Brian Martin, CFA
(312)-461-4346

FIG Partners **3Q18 EPS Review**

October 18, 2018

FCCO- First Community Corporation

Balance Sheet Remix to Continue – Reduce Fwd. EPS on Lower NIM Outlook

- **Maintain "Market Perform" and lower Price Target to $23 or ~15x 2019 EPS or 175% of Fwd. TBV**
- **Lower 2018 and 2019 Core EPS to $1.46 (-$0.05) and $1.48 (-$0.12), respectively**
- **Loan growth outlook remains strong & NIM has upward bias following 3Q18 compression**
- **Limited balance sheet growth expected in 2019 as FCCO continues to remix AEA out of lower yielding securities into higher yielding loans**

Maintain "Market Perform" rating on FCCO and lower Price Target to $23. This adjustment is driven by our reduction in forward EPS estimates and the recent decline in bank stock valuations. Our Target price assumes shares trade at ~15x our revised FY19EPS estimate and ~175% of forward Tangible Book Value. In our view a greater level of profitability is required to justify a higher valuation. Our EPS forecast calls for ROAA to hold mostly stable in 2019 at ~1.05% reflecting FCCOs continued investment in the franchise with two branches expected to come on line in 1H19 and our outlook for higher deposit betas.

We do not view FCCO as a near term seller as management is focused on driving quality loan growth which should help maximize core earnings and translate into a greater valuation. Over time we expect to see increased interest in FCCO's franchise by large regional banks. In our view, a partnership with another institution is more likely once earnings power improves. FCCO's geographic diversification continues to pay dividends with each area contributing in different ways; both on the lending and deposit gathering front.

EPS Estimates: Lower core 2018 & 2019 EPS to $1.46 and $1.48, respectively primarily to reflect the 3Q18 miss and a lower NIM outlook partially offset by lower credit costs. We made minimal changes to Fees, Expenses and the Tax Rate.

FCCO continues to focus on remixing the balance sheet out of lower yielding securities and into higher yielding loans to improve balance sheet efficiency and profitability. Absent an acquisition, we see this remix as a multi-year endeavor given the competitive landscape and the company's credit discipline. Loan growth momentum continued with balances rising 7% LQA in 3Q18. Geographic diversification and healthy conditions across its footprint are contributing to favorable performance. YTD growth (+7.7%) along with solid pipeline leaves us comfortable that our 8-10% growth forecast for 2018 and 2019 is achievable. The Augusta GA and Greenville SC markets are expected to remain the largest contributors to growth in the coming quarters.

FCCO: $21.51
"Market-Perform"// Price Target: $23.00

Summary Statistics

Exchange	NASDAQ
Market Cap ($M)	$163.6
Avg. Volume	9,556
Annual Dividend	$0.41
Dividend Yield	1.91%
Tangible Book/Share	$11.65
Price/Tangible Book	185%
Price/2018 EPS	14.8x
Price/2019 EPS	14.6x
Total Assets ($M)	$1,091
TCE/TA	8.39%
ROAA (2019)	1.03%
ROAE (2019)	10.00%

EPS Estimates

	2016	2017	2018	2019
Q1	$0.21	$0.24	$0.35	$0.32
Q2	$0.25	$0.29	$0.38	$0.38
Q3	$0.25	$0.30	$0.37	$0.41
Q4	$0.27	$0.29	$0.36	$0.37
FY	**$0.98**	**$1.12**	**$1.46**	**$1.48**

Industry Type	Bank
Headquarters	Lexington, SC
Offices	19
Date Established	1995
CEO	Michael C. Crapps
CFO	Joseph G. Sawyer

Source (all data): FIG Partners Research, S&P Global Mkt Intelligence

Please see disclosures on FIG Partners' equity rating system, distribution, and other items on the last page.

