

Section 1: 8-K (LIMESTONE BANCORP, INC. 8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
November 15, 2019

LIMESTONE BANCORP, INC.

(Exact Name of Registrant as specified in Charter)

Kentucky
(State or other jurisdiction
of incorporation)

001-33033
(Commission
File Number)

61-1142247
(IRS Employer
Identification No.)

2500 Eastpoint Parkway, Louisville, Kentucky
(Address of principal executive offices)

40223
(Zip code)

(502) 499-4800
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	LMST	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.01. Completion of Acquisition or Disposition of Assets

On November 15, 2019, Limestone Bank, Inc. (the “Bank”), the wholly-owned subsidiary of Limestone Bancorp, Inc. (the “Company”), completed the acquisition of four branch banking centers, certain performing loans, and certain customer deposits from Republic Bank and Trust. The branch banking centers are located in the Kentucky cities of Elizabethtown, Frankfort, and Owensboro.

In the transaction, the Bank acquired approximately \$127 million in loans and \$1.5 million in premises and equipment and assumed approximately \$132 million in deposits. The premium paid was approximately \$8 million or 6% based upon the trailing 10-day average amount of deposits at the closing date. Net settlement was made in cash. The Company did not issue common shares in this transaction.

The following table presents a summary of the acquired loan portfolio at the purchase date by class and weighted average rate:

	As of November 15, 2019 (in thousands)	Weighted Average Rate
Commercial	\$ 1,846	5.63%
Commercial Real Estate:		
Construction	11,570	5.28
Farmland	321	5.25
Nonfarm nonresidential	37,693	4.54
Residential Real Estate:		
Multi-family	11,789	4.59
1-4 Family	63,335	4.76
Consumer	380	6.82
Agriculture	—	—
Other	281	2.60
Total Loans	<u>\$ 127,215</u>	<u>4.74%</u>

The following table presents a summary of the acquired loan portfolio at the purchase date by contractual terms to maturity:

As of November 15, 2019

	Maturing Within One Year	Maturing 1 through 5 Years	Maturing Over 5 Years	Total Loans
(dollars in thousands)				
Loans with fixed rates:				
Commercial	\$ —	\$ 350	\$ 459	\$ 809
Commercial Real Estate:				
Construction	15	1,137	169	1,321
Farmland	—	—	—	—
Nonfarm nonresidential	5	1,058	7,959	9,022
Residential Real Estate:				
Multi-family	950	85	2,739	3,774
1-4 Family	843	1,197	24,926	26,966
Consumer	105	258	17	380
Agriculture	—	—	—	—
Other	—	—	281	281
Total fixed rate loans	<u>\$ 1,918</u>	<u>\$ 4,085</u>	<u>\$ 36,550</u>	<u>\$ 42,553</u>
Loans with floating rates:				
Commercial	\$ 824	\$ 213	\$ —	\$ 1,037
Commercial Real Estate:				
Construction	560	1,239	8,450	10,249
Farmland	73	116	132	321
Nonfarm nonresidential	3,302	1,104	24,265	28,671
Residential Real Estate:				
Multi-family	—	2,715	5,300	8,015
1-4 Family	693	5,329	30,347	36,369
Consumer	—	—	—	—
Agriculture	—	—	—	—
Other	—	—	—	—
Total floating rate loans	<u>\$ 5,452</u>	<u>\$ 10,716</u>	<u>\$ 68,494</u>	<u>\$ 84,662</u>

The following table presents a summary of the acquired deposits at the purchase date by weighted average rate:

	As of November 15, 2019 (in thousands)	Weighted Average Rate
Non-interest bearing	\$ 42,577	—
Interest checking	36,681	0.35%
Money market	9,721	0.23
Savings	16,458	0.16
Certificates of deposit	26,914	2.10
Total	<u>\$ 132,351</u>	<u>0.56%</u>

The following table presents a summary of the acquired certificates of deposits at the purchase date by \$250,000 or more:

	As of November 15, 2019 (in thousands)
Less than \$250,000	\$ 23,999
\$250,000 or more	2,915
	<u>\$ 26,914</u>

The following table presents a summary of the acquired certificates of deposit at the purchase date by time remaining until maturity:

	As of November 15, 2019 (in thousands)
Year 1	\$ 12,532
Year 2	4,610
Year 3	4,134
Year 4	3,977
Year 5	1,498
Thereafter	163
	<u>\$ 26,914</u>

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit No. **Description of Exhibit**

99.1 Press release issued November 18, 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 19, 2019

Limestone Bancorp, Inc.

