

Sub Debt Issuance – Morris State Bancshares, Inc.

April 2019

Morris State Bancshares, Inc.

holding company for:



Subordinated Debt Offering

\$10.0 Million

6.25% Fixed-to-Floating
Notes Due April 2029

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 April 15, 2019, Dublin, Georgia-based Morris State Bancshares, Inc., the holding company for Morris 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 6.25% per annum through April 15, 2024, and thereafter pay an annual floating rate equal to three-month LIBOR plus 408 basis points.

The Company intends to use the net proceeds for general corporate purposes, including to strengthen its capital ratios, improve its capital structure flexibility, support funding the acquisition of FMB Equibanc, Inc. and support Morris Bank's continued growth.

Performance Trust Capital Partners served as sole placement agent for Morris State Bancshares, Inc. in connection with this issuance of subordinated debt.

Bank Financial Highlights (December 31, 2018)

(\$000s)	Morris Bank
Assets:	\$ 749,629
Loans:	613,787
Deposits:	657,983
Tang. Equity:	77,751
TCE / TA:	10.40%
NPAs (ex. TDR's):	1.12%
LTM Pre-tax Net Income:	\$ 15,351
LTM ROAA ⁽¹⁾ :	1.70%
LTM ROAE ⁽¹⁾ :	16.37%

(1) C-Corp equivalent ROA and ROE shown based on 21% tax rate

Branch Map

