligible for 100% of the options originally awarded to them. The Committee does not have a policy of adjusting awards if performance goals are not met.

The Committee believes that these performance-based options that are based in part on the results of the subsidiary bank under the direction of the officer and the cliff vesting of all the options provide annual incentives. The stock option awards granted in 2006 and 2007 thus far have achieved their objectives with respect to retaining our officers and improving the results of our subsidiary banks in consideration of the difficult current market conditions, but the Committee will continue to evaluate the need for additional awards.

Retirement and Insurance Benefits

Post-Termination Benefits. We do not have any employment, salary continuation, or severance agreements currently in effect for any of our executive officers.

Chairman s Retirement Plan. In 2007, our Board of Directors, based on a recommendation by the Compensation Committee, approved a Chairman s Retirement Plan for our Chairman and Chief Executive Officer, John W. Allison. The Chairman s Retirement Plan provides a supplemental retirement benefit to Mr. Allison of $250,000 per year for 10 consecutive years or until Mr. Allison s death, whichever occurs later.

The benefits under the plan vest based on Mr. Allison s age according to the following schedule: age 61 7.5%, age 62 35.0%, age 63 60.0%, age 64 82.0% and age 65 100.0%. These benefits will become 100% vested if any of the following events occur before Mr. Allison reaches the age of 65: his death, disability or involuntary termination from the Company without cause, or a change in control of the Company. The vested benefits are payable over 10 years or Mr. Allison s life, whichever is greater, and commence on the earlier of Mr. Allison reaching age 65 or termination of his employment with the Company for any reason other than death.

If Mr. Allison dies before the benefits commence, his beneficiary is entitled to receive the benefits for 10 years. If he dies during the 10 year guaranteed benefit period, his beneficiary will receive the remaining payments due during the guaranteed period. If he dies after the guaranteed benefit period, no further benefits will be paid. The annual benefit will be paid in monthly installments.

Supplemental Executive Retirement Plan. Prior to our acquisition of Community Bank, the bank purchased life insurance policies on its President and Chief Executive Officer, Tracy M. French. The policies offset benefit expenses associated with a supplemental annual retirement benefit that grows on a tax-deferred basis. A portion of the benefit is determined by an indexed formula. The balance of the benefit is determined by crediting interest on the accrued balances. The calculation for the benefit expense accrual is: insurance policy income minus opportunity cost plus interest. The opportunity cost is determined by the bank and is equal to the one year Treasury Bill rate. Community Bank retains the opportunity cost. Prior to Mr. French s retirement, any earnings in excess of the opportunity costs are accrued to a liability reserve account for his benefit. In addition, that liability account is credited with interest at a rate of 8.0%. At retirement, this liability reserve account is amortized with interest and paid out over a period of 15 years. Subsequent to the liability account being paid out in full, Mr. French will begin receiving an index retirement benefit payable for life. If Mr. French dies while there is a balance in his account, this balance will be paid in a lump sum to Mr. French s beneficiaries.

The life insurance benefit for Mr. French is being provided by an endorsement split dollar life plan. Should the executive die while employed by the bank, this death benefit is equal to 70% of the net at risk life insurance portion (total benefit less cash value) of the policies insuring the life of Mr. French. Community Bank has all ownership rights in the death benefits and surrender values of the insurance policy on Mr. French. Its obligations under the retirement benefit portion of this policy are unfunded; however, the bank has purchased life insurance policies on Mr. French that are actuarially designed to offset the annual expenses associated with the benefit portion of the policy and will, given reasonable actuarial assumptions, offset all of the cost during Mr. French s lifetime and provide a complete recovery of costs at death.

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401(k) Plan. All our full- and part-time employees over the age of 21 are eligible to participate in our 401(k) Plan immediately. We contribute a matching contribution equal to 50% of the participants first 6% of deferred compensation contribution. In addition, we may make a discretionary contribution of up to 3% of total compensation. No discretionary contributions were made during 2008.

Health and Insurance Benefits. Our full-time officers and employees are provided hospitalization and major medical insurance. We pay a substantial part of the premiums for these coverages. All insurance coverage under these plans is provided under group plans on generally the same basis to all of our full-time employees. Also, we provide other basic insurance coverage including dental, life, and long-term disability insurance.

In 2004, First State Bank adopted an endorsement split dollar life insurance plan which provides for the purchase of life insurance policies insuring the life of Mr. Allison. Both the bank and Mr. Allison have an interest in each of the policies, and therefore, this is classified as an endorsement split-dollar plan. Mr. Allison s beneficiaries will be entitled to an amount equal to 50% of the net-at-risk insurance portion of the total proceeds. The net-at-risk portion is the total proceeds less the cash value of the policy. Mr. Allison recognizes the economic value of this death benefit each year on his individual income tax return. The beneficiaries of the policies are named by Mr. Allison and the bank will receive the remainder of the death benefit. The bank has all ownership rights in the death benefits and surrender values of the policies. The premium paid on June 4, 2004, for the policies was $4.8 million. Effective December 22, 2006, the death benefits payable under these policies split between the bank and Mr. Allison s beneficiaries. If the death benefit were paid in 2009, approximately $8.0 million would be paid to the bank and approximately $2.3 million would be paid to Mr. Allison s beneficiaries.

Perquisites

The Company provided certain perquisites to executive management in 2008. These perquisites included:

Country club dues

Gasoline for personal car

401(k) contributions

Use of company owned car

The Company does not own its own airplane, but does use an airplane owned by Mr. Allison s company, Capital Buyers. An employee of the Company is a pilot and flies the airplane. Mr. Allison also uses the pilot for personal travel which may or may not occur during working hours. When the Company uses the plane, Capital Buyers charges the Company for out of pocket expenses only.