Increased funding cost pressure and several transitory adjustments lead to greater than expected NIM erosion in 3Q18. Looking forward, we forecast NIM to rebound 2-3bps in 4Q18 and then trend modestly higher in 2019 aided by rate increases and remixing efforts. Specifically, our forecast calls for one more rate hike in 2018 and two in 2019 with much of the near-term loan growth funded by the Securities book (25% of Assets). Assuming a peer level of 15% implies ~$105 Mil. in excess Securities which could fund ~1.5 years of double digit loan growth. FCCO is targeting an 80% Loan to Earning Asset ratio over time vs. its current 70% level. Our EPS forecast calls for the ratio to improve to ~77% by late 2019 which corresponds to an ROAA of ~1.05%. Our NIM forecast assumes an AEA beta of 20-25% and a deposit beta of 25-35%. Importantly, FCCO's heightened level of liquidity should allow them to remain disciplined on deposit pricing.

We have made limited changes to our fee income and expense forecast. We expect solid growth in service charges and wealth management revenues. On the mortgage front we are projecting $120M in production in 2019 at a 3.3% margin which equates to ~$4M in revenue. Operating expenses are expected to approximate $8.1M in 4Q18 and rise to ~$8.3M in 2019 impacted by two branch openings (Greenville, SC and Augusta, GA markets). The Efficiency ratio is forecast at ~67% in 4Q18 and 2019. A lower provisioning forecast reflects strength in the portfolio and the large unallocated portion of the reserve (~15%).

Lower Price Target to $23 (-$3)

FIG Research Rating: "Market-Perform"
Price Target: $23.00

Implied Gain/Loss versus Current Price: 6.9%

2019 Outlook			
2019 EPS	$1.48	15.3x	$22.55
Cash Dividends	$0.45	1.0x	$0.45
			$23.00
Tangible Book 12/19	**$13.37**	**1.72x**	**$23.00**

Source: FIG Partners Research & Forward Estimates

Deposit Premium Analysis

	Current	Dec-18	Dec-19
Market-Cap	163.2	168.1	173.1
TCE in $$	91.4	93.4	101.4
Total Deposits	921.7	930.9	959.2
CORE Deposits	773.5	782.7	811.0
Premium - Total	7.8%	8.0%	7.5%
Premium - CORE	**9.3%**	**9.5%**	**8.8%**

Source (all data): FIG Partners Research, S&P Global Mkt Intelligence

Maintain Market Perform rating on FCCO and lower Price Target to $23. This adjustment is driven by our reduction in forward EPS estimates and the recent decline in bank stock valuations.

Background and Risks

Headquartered in Lexington, South Carolina, First Community (FCCO) is a ~$1.1 Billion bank holding company (BHC) and the parent of First Community Bank, NA.

Founded in 1995 by a group of former executives from Republic National Bank (acquired by South Financial Group, Inc.), FCCO provides traditional retail, commercial and mortgage banking services through a network of 19 branches in the Midlands area of South Carolina.

We see primary risks to include (1) integration of acquisitions; (2) negative impact from persistently low or rapidly changing interest rates and/or a flattening yield curve; and (3) potential for rising credit costs in light of further growth in unemployment.

