

FineMark Holdings completes private placement of subordinated notes

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By Abdullah Khan
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Fort Myers, Fla.-based FineMark Holdings Inc. completed a private placement of \$21.3 million aggregate principal amount of fixed- to floating-rate subordinated notes due 2030 to certain qualified institutional buyers and accredited investors.

The notes, which mature Nov. 30, 2030, will bear interest at a fixed annual rate of 4.25%, payable semiannually in arrears, until Nov. 30, 2025.

From and including Nov. 30, 2025, the interest rate will reset quarterly to an interest rate per annum equal to the then-current three-month secured overnight financing rate plus a spread of 400.6 basis points, payable quarterly in arrears. In the event the three-month Sofr is less than zero, the three-month Sofr shall be deemed to be zero. FineMark Holdings also noted in a news release that under specified conditions, the interest rate on the notes during the floating-rate period may be determined based upon a rate other than three-month Sofr.

The company may redeem the notes, in whole or in part, on any interest payment date on or after Nov. 30, 2025, or at any time in whole upon certain other specified events.

The notes are unsecured and have been structured to qualify as Tier 2 capital for regulatory capital purposes. FineMark Holdings intends to use the net proceeds to refinance existing indebtedness, as growth capital for its unit FineMark National Bank & Trust and for other general corporate purposes.

Commerce Street Capital and PNC FIG Advisory were joint placement agents. Alston & Bird LLP was legal counsel to FineMark Holdings, and Pillar+Aught was legal counsel for the placement agents.

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