Compensation of the Chairman and Chief Executive Officer

On October 17, 2008, based on a recommendation by the Compensation Committee, the Board of Directors granted Mr. Allison an annual base salary of $275,000 beginning on November 1, 2008, and made him eligible for an annual discretionary cash bonus. Any cash bonus will be based upon the goals of the Company including shareholder return, earnings per share and other criteria. However, as long as the Company has an obligation outstanding under the CPP, Mr. Allison will not be eligible for a cash bonus. Mr. Allison has not previously received any salary from the Company for his services. The Committee based its decision to provide a salary to Mr. Allison on the Company s performance under his leadership over the past 10 years. As of December 31, 2008, Mr. Allison received $31,731 as salary from the Company. Mr. Allison did not receive an annual bonus for 2008.

On March 13, 2006, Mr. Allison received 62,400 performance based stock options at the then fair market value of $13.18 per share. He surrendered SARS of approximately the same value. As adjusted for an 8% common stock dividend paid to the Company s common shareholders on August 27, 2008, these stock options currently represent 67,392 shares of common stock with an exercise price of $12.20 per share. The stock options vest on January 1, 2010, if the Company meets stated performance goals. Twenty percent of the options become eligible for exercise every year if the Company meets the annual performance goals. If the annual performance goals are not met, that 20% of the options would only become eligible if before January 1, 2010, the Company had met the cumulative goals. The Company met its goals in 2006 and 2007. However, due to the difficult market conditions,

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particularly in our Florida market, the Company did not meet its annual performance goals in 2008. A total of 26,957 options (stock dividend adjusted) are currently eligible for exercise by Mr. Allison on January 1, 2010, if he is still holding office with the Company at that time. The additional 13,478 options that would have become eligible had the Company met its performance goals for 2008 will become eligible for exercise by Mr. Allison on January 1, 2010, only if the Company meets its cumulative goals before such date.

On January 10, 2008, in connection with the grant of stock options to all non-employee directors of the Company, Mr. Allison received 2,000 stock options with an exercise price of $20.44 per share, the fair market value on date of grant. As adjusted for the 8% common stock dividend paid to the Company s common shareholders in August 2008, these stock options currently represent 2,160 shares of common stock with an exercise price of $18.93 per share. These stock options will vest in five equal annual installments beginning on January 10, 2009.

On January 18, 2008, the Compensation Committee awarded Mr. Allison an additional 15,000 stock options with an exercise price of $20.28 per share, the fair market value on date of grant. As adjusted for the 8% stock dividend, these stock options currently represent 16,200 shares of common stock with an exercise price of $18.78 per share. These stock options will vest in five equal annual installments beginning on January 18, 2009. The Committee based the award on its conclusion that, through Mr. Allison s leadership, the Company completed a very successful year in 2007, which included record earnings for the Company and the acquisition of an additional bank subsidiary in the Central Arkansas market area.

In April 2007, our Board of Directors, based on a recommendation by the Compensation Committee, approved a Chairman s Retirement Plan for Mr. Allison, which provides him a supplemental retirement benefit of $250,000 per year for 10 consecutive years or until Mr. Allison s death, whichever occurs later. The benefits under the plan vest based on Mr. Allison s age beginning at age 61 and fully vest when Mr. Allison reaches age 65. The benefits will also become 100% vested if, before Mr. Allison reaches the age of 65, he dies, becomes disabled, is involuntarily terminated from the Company without cause, or there is a change in control of the Company. The vested benefits will be paid in monthly installments. The benefit payments will begin on the earlier of Mr. Allison reaching age 65 or the termination of his employment with the Company for any reason other than death. If Mr. Allison dies before the benefits commence or during the 10 year guaranteed benefit period, his beneficiary will receive any remaining payments due. If he dies after the guaranteed benefit period, no further benefits will be paid. *See* COMPENSATION DISCUSSION AND ANALYSIS Components of Compensation for more information on the Chairman s Retirement Plan.

Mr. Allison receives a fee for his service as Chairman of the Board of Directors of the Company. The fee for his service as Chairman of the Board is set by the Board of Directors. In addition, Mr. Allison serves on the board of directors of each of the Company s subsidiary banks and each regional board of directors of Centennial Bank (formerly First State Bank). As a member of the board(s) of directors of each subsidiary bank, he receives a fee for his service on each subsidiary bank board. The fees for his service on each board are set by the respective boards of directors of each subsidiary bank.

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REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

In accordance with its written charter, which was re-adopted in its current form by the Board of Directors on January 16, 2009, the Compensation Committee evaluates and approves the plans and policies related to the compensation of the Company s executive officers and directors. A copy of the Compensation Committee charter is published on the Company s website at *www.homebancshares.com* under the caption Investor Relation / Corporate Profile / Governance Documents.

The Committee met seven times in 2008 to discuss, among other items, the salaries, bonuses and other compensation of the senior executive officers and other key employees of the Company, including the Chief Executive Officer. The Committee did not act by unanimous written consent at any time in 2008.

In determining the compensation of the executive officers for 2009, the Committee, among other things, evaluated the performance of the Chief Executive Officer and the other executive officers in light of corporate goals and objectives and reviewed the Chief Executive Officer s compensation recommendations. The Committee also set the annual cash bonuses of the executive officers for 2008.

The Compensation Committee reviewed and discussed with management the information provided in the preceding Compensation Discussion and Analysis section of this Proxy Statement. Based on its review and discussions with management, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and our Annual Report on Form 10-K for the calendar year ended December 31, 2008, for filing with the SEC.