FCCO Peer Comparison

	Company Name	Market Cap. ($M)	Total Assets ($000) MRQ	CDs % of Total MRQ	Cost of Deposits MRQ	TCE Ratio MRQ	Core Deposit Premium Today	Price-to-T.Book 10/17/18	P/E 2018 EPS Consensus	P/E 2019 EPS Consensus	ROA Forecast (2019) Consensus
FCCO	First Cmnty Corp	$164	$1,092,149	21	0.35	8.4	9.9%	189	14.1x	13.1x	1.10
BCBP	BCB Bncp Inc	$209	$2,516,564	47	0.98	6.7	3.8%	124	13.2x	10.4x	0.78
BCML	BayCom Corp	$281	$1,345,672	19	0.36	13.5	11.1%	157	14.4x	12.9x	1.40
CIVB	Civista Bcshs Inc	$352	$1,548,454	12	0.19	9.8	20.2%	171	13.4x	11.8x	1.49
CSTR	CapStar Finl Hlgs	$187	$1,401,181	18	1.10	9.9	5.2%	135	13.7x	11.9x	1.23
EBMT	Eagle Bancorp	$98	$826,827	27	0.32	9.6	4.4%	127	11.7x	10.5x	1.01
ENFC	Entegra Financial	$168	$1,628,294	35	0.61	7.9	5.1%	138	11.2x	10.0x	0.99
ESXB	Cmty Bnk Trst Corp	$186	$1,353,868	51	0.85	9.5	10.3%	144	13.8x	12.7x	1.03
EVBN	Evans Bancorp Inc	$222	$1,346,091	20	0.61	8.6	11.3%	198	14.5x	12.7x	1.22
FBIZ	Frst Bus Fnl Svcs	$186	$1,899,787	27	0.96	8.6	2.5%	116	11.7x	10.0x	0.90
FCCO	First Cmnty Corp	$164	$1,092,149	21	0.35	8.4	9.9%	189	14.1x	13.1x	1.10
FFNW	Frst Finl NW	$154	$1,224,065	49	1.15	12.3	0.8%	108	9.9x	12.6x	0.91
HBMD	Howard Bncp Inc	$292	$2,182,249	26	0.45	9.8	7.5%	143	21.9x	14.6x	0.89
ICBK	Cnty Bncp Inc	$168	$1,518,877	69	1.54	8.7	9.4%	129	11.6x	11.6x	0.92
ISTR	Investar Hldg Corp	$238	$1,697,471	41	0.79	9.4	11.1%	161	15.1x	12.6x	1.06
LCNB	LCNB Corp	$246	$1,631,442	22	0.36	9.5	9.1%	169	12.3x	10.8x	1.33
MSL	MidSouth Bncp Inc	$253	$1,858,917	11	0.37	9.0	6.7%	155	253.0x	29.6x	0.50
NRIM	Northrim BanCorp	$274	$1,470,440	8	0.15	12.6	8.2%	150	14.0x	13.7x	1.31
ORRF	Orrstown Finl Svcs	$198	$1,644,118	23	0.66	8.8	5.2%	139	13.5x	12.0x	0.96
PMBC	Pacific Mercantile	$181	$1,357,874	27	1.06	9.7	5.7%	148	12.4x	15.0x	0.89
PROV	Provident Finl	$134	$1,175,549	26	0.38	10.2	2.0%	111	20.9x	20.2x	0.54
RVSB	Riverview Bancorp	$185	$1,140,268	12	0.11	8.2	10.7%	199	14.4x	10.4x	1.40
TCFC	Community Finl Cp	$181	$1,586,288	34	0.74	8.5	5.4%	137	13.2x	11.6x	0.91
TRCB	Two River	$143	$1,055,527	23	0.74	9.0	7.4%	154	13.4x	12.0x	1.05
				26	0.61	12.1	7.4%	144	13.5x	12.0x	1.01

