

Sub Debt Issuance – Sword Financial Corporation

December 2018

Sword Financial Corporation
holding company for:



HORICON BANK

Subordinated Debt Offering

\$10.0 Million
6.50% Fixed-to-Floating
Notes Due December 2028

Sole Placement Agent

Performance Trust Capital Partners

For additional information, please contact our deal team for this transaction:

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Transaction Overview

On December 27, 2018, Horicon, Wisconsin-based Sword Financial Corporation, the holding company for Horicon Bank, completed the issuance of \$10.0 million in 10-year fixed-to-floating rate subordinated notes. The subordinated debt is structured such that it qualifies as Tier 2 capital at the holding company. The notes will initially bear interest at 6.50% per annum through December 27, 2023, and thereafter pay an annual floating rate equal to three-month LIBOR plus 376 basis points.

The Company intends to use the net proceeds for general corporate purposes, including to strengthen its capital ratios and improve its capital structure flexibility to support Horicon Bank's continued growth.

Performance Trust Capital Partners served as sole placement agent for Sword Financial Corporation in connection with this issuance of subordinated debt.

Bank Financial Highlights (September 30, 2018)

	Horicon Bank
(\$000s)	
Assets:	\$ 726,801
Loans:	630,545
Deposits:	647,697
Tang. Equity:	71,796
TCE / TA:	9.89%
NPAs (ex. TDR's):	0.66%
LTM Pre-tax Net Income:	\$ 9,553
LTM Pre-tax ROAA:	1.36%
LTM Pre-tax ROAE:	13.34%

Branch Map