Finally, the Compensation Committee certifies that it has reviewed with the Company s senior risk officer(s) the incentive compensation arrangements of its senior executive officers and has made reasonable efforts to ensure that such arrangements do not encourage the senior executive officers to take unnecessary and excessive risks that threaten the value of the Company.

Home BancShares, Inc.
Compensation Committee Members
Dale A. Bruns, Chairman
Richard H. Ashley
Richard A. Buckheim
Jack E. Engelkes

EXECUTIVE COMPENSATION

The following table sets forth various elements of compensation awarded to or paid by us for services rendered in all capacities by our CEO, our CFO and our three other most highly-compensated executive officers, our named executive officers, during the fiscal year ended December 31, 2008. The amounts in the table for Other Compensation for each of the named executive officers for 2008 include an extra pay period during 2008 that is not reflected in the respective named executive officers salaries. Because the Company issues paychecks biweekly on Thursdays, the first pay date for 2009 fell on January 1, 2009. The Company issued paychecks for this pay date on December 31, 2008 due to the holiday, which resulted in the Company having 27 pay periods during 2008 instead of the normal 26 pay periods.

[Table follows on next page.]

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Summary Compensation Table

Name and principal position	Year	Salary	Bonus	Stock awards	Option awards	Non-equity incentive plan compensation	Change in pension value and non-qualified deferred compensation earnings	All other compensation	Total
John W. Allison, Chairman and	2008	$ 31,731			$113,462			$679,792(1)	$824,985
Chief	2007				105,228			521,164	626,392
Executive Officer	2006				50,781			93,070	143,851
Randy E. Mayor,	2008	196,266	$ 45,000		28,810			291,247(2)	561,323
Chief Financial Officer and	2007	190,550	82,000		28,829			6,907	308,286
Treasurer	2006	185,000	83,250		28,829			11,677	308,756
Ron W. Strother,	2008	267,500	40,000		65,578			17,627(3)	390,705
President and Chief	2007	267,500	60,000		65,520			7,354	400,374
Operating Officer	2006	267,500	26,750		65,520			18,686	378,456
Tracy M. French,	2008	206,000	82,500		24,008	47,205		17,766(4)	377,479
President and Chief	2007	197,837	93,862		24,024	43,803		10,518	370,044
Executive Officer of Community Bank	2006	197,836	82,250		24,024	40,437		11,087	355,634
C. Randall Sims,	2008	206,000	87,550		28,810			201,712(5)	524,072
President and Chief	2007	206,000	103,000		28,829			11,581	349,410
Executive Officer of Centennial Bank (Former First State Bank)	2006	200,000	90,000		28,829			13,196	332,025

(1) Mr. Allison used a pilot employed by the Company for personal trips in an airplane owned by Capital Buyers, a company owned by Mr. Allison. The incremental

cost of those services were determined to be $17,500, using $500 per trip**,** current rate for a commercial pilot, times 35 trips of personal travel. Other Compensation also includes Company Board of Directors fees, $12,000; subsidiary bank director fees, $60,226; committee fees, $11,030; supplemental retirement plan, $535,044; auto allowance, $18,000; gasoline for personal car, $4,905; country club dues, $5,075; Company-owned life insurance ownership, $5,435; and an extra pay period, $10,577.

(2) Includes country club dues, $2,080; 401(k) contribution, $6,000; an extra pay period, $7,549; and income realized from the exercise of stock options, $275,618.

(3) Includes personal use of Company car, $4,154;

401(k) contribution, $3,185; and an extra pay period, $10,288. The incremental cost of the car was determined by multiplying the percentage of personal miles times the annual lease value of the car.

(4) Includes gasoline for personal car, $378; personal use of Company car, $3,225; 401(k) contribution, $6,240; and an extra pay period, $7,923. The personal use of the car was determined the same as disclosed in Note 3 above.

(5) Includes gasoline for personal car, $202; personal use of Company car, $2,820; country club dues, $2,686; 401(k) contribution, $2,910; an extra pay period, $7,923; and income realized from the exercise of stock options, $185,171. The personal use of the car was determined the same as disclosed

in Note 3 above.

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Employment Agreements

We currently do not have any employment, salary continuation or severance agreements in effect with any of our executive officers.

Stock Awards and Stock Option Grants

The number of shares authorized for issuance under the Home BancShares 2006 Stock Option and Performance Incentive Plan, as amended by the Company s shareholders in 2007 and adjusted for the 8% common stock dividend paid to the Company s shareholders in August 2008, is 1,620,000. In 2008, options to purchase an aggregate of 50,514 shares of common stock were granted pursuant to the Plan, and options to purchase 59,603 shares were exercised. Options to purchase 1,067,238 shares remained outstanding under the Plan as of February 15, 2009, and options to purchase 398,612 shares of common stock remained available for future grant under the Plan. *See* COMPENSATION DISCUSSION AND ANALYSIS Components of Compensation for more information on the 2006 Stock Option and Performance Incentive Plan.

The following table contains information (stock dividend adjusted) about awards granted pursuant to the Plan to each of our named executive officers during the fiscal year ended December 31, 2008:

Grants of Plan-Based Awards Table

		Estimated future payouts under non-equity incentive plan awards			Estimated future payouts under equity incentive plan awards			All other stock awards: number of shares of stock or units	All other option awards: number of securities under-lying options	Exercise or base price of option awards (per share)	Grant date fair value of stock and option awards
Name	**Grant Date**	**Threshold**	**Target**	**Maximum**	**Threshold**	**Target**	**Maximum**				
John W. Allison	1/10/08								2,160	$18.93	$ 5,810
	1/18/08								16,200	18.78	38,232
Randy E. Mayor	N/A										
Ron W. Strother	N/A										
Tracy M. French	N/A										
C. Randall Sims	N/A										

The stock options granted to Mr. Allison on January 10, 2008, vest in five equal annual installments beginning on January 10, 2009. The stock options granted to Mr. Allison on January 18, 2008, vest in five equal annual installments beginning on January 18, 2009.