Source: FIG Partners Research, S&P Global Mkt Intelligence

FCCO Snapshot

									% Change	
	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	Y/Y	LQ
Earnings Per Share (EPS)	$0.25	$0.26	$0.26	$0.24	$0.28	$0.07	$0.35	$0.39	$0.37	31.9%	-5.6%
Tangible Book Value	$11.63	$11.28	$11.50	$11.79	$11.87	$11.66	$11.65	$11.87	$12.04	1.4%	1.5%
Shares Outstanding EOP	$6.70	$6.71	$6.70	$6.70	$6.71	$7.59	$7.59	$7.59	$7.59	13.1%	0.0%
Net Interest Income	$6.65	$6.79	$7.06	$7.05	$7.23	$8.06	$8.53	$8.94	$8.88	22.9%	-0.6%
Loan Loss Provision	$0.18	$0.24	$0.12	$0.08	$0.17	$0.17	$0.20	$0.03	$0.02	-87.3%	-27.6%
Non-Interest Income	$2.368	$2.200	$1.982	$2.696	$2.463	$2.544	$2.733	$2.817	$2.842	15.4%	0.9%
Securities Gains	$478	$0	$54	$172	$124	$49	($102)	$94	$0	-100.0%	-100.0%
Non-Interest Expense	$6.58	$6.52	$6.72	$6.97	$6.67	$7.76	$7.59	$8.23	$8.13	22.0%	-1.1%
Net Income	$1.68	$1.79	$1.76	$1.66	$1.89	$0.50	$2.71	$3.00	$2.83	49.7%	-5.6%
Total Core Revenue	$9,019	$8,994	$8,857	$9,756	$9,690	$10,604	$11,267	$11,756	$11,725	21.0%	-0.3%
Total Core Fee Income	$2,368	$2,200	$1,982	$2,708	$2,463	$2,544	$2,733	$2,817	$2,842	15.4%	0.9%
Core Expense	$6,388	$6,429	$6,618	$6,868	$6,573	$7,668	$7,434	$8,051	$7,955	21.0%	-1.2%
ROAA	0.74%	0.79%	0.77%	0.73%	0.83%	0.20%	1.03%	1.12%	1.04%	25.4%	-6.8%
ROAE	7.94%	8.58%	8.51%	7.85%	8.78%	1.98%	10.26%	11.32%	10.50%	19.6%	-7.2%
Net Interest Margin	3.19%	3.25%	3.42%	3.39%	3.42%	3.45%	3.61%	3.67%	3.55%	3.8%	-3.3%
Core Efficiency Ratio	69.9%	70.6%	73.9%	69.6%	67.1%	71.2%	64.7%	67.3%	66.6%	-0.6%	-0.9%
Core Exp. / Avg. Assets	2.84%	2.84%	2.90%	3.02%	2.89%	3.01%	2.82%	3.00%	2.93%	1.4%	-2.5%
Total Loans	$523	$547	$555	$553	$568	$647	$669	$684	$697	22.5%	1.8%
Intangibles	$6.26	$6.18	$6.11	$6.03	$5.96	$17.22	$17.08	$16.94	$16.80	182.0%	-0.8%
Total Deposits	$766	$767	$776	$773	$770	$888	$920	$933	$922	19.7%	-1.2%
Total Common Equity	$84	$82	$83	$85	$86	$106	$105	$107	$108	26.4%	1.1%
Avg Assets	$901	$906	$913	$909	$911	$1,018	$1,055	$1,073	$1,087	19.3%	1.3%
Avg Loans	$520	$537	$558	$558	$569	$625	$658	$678	$696	22.2%	2.8%
Average Earning Assets	$830	$832	$839	$834	$839	$926	$958	$978	$993	18.4%	1.5%
Avg Deposits	$752	$761	$757	$772	$765	$867	$891	$921	$924	20.7%	0.3%
Loan / Deposit	68.3%	71.3%	71.6%	71.6%	73.8%	72.8%	72.7%	73.3%	75.6%	2.4%	3.1%
TCE Ratio	8.58%	8.33%	8.48%	8.69%	8.77%	8.56%	8.39%	8.38%	8.51%	-3.0%	1.6%
Net Charge-offs	$0.01	$0.06	($0.06)	($0.04)	$0.00	($0.00)	($0.02)	($0.07)	($0.11)		45.8%
NPL's + 90 Days Past	$7.70	$6.88	$5.44	$4.76	$4.83	$5.15	$4.99	$6.80	$4.79	-0.9%	-29.6%
OREO	$1.20	$1.15	$1.16	$0.84	$0.73	$1.93	$1.91	$1.82	$1.92	162.1%	5.3%
Total NPA's	$7.9	$7.5	$6.5	$5.6	$5.5	$7.1	$6.9	$7.7	$6.7	22.3%	-12.8%
NPA / (Loans + OREO)	1.51%	1.37%	1.17%	1.01%	0.96%	1.09%	1.02%	1.12%	0.96%	-0.3%	-14.4%
Provision / Avg Loans	0.03%	0.04%	0.02%	0.01%	0.03%	0.03%	0.03%	0.00%	0.00%	-89.7%	-29.5%
Reserve / NPL + 90	75%	82%	101%	115%	120%	113%	121%	104%	130%	9.1%	25.2%

