



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

November 20, 1996

Gilbert T. Schwartz, Esq.
Schwartz & Ballen
1200 19th Street, N.W.
Suite 520
Washington, D.C. 20036-2412

Dear Mr. Schwartz:

Acting pursuant to authority delegated by the Board, I have considered the record of the notice of Jackson T. Stephens; Vernon Giss and Ivory E. Butler, Jr., as trustees of the W.R. Stephens, Jr. Trust, dated January 1, 1972; Wilton R. Stephens, Jr., as trustee of the W.R. Stephens, Jr. Revocable Trust, dated February 19, 1993; Warren A. Stephens, as trustee of the Warren A. Stephens Trust; Elizabeth Ann Stephens Campbell, as trustee of the Elizabeth Ann Stephens Campbell Revocable Trust; Bess C. Stephens, Jackson T. Stephens, and Vernon Giss, as trustees of the Bess C. Stephens Trust; and Stephens Group, Inc, Little Rock, Arkansas (collectively, "Notificants"), as a "group acting in concert," under the Change in Bank Control Act (12 U.S.C. § 1817(j)) ("CIBC Act"), to acquire collectively 11.4 percent of the voting shares of First United Bancshares, Inc., El Dorado, Arkansas ("FUB"),^{1/} and thereby indirectly acquire shares of FUB's banks.^{2/}

^{1/} These shares would be acquired as a result of the termination of an independent trust currently administered and voted by the Bank of New York, New York, New York. Upon completion of this transaction, Notificants would control approximately 15.4 percent of the voting shares of FUB.

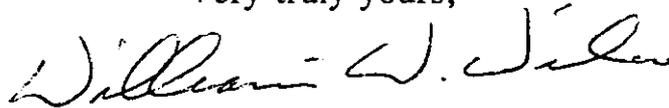
^{2/} FUB controls Bank of North Arkansas, Melbourne, Arkansas; Citizens Bank and Trust Company, Carlisle, Arkansas; Citizens National Bank of Fort Smith, Fort Smith, Arkansas; Commercial Bank, Alma, Arkansas; First National Bank of El Dorado, El Dorado, Arkansas; First National Bank of Magnolia, Magnolia, Arkansas; First Stuttgart Bank and Trust Company, Stuttgart, Arkansas; FirstBank of Arkansas, Brinkley, Arkansas; Hazen First State Bank, Hazen, Arkansas; Merchants and Planters Bank, N.A., Camden, Arkansas; and FirstBank Texarkana, Texarkana, Texas.

Based on all the facts of record, I have determined that all factors required to be considered under the CIBC Act are favorable and have determined not to disapprove this notice. In making this determination not to disapprove the notice, I have relied on all the commitments made in connection with this proposal. These commitments are conditions imposed in writing in connection with the findings and decision herein and, as such, may be enforced under the provisions of applicable law.

Please note that whenever a change in control occurs involving a bank holding company or a state member bank, section 914 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 requires that notice be submitted to the Federal Reserve System before adding a member to the board of directors or employing an individual as a senior executive officer within the two-year period after the change in control (12 U.S.C. § 1831i).

Please advise the Federal Reserve Bank of St. Louis in writing once the acquisition has been consummated. If the acquisition has not been consummated within one year of this date, or if its terms or conditions change, the Reserve Bank should be consulted to determine whether any additional action or notification is required.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William W. Wiles".

William W. Wiles
Secretary of the Board