The Company does not currently have a policy regarding repricing of stock options.

The following table contains information about unexercised stock options previously granted to each of our named executive officers that are outstanding as of December 31, 2008. The numbers of securities underlying the options and the option exercise price amounts have been adjusted for the 8% stock dividend paid to the Company s shareholders in August 2008. The Company has not issued any stock awards; therefore, the table does not include any information related to stock awards:

[Table follows on next page.]

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Outstanding Equity Awards at Fiscal Year-End Table

	Option Awards				
Name	Number of securities underlying unexercised options exercisable	Number of securities underlying unexercised options unexercisable	Equity incentive plan awards: Number of securities underlying unexercised unearned options	Option exercise price	Option expiration date
John W. Allison	1,296			$ 6.79	12/31/2010
	1,296			6.79	12/31/2011
	1,296			6.79	12/31/2012
	1,296			6.79	12/31/2013
	1,296			6.79	12/31/2014
	324			7.71	12/31/2011
	324			7.71	12/31/2012
	324			7.71	12/31/2013
	324			7.71	12/31/2014
	324			7.71	12/31/2015
	324			8.64	12/31/2012
	324			8.64	12/31/2013
	324			8.64	12/31/2014
	324			8.64	12/31/2015
	324			8.64	12/31/2016
	324			9.26	12/31/2013
	324			9.26	12/31/2014
	324			9.26	12/31/2015
	324			9.26	12/31/2016
	324			9.26	12/31/2017
	324			10.81	12/31/2014
	324			10.81	12/31/2015
	324			10.81	12/31/2016
	324			10.81	12/31/2017
	324			10.81	12/31/2018
	324			11.73	12/31/2015
	324			11.73	12/31/2016
	324			11.73	12/31/2017
	324			11.73	12/31/2018
		324		11.73	12/31/2019
	81,000			11.73	7/27/2015
		67,392		12.20	3/13/2016
	2,090			5.69	12/31/2009
	836			5.69	3/31/2011

146		5.69	3/20/2012
1,309		10.50	12/31/2013
1,309		10.50	12/31/2014
3,926		10.50	1/1/2015

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Name	Number of securities underlying unexercised options exercisable	Number of securities underlying unexercised options unexercisable	Option Awards Equity incentive plan awards: Number of securities underlying unexercised unearned options	Option exercise price	Option expiration date
John W. Allison (cont d.)	262			$ 10.50	12/31/2014
	1,047			10.50	1/1/2015
	1,309			10.50	1/1/2015
	10,800	10,800		22.36	1/18/2017
		2,160		18.93	1/9/2018
		16,200		18.78	1/17/2018
Randy E. Mayor	13,255			6.79	12/31/2010
	13,255			6.79	12/31/2011
	13,255			6.79	12/31/2012
	13,254			6.79	12/31/2013
		40,435		12.20	3/13/2016
Ron W. Strother	25,920			11.73	5/25/2016
	25,920			11.73	5/25/2017
	25,920			11.73	5/25/2018
		25,920		11.73	5/25/2019
Tracy M. French		33,696		12.20	3/13/2016
C. Randall Sims	4,155			6.79	12/31/2009
	13,255			6.79	12/31/2010
	13,255			6.79	12/31/2011
	13,255			6.79	12/31/2012
	13,254			6.79	12/31/2013
		40,435		12.20	3/13/2016

Option Exercises and Stock Awards Vested in 2008

The following table contains information about stock options exercised by each of our named executive officers during 2008. All of the options were exercised after the 8% stock dividend paid to our shareholders in August 2008, and therefore, no adjustments have been made to the number of shares acquired or the value realized. Our named executive officers did not acquire any common shares on vesting of stock awards during 2008.

Option Exercises and Stock Awards Vested Table

	Option Awards		Stock Awards	
	Number of shares acquired on	Value realized	Number of shares acquired on	Value realized

Name	exercise	on exercise	vesting	on vesting
John W. Allison				
Randy E. Mayor	13,255	$275,618		
Ron W. Strother				
Tracy M. French				
C. Randall Sims	9,100	185,171		

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Pension and Other Benefits

The following table contains information about the actuarial present value of the accumulated benefit to each of our named executive officers under each plan in which the named executive officer participates that provides for the payment of specified retirement benefits or benefits that will be paid primarily following retirement:

Name	Plan Name	Number of years credited service	Present value of accumulated benefit	Payments during last fiscal year
John W. Allison	N/A			
Randy E. Mayor	N/A			
Ron W. Strother	N/A			
Tracy M. French	Flexible Premium Adjustable Life Insurance Policy (Strategic Life Exec)	6	$1,169,470	
C. Randall Sims	N/A			

Nonqualified Deferred Compensation

We do not currently have in effect any defined contribution or other plan that provides for the deferral of compensation to any of our executive officers on a basis that is not tax-qualified.

Payments Upon Termination or Change-In-Control

We do not currently have in effect any compensatory plan or other arrangement that provides for payments or the provision of benefits to any of our executive officers, other than as provided in the Chairman s Retirement Plan, upon their termination of employment with the Company or upon a change in control of the Company or a change in the officer s responsibilities. *See* COMPENSATION DISCUSSION AND ANALYSIS Components of Compensation for more information on the Chairman s Retirement Plan.