By: /s/ Phillip W. Barnhouse
Phillip W. Barnhouse
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Press release issued by Limestone Bancorp, Inc. on November 18, 2019.

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Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

Limestone Bank Completes Acquisition of 4 Branch Banking Centers

LOUISVILLE, Ky.--(BUSINESS WIRE)--November 18, 2019--Limestone Bancorp, Inc. (the "Company") (NASDAQ: LMST), parent company of Limestone Bank (the "Bank"), announced today that the Bank completed the acquisition of four branch banking centers located in the Kentucky cities of Elizabethtown, Frankfort, and Owensboro from Louisville, Kentucky based Republic Bank and Trust, a subsidiary of Republic Bancorp, Inc. (NASDAQ: RBCAA). The purchase includes approximately \$127 million in performing loans and \$1.5 million in premises and equipment as well as approximately \$132 million in customer deposits with an all-in blended deposit premium of approximately 6% or \$8 million.

John T. Taylor, president and chief executive officer said, "We are thrilled with the opportunity to serve our new customers in Elizabethtown, Frankfort, and Owensboro. We are also excited to welcome nearly twenty new team members and associates to the Limestone Bank team. This acquisition allows us to further optimize our branch footprint regionally and solidifies our presence and ability to serve customers in Daviess, Hardin, and Franklin counties."

Janney Montgomery Scott LLC acted as financial advisor to the Company and Wyatt, Tarrant & Combs, LLP acted as the Company's legal counsel. The Company did not issue common shares in this transaction.

About Limestone Bancorp, Inc.

Limestone Bancorp, Inc. (NASDAQ: LMST) is a Louisville, Kentucky-based bank holding company which operates banking centers in 14 counties through its wholly-owned subsidiary Limestone Bank. The Bank's markets include metropolitan Louisville in Jefferson County and the surrounding counties of Henry and Bullitt, and extend south along the Interstate 65 corridor. The Bank serves southern and south central Kentucky from banking centers in Butler, Green, Hardin, Hart, Edmonson, Barren, Warren, Ohio and Daviess counties. The Bank also has a banking center in Lexington, Kentucky, the second largest city in the state, and Frankfort, Kentucky, the state capital. Limestone Bank is a traditional community bank with a wide range of personal and business banking products and services.

Forward-Looking Statements

Statements in this press release relating to Limestone Bancorp's plans, objectives, expectations or future performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "may," "should," "anticipate," "estimate," "expect," "intend," "objective," "possible," "seek," "plan," "strive" or similar words, or negatives of these words, identify forward-looking statements that involve risks and uncertainties. These forward-looking statements include statements related to the expected benefits of the branch acquisition. Although the Company's management believes the assumptions underlying the forward-looking statements contained herein are reasonable, any of these assumptions could be inaccurate. Therefore, there can be no assurance the forward-looking statements included herein will prove to be accurate. Factors that could cause actual results to differ from those discussed in forward-looking statements include, but are not limited to: economic conditions both generally and more specifically in the markets in which the Company and its subsidiaries operate; competition for the Company's customers from other providers of financial services; government legislation and regulation, which change from time to time and over which the Company has no control; changes in interest rates; material unforeseen changes in liquidity, results of operations, or financial condition of the Company's customers; and other risks detailed in the Company's filings with the Securities and Exchange Commission, all of which are difficult to predict and many of which are beyond the control of the Company. See Risk Factors outlined in the Company's Form 10-K for the year ended December 31, 2018.

Contacts

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Chief Executive Officer
(502) 499-4800

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