

First Keystone Corporation Completes Capital Offering

December 2020

First Keystone Corporation
holding company for:



Subordinated Debt Offering

\$25.0 Million

4.375% Fixed-to-Floating

Sole Placement Agent

Performance Trust Capital Partners

Transaction Overview

On December 10th, 2020, Berwick, Pennsylvania-based First Keystone Corporation, holding company for First Keystone Community Bank, completed the issuance of \$25 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 10-year notes will initially bear interest at 4.375% per annum through December 31st, 2025 and thereafter pay a quarterly floating rate equal to 90-day Average SOFR plus 411 basis points.

The Company intends to use the net proceeds from the private placement to enhance the Bank's capital to support growth, for general corporate purposes and potential strategic opportunities.

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

Capital Markets

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Balance Sheet Strategy

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Financial Highlights (September 30, 2020)

	First Keystone Corporation
(\$000s)	
Assets:	\$ 1,134,735
Total Loans:	704,040
Deposits:	919,219
Tangible Equity:	121,336
TCE / TA:	10.88%
NPAs / Assets ⁽¹⁾⁽²⁾ :	0.61%
LTM Net Income:	\$ 11,102
LTM ROAA:	1.06%
LTM ROAE:	8.37%

Note: GAAP reported financial data

(1) Bank level regulatory data

(2) NPA's excluding loans past-due 90 days or more and still accruing interest

Branch Map (excludes loan production office)