Director Compensation

The following table sets forth various elements of compensation awarded to or paid by us to our directors, other than our named executive officers, during the fiscal year ended December 31, 2008:

Name	Fees earned or paid in cash[1]	Stock awards	Option awards	Non-equity incentive plan compensation	Change in pension value and nonqualified compensation earnings	All other compensation	Total
Robert H. Adcock, Jr.	$29,795		$ 581				$30,376
Richard H. Ashley	37,695		581				38,276
Dale A. Bruns	36,823		1,448				38,271
Richard A. Buckheim	66,900		581				67,481
S. Gene Cauley	5,500						5,500
Jack E. Engelkes	31,874		2,029				33,903
James G. Hinkle	30,500		581				31,081

Alex R. Lieblong	5,293	2,029	7,322
William G. Thompson	11,150	581	11,731

(1) Includes Company Board of Directors and committee fees, subsidiary bank director fees and subsidiary bank committee fees.

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During 2008, our non-employee directors received $1,500 ($3,000 for the chairman) for each meeting of the board attended. Directors serving on the Audit or Compensation Committees received $400 ($800 for the chairman) for each meeting attended of those committees, and directors serving on other board committees received $250 ($500 for the chairman) for each meeting attended of those other committees. The fees for 2009 for attendance at board meetings and committee meetings will be the same as for 2008.

On January 10, 2008, each of our non-employee directors listed in the table above (except for S. Gene Cauley, who was not yet a director on that date) received 1,000 stock options with an exercise price of $20.44 per share (pre-stock dividend), the fair market value of our common stock on the date of grant. As adjusted for the August 2008 stock dividend, each of these stock options currently represents 1,080 shares of common stock with an exercise price of $18.93 per share. These stock options will vest in five equal annual installments beginning on January 10, 2009.

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CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Banking Transactions. Most of our directors and officers, as well as the firms and businesses with which they or members of their immediate families are associated, are customers of our bank subsidiaries. Our bank subsidiaries have engaged in a variety of loan transactions in the ordinary course of business with these individuals and their families and businesses, and it is anticipated that such transactions will occur in the future. In the case of all such related party transactions, each transaction was approved by either the Audit Committee, the Nominating and Corporate Governance Committee, the Board of Directors or the bank subsidiary s board of directors. In addition, these loans were made on the same terms, including interest rates and collateral requirements, as those prevailing at the time for comparable transactions of others. In the opinion of our management, those loan transactions do not involve more than a normal risk of collectability or present other unfavorable features.

As of December 31, 2008, the loans made by our bank subsidiaries to their respective directors and officers and to directors and officers of the Company, either directly or as guarantors, amounted to $158.6 million. We believe that all such extensions of credit were made in conformity with the requirements of Federal Reserve Board Regulation O.

Real Estate Transactions. We lease certain of our properties from persons who are affiliated with us. The property used by our Marketing and Sales Department in Conway, Arkansas, is leased from First Real Estate LTD Partnership LLLP, which includes one of our directors, Robert H. Adcock, Jr. Prior to November 13, 2008, we leased the property for the First State Bank branch located on Hogan Lane in Conway, Arkansas, from Allison, Adcock & Rankin, LLC, a limited liability company owned in part by John W. Allison and Robert H. Adcock, Jr. Mr. Allison is our Chairman and Chief Executive Officer. On November 13, 2008, we purchased the Hogan Lane property, which includes a commercial shopping center, from Allison, Adcock & Rankin, LLC for a purchase price of $3.4 million based on an appraisal obtained for the purpose of the transaction. Additionally, we lease the land for Twin City Bank s principal office in Lakewood Village Shopping Center from Conservative Development Company, a corporation controlled, through common ownership, by Richard H. Ashley, who is one of our directors. During 2008, the aggregate payments we made, directly or indirectly, to the named persons for the various leases described above were less than $120,000.

We also lease the property for the Centennial Bank office located at Pavilion in the Park in Little Rock, Arkansas, from a Company owned by S. Gene Cauley, who is one of our directors. During 2008, we paid rent payments of an aggregate of approximately $230,000 in connection with this lease.

We believe the terms of each of the agreements and the purchase of the Hogan Lane property described above are no less favorable to us than we could have obtained from an unaffiliated third party. We expect we will continue to engage in similar banking and business transactions in the ordinary course of business with our directors, executive officers, principal shareholders and their associates. All proposed related party transactions are presented to the Nominating and Corporate Governance Committee of our Board of Directors for consideration and approval. The Committee approved each of the transactions described above. The Committee does not currently have any formal policies or procedures with respect to its review, approval, or ratification of related party transactions, but considers each related party transaction or proposed related party transaction on a case-by-case basis. According to its charter, the Committee follows the definition of related party transaction provided in the SEC s regulations under the Securities Act of 1933.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16 of the Securities and Exchange Act of 1934, as amended, requires each director, officer, and any individual beneficially owning more than 10 percent of the Company s common stock to file reports on Forms 3, 4, and 5 disclosing beneficial ownership and changes in beneficial ownership of the common stock of the Company with the SEC within specified time frames. These specified time frames require the Form 3 s to be filed on or before the effective date of the issuer s registration statement. Changes in ownership must be filed on Form 4 within two business days of the transaction. Based solely on information provided to the Company by individual directors and officers, we believe that all our Section 16 filers complied with the filing requirements during the fiscal year, except as follows: Robert H. Adcock, Jr., C. Randall Sims, and William G. Thompson each failed to timely file a Form 4 disclosing, in each case, a disposition of shares of the Company s common stock. S. Gene Cauley failed to timely file three Form 4 reports disclosing three acquisitions of shares of the Company s common stock and five Form 4 reports disclosing five dispositions of shares of the Company s common stock. Additionally, an otherwise timely filed Form 4 for Mr. Cauley

stated an incorrect amount of an acquisition of shares of the Company s common stock. An amended Form 4 stating the correct share amount was filed upon discovery of the error.

