

First Laurel Security Company Completes Capital Offering

February 2021

First Laurel Security Company
holding company for:



Subordinated Debt Offering
\$10.0 Million

\$6.75mm due February 2031
3.75% Fixed-to-Floating

\$3.25mm due February 2036
4.00% Fixed-to-Floating

Sole Placement Agent

Performance Trust Capital Partners

Transaction Overview

On February 12, 2021, Laurel, Nebraska-based First Laurel Security Company, the holding company for Security Bank, completed the issuance of \$6.75 million of 10-year fixed-to-floating rate subordinated notes and \$3.25 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 10-year notes will initially bear interest at 3.75% per annum to but excluding February 12, 2026 and thereafter pay a quarterly floating rate equal to 90-day average SOFR plus 337 basis points. The 15-year notes will initially bear interest at 4.00% per annum to but excluding February 12, 2031 and thereafter pay a quarterly floating rate equal to 90-day average SOFR plus 301 basis points.

In addition to insurance and general corporate purposes, the Company intends to use the net proceeds to conduct a \$3.7 million share repurchase and support potential future strategic opportunities.

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

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Balance Sheet Strategy

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Financial Highlights (December 31, 2020)

(\$000s)	Security Bank	
Assets:	\$	264,532
Loans:		141,525
Deposits:		225,678
Total Equity:		32,758
TCE / TA:		12.22%
NPAs / Assets:		0.39%
LTM Net Income:	\$	4,817
LTM ROAA:		1.97%
LTM ROAE:		15.36%

Note: Bank Call Report Data

Branch Map

