

# Sub Debt Issuance – DCNB Holding Corporation

March 2020

## DCNB Holding Corporation

holding company for:



## Subordinated Debt Offering

**\$3.0 Million**

5.25% Fixed-to-Floating

## Sole Placement Agent

Performance Trust Capital Partners

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## Transaction Overview

On March 24, 2020, Clear Lake, South Dakota-based DCNB Holding Corporation, the holding company for DNB National Bank, completed the issuance of \$3.0 million in 15-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 15-year notes will initially bear interest at 5.25% per annum through March 24, 2025 and thereafter pay a quarterly floating rate equal to three-month SOFR plus 444 basis points.

In addition to general corporate purposes, the Company intends to use the net proceeds to buy out minority shareholders of the bank and eliminate existing debt at the holding company.

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

## Financial Highlights (December 31, 2019)

	(\$000s)	DNB National Bank
Assets:	\$	81,877
Loans HFI:		23,087
Deposits:		73,125
Tang. Equity:		7,339
TCE / TA:		8.98%
NPAs (ex. TDR's):		0.00%
LTM Net Income:	\$	698
LTM ROAA:		0.88%
LTM ROAE:		9.78%

Note: Regulatory call report financial data

## Branch Map