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PRINCIPAL SHAREHOLDERS OF THE COMPANY

The authorized common stock of the Company consists of 50,000,000 shares at $0.01 par value. As of the close of business on March 6, 2009, there were _____ shares outstanding held by approximately _____ registered and beneficial shareholders.

The following table sets forth certain information as of January 31, 2009, concerning the number and percentage of shares of our common stock beneficially owned by our directors, our named executive officers, and all of our directors and executive officers as a group, and by each person known to us who beneficially owned more than 5% of the outstanding shares of our common stock.

Information in this table is based upon beneficial ownership concepts described in the rules issued under the Securities Exchange Act of 1934. Under these rules, a person is deemed to be a beneficial owner of any shares of our common stock if that person has or shares voting power, which includes the power to vote or direct the voting of the shares, or investment power, which includes the right to dispose or direct the disposition of the shares. Thus, under the rules, more than one person may be deemed to be a beneficial owner of the same shares. A person is also deemed to be a beneficial owner of any shares as to which that person has the right to acquire beneficial ownership within 60 days from January 31, 2009.

Except as otherwise indicated, all shares are owned directly, and the named person possesses sole voting and investment power with respect to his shares. The address for each of our directors and named executive officers is c/o Home BancShares, Inc., 719 Harkrider, Suite 100, Conway, Arkansas 72032.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Shares Outstanding (1)
5% or greater holders:		
T. Rowe Price Associates, Inc. (2)	1,391,219	7.0%
Directors and executive officers:		
Robert H. Adcock, Jr. (3)(4)	716,286	3.6%
John W. Allison (3)(5)	2,817,701	14.2%
Richard H. Ashley (6)	1,184,559	6.0%
Dale A. Bruns (3)	129,378	*
Richard A. Buckheim (3)	45,538	*
S. Gene Cauley		*
Jack E. Engelkes (3)(7)	74,518	*
Tracy M. French (8)	24,846	*
James G. Hinkle (9)	183,333	*
Alex R. Lieblong (3)(10)	550,742	2.8%
Randy E. Mayor (3)(11)	120,225	*
C. Randall Sims (3)(12)	138,910	*
Ron W. Strother (3)(13)	113,253	*
William G. Thompson (14)	80,536	*
All directors and executive officers as a group (19 persons) (3)	6,334,450	31.9%

* Less than 1%.

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(1) The percentage of our common stock beneficially owned was calculated based on 19,861,251 shares of our common stock outstanding as of January 31, 2009. The percentage assumes that the person in each row has exercised all options that are exercisable by that person or group within 60 days of January 31, 2009.

(2) Based on information as of December 31, 2008, obtained from a Schedule 13G filed with the SEC on or about February 13, 2009, by T. Rowe Price Associates, Inc. (Price Associates). The foregoing information has been included solely in reliance upon, and without independent investigation of, the disclosures contained in

Price Associates Schedule 13G. These securities are owned by various individual and institutional investors for which Price Associates serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

(3) Includes shares that may be issued upon the exercise of vested common stock options, as follows: Mr. Allison, 132,762 shares; Mr. Ashley, 216 shares; Mr. Bruns, 3,132 shares;

Mr. Buckheim, 3,288 shares; Mr. Engelkes, 3,456 shares; Mr. Hinkle, 216 shares; Mr. Lieblong, 10,422 shares; Mr. Mayor, 53,019 shares; Mr. Sims, 57,174 shares; Mr. Strother, 77,760 shares; Mr. Thompson, 216 shares; and all directors and executive officers as a group, 429,583 shares.

(4) Includes 15,493 shares held in Mr. Adcock s IRA, 370,539 shares owned by the Robert H. Adcock Trust, 24,467 shares owned by the Hillary Adcock GST Trust, 97,488 shares owned by the Hillary Adcock Nonexempt Trust, 85,250 shares owned by the Carol Adcock Trust, 24,468 shares owned by the Ashton Adcock Trust, and 98,581 shares owned by the Ashton Adcock Nonexempt Trust.

(5) Includes 386,978 shares owned by Mr. Allison s spouse, either individually or as custodian for their children, 3,699 shares held in Mr. Allison s IRA and 15,302 shares owned by Capital Buyers, a company that is owned by Mr. Allison.

(6) Includes 3,126 shares held in Mr. Ashley s IRA, 4,241 shares owned by Mr. Ashley s spouse, 1,668 shares owned by the IRA of Mr. Ashley s spouse, 373,446 shares owned by Conservative Development Company, a corporation of which Mr. Ashley is president, 214,169 shares owned by RHA Investments, a company of which Mr. Ashley is a partner, and 248 shares for which Mr. Ashley is custodian for his children.

(7) Includes 40,112 shares owned by

Mr. Engelkes spouse, 9,865 shares for which Mr. Engelkes is custodian for his children, and 880 shares held in Mr. Engelkes Simple IRA.

(8) Includes 6,074 shares owned by Mr. French s 401(k) plan, 6,046 shares held in Mr. French s IRA, 2,182 shares owned by the Daniel French Trust, and 1,445 shares owned by the Daniel French Irrevocable Trust.

(9) Includes 181,184 shares owned by the James G. Hinkle Revocable Trust.

(10) Includes 370,332 shares that are owned by Key Colony Fund L.P., a hedge fund of which Mr. Lieblong is the managing partner.

(11) Includes 4,932 shares owned by Mr. Mayor s 401(k) plan and 13,723 shares held in

Mr. Mayor s IRA.

(12) Includes two shares owned by Mr. Sims son, 26,209 shares held in Mr. Sims IRA and 4,226 shares owned by Mr. Sims 401(k) plan.