Source: FIG Partners Research, S&P Global Mkt Intelligence

First Community Corporation (FCCO) **Updated on 10/18/18**

Earnings Model

	Annual			2017 Quarterly				2018 Quarterly				2019 Quarterly			
	2017A	2018E	2019E	1Q17A	2Q17A	3Q17A	4Q17A	1Q18A	2Q18A	3Q18A	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E
Income Data: ($ in Millions)															
Net Interest Income	$29.4	$35.4	$36.9	$7.1	$7.0	$7.2	$8.1	$8.5	$8.9	$8.9	$9.0	$8.9	$9.2	$9.4	$9.5
Loan Loss Provision	$0.5	$0.3	$0.550	$0.1	$0.1	$0.2	$0.2	$0.2	$0.0	$0.0	$0.1	$0.1	$0.2	$0.2	$0.2
Non-Interest Income	$9.7	$11.1	$11.3	$2.0	$2.7	$2.5	$2.5	$2.7	$2.8	$2.8	$2.7	$2.6	$3.0	$3.0	$2.6
Gain/Loss on Loan Sales	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Gain/Loss on Securities	$0.4	($0.0)	$0.0	$0.1	$0.2	$0.1	$0.0	($0.1)	$0.1	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
One-Time Items	($1.7)	$0.0	$0.0	($0.1)	($0.6)	($0.4)	($0.6)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Non-Interest Expense	$28.1	$32.1	$33.3	$6.7	$7.0	$6.7	$7.8	$7.6	$8.2	$8.1	$8.1	$8.4	$8.3	$8.3	$8.3
Pre-Tax Income	$9.1	$14.1	$14.3	$2.2	$2.2	$2.6	$2.1	$3.4	$3.6	$3.6	$3.5	$3.1	$3.7	$3.9	$3.6
Taxes	$3.3	$2.7	$2.9	$0.4	$0.6	$0.7	$1.6	$0.7	$0.6	$0.7	$0.7	$0.6	$0.8	$0.8	$0.7
Extraordinary Items	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Net Income	$5.8	$11.3	$11.4	$1.8	$1.7	$1.9	$0.5	$2.7	$3.0	$2.8	$2.8	$2.5	$3.0	$3.1	$2.8
Preferred Dividend	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Net Income Avail. To Common	**$5.8**	**$11.3**	**$11.4**	**$1.8**	**$1.7**	**$1.9**	**$0.5**	**$2.7**	**$3.0**	**$2.8**	**$2.8**	**$2.5**	**$3.0**	**$3.1**	**$2.8**
Avg. Shares O/S	$7.0	$7.7	$7.7	$6.8	$6.8	$6.8	$7.5	$7.7	$7.7	$7.7	$7.7	$7.7	$7.7	$7.7	$7.7
Earnings Per Share (EPS)	**$0.83**	**$1.47**	**$1.48**	**$0.26**	**$0.24**	**$0.28**	**$0.07**	**$0.35**	**$0.388**	**$0.37**	**$0.36**	**$0.32**	**$0.38**	**$0.41**	**$0.37**
Per Share Data:															
Reported Book Value	$13.93	$14.51	$15.56	$12.41	$12.69	$12.76	$13.93	$13.90	$14.10	$14.26	$14.51	$14.73	$15.00	$15.31	$15.56
Tangible Book Value	**$11.66**	**$12.30**	**$13.37**	**$11.50**	**$11.79**	**$11.87**	**$11.66**	**$11.65**	**$11.87**	**$12.04**	**$12.30**	**$12.52**	**$12.80**	**$13.11**	**$13.37**
Dividends	$0.37	$0.41	$0.45	$0.09	$0.09	$0.09	$0.10	$0.10	$0.10	$0.10	$0.11	$0.11	$0.11	$0.11	$0.12
Pre-Tax, Pre-Provision EPS	**$1.57**	**$1.86**	**$1.93**	**$0.34**	**$0.35**	**$0.41**	**$0.29**	**$0.48**	**$0.46**	**$0.47**	**$0.47**	**$0.42**	**$0.51**	**$0.54**	**$0.49**
CORE GAAP EPS	**$1.12**	**$1.46**	**$1.48**	**$0.24**	**$0.29**	**$0.30**	**$0.29**	**$0.35**	**$0.38**	**$0.37**	**$0.36**	**$0.32**	**$0.38**	**$0.41**	**$0.37**
KEY Ratios:															
Net Interest Margin	3.42%	3.60%	3.64%	3.42%	3.39%	3.42%	3.45%	3.61%	3.67%	3.55%	3.58%	3.61%	3.63%	3.65%	3.67%
Return on Avg Assets	0.62%	1.05%	1.03%	0.77%	0.73%	0.83%	0.20%	1.03%	1.12%	1.04%	1.02%	0.90%	1.07%	1.12%	1.01%
Return on Avg Equity	6.54%	10.57%	10.00%	8.51%	7.85%	8.78%	1.98%	10.26%	11.32%	10.50%	10.22%	8.88%	10.49%	10.91%	9.70%
Return on Tang. Comm. Eq.	6.83%	12.53%	11.60%	9.37%	8.67%	9.75%	2.63%	12.68%	13.74%	12.80%	12.34%	10.76%	12.56%	12.98%	11.57%
Pre-Tax Pre-Provision ROA	**1.17%**	**1.33%**	**1.34%**	**1.03%**	**1.06%**	**1.24%**	**0.86%**	**1.40%**	**1.33%**	**1.33%**	**1.32%**	**1.18%**	**1.42%**	**1.49%**	**1.35%**
Efficiency Ratio	71.05%	67.83%	67.94%	71.75%	69.25%	66.59%	70.56%	65.45%	68.09%	67.50%	68.19%	71.20%	66.99%	65.85%	67.92%
Overhead Ratio	3.00%	2.98%	3.00%	2.95%	3.07%	2.93%	3.05%	2.88%	3.07%	2.99%	2.96%	3.04%	3.00%	2.98%	2.98%
TCE/TA	8.56%	8.64%	9.15%	8.48%	8.69%	8.77%	8.56%	8.39%	8.38%	8.51%	8.64%	8.75%	8.88%	9.02%	9.15%
Period-End Balances: ($ in Millions)															
Earning Assets	$952	$1,000	$1,025	$840	$841	$839	$952	$974	$994	$995	$1,000	$1,005	$1,013	$1,020	$1,025
Total Assets	$1,051	$1,097	$1,125	$915	$915	$914	$1,051	$1,071	$1,092	$1,091	$1,097	$1,103	$1,111	$1,119	$1,125
Gross Loans	$647	$714	$784	$555	$553	$568	$646.8	$668.6	$684.3	$697	$714	$728	$746	$765	$784
Total Deposits	$888	$931	$959	$776	$773	$770	$888	$920	$933	$922	$931	$936	$945	$950	$959
Intangibles	$17	$17	$17	$6.105	$6.031	$6	$17	$17	$17	$17	$17	$17	$17	$17	$17
Total Common Equity	$106	$110	$118	$83.13	$85.06	$86	$106	$105	$107	$108	$110	$112	$114	$116	$118