(13) Includes 5,349 shares owned by Mr. Strother s 401(k) plan.

(14) Includes 2,859 shares owned by Mr. Thompson s IRA, 3,340 shares owned by the IRA of Mr. Thompson s spouse, 43,611 shares owned by Thompson Brothers LLC, a company of which Mr. Thompson is a partner, and 328 shares owned by B and L Thompson Investments LLC, a company owned by Mr. Thompson.

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PROPOSAL TWO RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our consolidated financial statements as of and for the fiscal year ended December 31, 2008, were audited by BKD, LLP, an independent registered public accounting firm. In 2008, the Audit Committee of the Board of Directors and our shareholders approved the engagement of BKD, LLP to be our independent registered accounting firm for fiscal year 2008. The Audit Committee intends to approve the re-engagement of BKD, LLP to be our independent registered public accounting firm for the fiscal year ending December 31, 2009, subject to the ratification of the appointment by our shareholders at the Annual Meeting and our formal acceptance of an engagement letter from BKD, LLP after the Annual Meeting.

Shareholders ratification of the selection of BKD, LLP to be our independent registered public accounting firm for fiscal year 2009 is not required by our Bylaws or otherwise. However, the Board is submitting the selection of the independent registered public accounting firm to the shareholders for ratification as a matter of good corporate practice. If the shareholders fail to ratify the selection of BKD, LLP, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee may, at its discretion, direct the appointment of a different independent registered accounting firm at any time during the year if it determines that such change is in the best interests of the Company and our shareholders.

Representatives of BKD, LLP are expected to attend the Annual Meeting, will have an opportunity to make a statement if they so desire, and will be available to respond to appropriate questions.

The Board of Directors Recommends that Shareholders Vote
FOR
the Ratification of the Appointment of BKD, LLP
as the Company s Independent Registered Public Accounting Firm
for the 2009 Calendar Year

AUDIT AND NON-AUDIT FEES

The following table represents aggregate fees billed for professional audit services rendered by BKD, LLP to provide the audit of our annual financial statements for the years ended December 31, 2008, and December 31, 2007, respectively.

	2008	2007
Audit fees[1]	$487,286	$642,662
Audit-related fees[2]	61,099	57,542
Tax fees[3]	48,867	50,243
All other fees[4]	31,834	34,585

(1) Audit fees consisted of audit work performed in the preparation of financial statements, as well as work generally only the independent auditor can reasonably be expected to provide, such as statutory audits.

(2) Audit related fees included SAS70 review of the Company s data processing subsidiary and research and conferences regarding various matters.

(3) Tax fees for 2008 primarily related to preparation of the Company s income tax returns.

(4) Other fees related to fees paid by the Company on behalf of the Company s retirement plan for third-party administration of the Company s defined contribution plan.

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Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditor

The Audit Committee has the responsibility of appointing, setting compensation for and overseeing the work of the independent auditor, and has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor.

Prior to engagement of the independent auditor for next year s audit, management will submit an aggregate of services expected to be rendered during that year for each of four categories of services to the Audit Committee for approval.

(1) ***Audit*** services include audit work performed in the preparation of financial statements, as well as work that generally only the independent auditor can reasonably be expected to provide, including comfort letters, statutory audits, and attest services, and consultation regarding financial accounting and/or reporting standards.

(2) ***Audit-related*** services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions, employee benefit plan audits, and special procedures required to meet certain regulatory requirements.

(3) ***Tax*** services include all services performed by the independent auditor s tax personnel except those services specifically related to the audit of the financial statements, and includes fees in the areas of tax compliance, tax planning and tax advice.

(4) ***Other fees*** are those associated with services not captured in the other categories. We generally do not request such services from the independent auditor.

Prior to the engagement, the Audit Committee pre-approves these services by category of service. The fees are budgeted and the Audit Committee requires the independent auditor and management to report actual fees versus the budget periodically throughout the year by category of service. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, the Audit Committee requires specific pre-approval before engaging the independent auditor.

The Audit Committee may delegate pre-approval authority to one or more of its members. The members to whom such authority is delegated must report, for informational purposes only, the pre-approval decisions to the Audit Committee at its next scheduled meeting.

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PROPOSAL THREE ADVISORY (NON-BINDING) VOTE APPROVING EXECUTIVE COMPENSATION

On February 17, 2009, the American Recovery and Reinvestment Act of 2009 (the ARRA) was enacted. The ARRA imposes a number of requirements on financial institutions that received an investment under the Capital Purchase Program of the United States Department of the Treasury s Troubled Asset Relief Program (TARP). One of the requirements is that at each annual meeting of shareholders during the period in which any obligation arising from TARP financial assistance remains outstanding TARP recipients shall permit a separate non-binding say-on-pay shareholder vote to approve the compensation of executives. Accordingly, the Company presents the resolution set forth below for approval by the shareholders.

We believe that our compensation policies and procedures are competitive, are focused on pay for performance principles and are strongly aligned with the long-term interests of our shareholders. The Compensation Committee, which is comprised entirely of independent directors, oversees our executive compensation program and monitors our policies to ensure they continue to emphasize programs that reward executives for results that are consistent with shareholder interests.

The following resolution gives you as a shareholder the opportunity to endorse or not endorse the compensation we pay to our named executive officers by voting to approve or not approve such compensation as described in this Proxy Statement:

RESOLVED, that the shareholders of Home BancShares, Inc. (the Company) approve the compensation of the Company s executives named in the Summary Compensation Table of the Company s Proxy Statement for the 2009 Annual Meeting of Shareholders, including the Compensation Discussion and Analysis, the Executive Compensation tables and the related disclosure contained in the Proxy Statement.

The ARRA provides that because your vote is advisory, it will not be binding upon the Board of Directors and may not be construed as overruling any decision by the Board. However, the Compensation Committee may, in its sole discretion, take into account the outcome of the vote when considering future executive compensation arrangements.

Our Board of Directors and our Compensation Committee believe that our commitment to responsible compensation practices as described in this Proxy Statement justifies a vote by shareholders FOR the resolution approving the compensation of our executives as disclosed in this Proxy Statement.

We encourage you to closely review our Compensation Discussion and Analysis and the tabular disclosure which follows it, including the footnotes and narratives which accompany each table, as they describe our compensation policies and procedures and the components and amounts comprising the compensation paid to our named executive officers.

The Board of Directors Recommends that Shareholders Vote
FOR
the Advisory (Non-binding) Resolution Approving
the Company s Executive Compensation

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SUBMISSION OF SHAREHOLDER PROPOSALS

In order for a proposal by a shareholder to be presented at an annual meeting of our shareholders, the proposal must be included in the related proxy statement and proxy form. Proposals by shareholders intended to be presented at the Annual Meeting of Shareholders in 2010 must be received by the Company no later than November ___, 2009, for possible inclusion in the proxy statement relating to that meeting.

For a shareholder proposal to be included in the proxy statement and proxy form for an annual meeting of the Company s shareholders, the proposal must: (1) concern a matter that may be properly considered and acted upon at the annual meeting in accordance with applicable laws, including our Bylaws and Rule 14a-8 of the Securities Act; and (2) be received by the Company at its home office, 719 Harkrider Street, Suite 100, Conway, Arkansas 72032, Attention: C. Randall Sims, Secretary, not less than 120 calendar days before the anniversary of the date of the previous year s proxy statement, or November ___, 2009, in the case of the Annual Meeting of Shareholders in 2010. If no annual meeting was held the previous year and in any year in which the date of the annual meeting is moved by more than 30 days from the date of the previous year s annual meeting, the proposal will be considered timely if received within a reasonable time before the Company begins to print and mail its proxy materials.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements, and other information with the SEC. You can read and copy these reports, proxy statements, and other information concerning the Company at the SEC s public reference room at 450 Fifth Street N.W., Washington, D.C., 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also view and print reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including the Company, from the SEC website at *www.sec.gov*.

SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE
MEETING ARE URGED TO VOTE BY TELEPHONE,
MAIL OR INTERNET.
IF YOU VOTE BY TELEPHONE OR THE INTERNET,
DO NOT RETURN YOUR PROXY CARD

By Order of the Board of Directors
C. RANDALL SIMS
Secretary

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000004 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext MR A SAMPLE DESIGNATION (IF ANY) 000000000.000000 ext 000000000.000000 ext ADD 1 Electronic Voting Instructions ADD 2 ADD 3 You can vote by Internet or telephone! ADD 4 Available 24 hours a day, 7 days a week! ADD 5 Instead of mailing your proxy, you may choose one of the two voting ADD 6 methods outlined below to vote your proxy. VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR. Proxies submitted by the Internet or telephone must be received by 1:00 AM, Central Standard Time, on April 23, 2009. C123456789 Vote by Internet Log on to the Internet and go to www.envisionreports.com/HOBA Follow the steps outlined on the secured website. Vote by telephone · Call toll free 1-800-652-VOTE (8683) within the United States, Canada & Puerto Rico any time on a touch tone telephone. There is NO CHARGE to you for the call. Follow the instructions provided by the recorded message. Using a black ink pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas. Annual Meeting Proxy Card 123456 C0123456789 12345 3 IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. 3 A Proposals The Board of Directors recommends a vote FOR all the nominees listed and FOR Proposal 2. 1. Election of Directors: For Withhold For Withhold For Withhold 01 John W. Allison 02 Ron W. Strother 03 C. Randall Sims 04 Robert H. Adcock, Jr. 05 Richard H. Ashley 06 Dale A. Bruns 07 Richard A. Buckheim 08 - S. Gene Cauley 09 Jack E. Engelkes 10 James G. Hinkle 11 Alex R. Lieblong 12 William G. Thompson For Against Abstain 2. Ratification of appointment of BKD, LLP as the Company s independent 4. Transact such other business as may properly come before registered public accounting firm for the next fiscal year. the meeting or any adjournments thereof. 3. Advisory (non-binding) vote approving the Company s executive compensation. B Non-Voting Items Change of Address Please print new address below. C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title. Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box. C 1234567890 J N T MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE 140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND 1 U P X 0 2 1 1 3 1 1 MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. 3

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Proxy HOME BANCSHARES, INC. 719 Harkrider Street, Suite 100 Conway, Arkansas 72032 (501) 328-4770 www.homebancshares.com NOTICE OF ANNUAL MEETING OF SHAREHOLDERS To Be Held on April 23, 2009 The undersigned constitutes and appoints C. Randall Sims and Randy E. Mayor or either of them, proxies for the undersigned, with full power of substitution, to represent the undersigned and to vote all of the shares of common stock of Home BancShares, Inc. which the undersigned is entitled to vote at the Annual Meeting of shareholders of the company to be held on April 23, 2009, at 6:30 p.m. (CDT) at the Agora Conference Center, located at 705 East Siebenmorgan Road, Conway, Arkansas, for the purposes stated on the reverse side. Only shareholders of record on March 6, 2009, will be entitled to vote at the meeting or any adjournments thereof. A list of shareholders will be available for inspection at the office of the Company at 719 Harkrider, Suite 100, Conway, Arkansas, 72032, beginning two business days after the date of this notice and continuing through the meeting. YOUR VOTE IS IMPORTANT PLEASE EXECUTE YOUR PROXY WITHOUT DELAY