Source: FIG Partners Research, S&P Global Market Intelligence

FIG Partners LLC Distribution of Ratings

	Buy / Outperform	Hold / Market-Perform	Sell / Underperform
% Rated	42.4%	57.6%	0.0%
IB Client % in Category	28.6%	14.5%	0.0%

Equity Rating System as of July 1, 2003

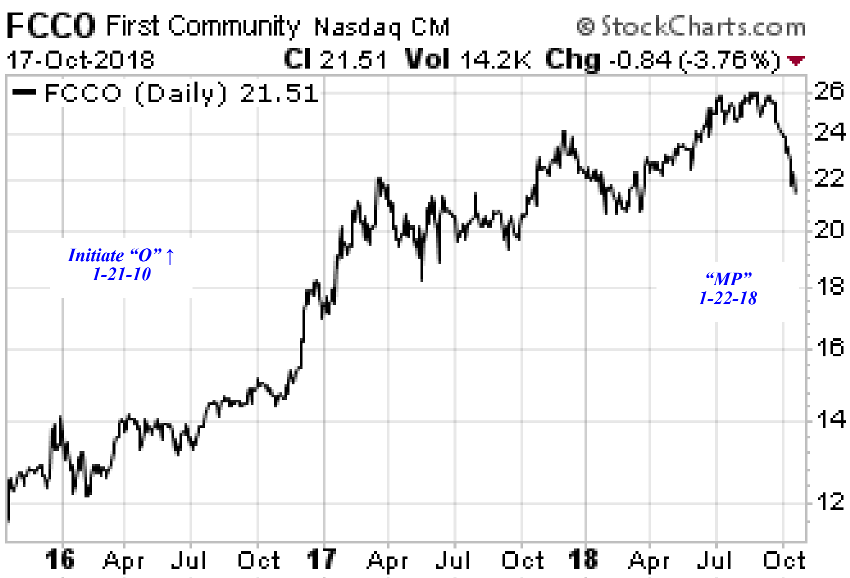
Buy/Outperform "O" FIG expects that total return of the subject stock will outperform the industry benchmark (BIX) over the next 12 months

Hold/Market-Perform "M-P" FIG expects that total return of the subject stock will perform inline with the industry benchmark (BIX) over the next 12 months

Sell/Underperform "U" FIG expects that total return of the subject stock will under perform the industry benchmark (BIX) over the next 12 months

For purposes of FINRA rule 2711, outperform is classified as a buy, market perform is a hold and underperform is a sell. The industry benchmark that we use is the S&P Bank Index referred to as the BIX.

Ratings Changes for First Community Corporation (FCCO)



Additional Risks to Our Earnings Model Assumptions & Ratings:

Unexpected and/or rapid changes in interest rates may have significant negative impact on the company's balance sheet. Likewise, persistently low interest rates, and/or a flat yield curve may add downward pressure to revenues and the absolute level of NIM-Net Interest Margin.

Declines in asset quality beyond our estimates due to an economic slowdown in the company's operating footprint may require increased expenses for loan losses which could decrease profitability. Further, this may cause an increase in Net Charge-offs, Nonperforming loans, and Classified Assets.

New rules set forth by regulatory agencies could reduce future profitability by eliminating certain revenue items, adding additional expenses, or requiring this institution to hold more capital. A similar effect is possible if new legislation (local, state, or federal) is passed.

Any regulatory action or litigation against the company could impact future earnings and also affect the public market perception towards this stock.

Compliance

- Neither the research analyst nor any member of the analyst's household has any financial interest in the subject company.
- At the prior month end, neither FIG Partners LLC nor any of its partners or officers owned more than 1% of the outstanding equity securities of the subject company.
- There are no material conflicts of interest of the analyst or FIG Partners LLC at the time of this report.
- FIG has not been a manager or co-manager of a public offering of any securities of the recommended issuer within the last 12 months.
- FIG has not received investment banking compensation from the subject company in the last 12 months.
- FIG intends to seek investment banking compensation from the subject in the next three months.
- The subject company is a client of FIG.
- Neither the analyst nor anyone at FIG serves as an officer, director, or advisory board member of the subject company.
- FIG will usually make a market in the subject security and was making a market in this security at the time of this report's publication.
- All analysts are compensated based on a number of factors including the overall profits of FIG Partners LLC which includes investment banking revenues, but no analyst receives any compensation which is based on a specific investment banking service or transaction.
- To determine price target, our analysts utilize a variety of valuation techniques including but not limited to: peer analysis, absolute P/E, relative P/E, projected P/E, absolute P/B, relative P/B, projected P/B, deposit premium, and a discounted cash flow model.
- This research report reflects the analyst's actual opinion.
- No research analyst is subject to the supervision or control of any employee of the member's investment banking department.
- No employee of the investment banking department has reviewed or approved this report prior to publication
- The report has not been approved by the subject company, but may have been reviewed for factual accuracy except for the research summary, research rating and price target.
- The subject company has not promised directly or indirectly favorable research, a specific rating or a specific price target nor has the subject company been threatened with a change in research as an inducement for business or compensation.
- Additional information is available by request.
- The information contained herein has been prepared from sources and data we believe to be reliable but we make no representation as to its accuracy or completeness. The opinions expressed herein are our own unless otherwise noted and are subject to change without notice. The price and value of the securities mentioned herein will fluctuate; past performance is no guarantee of future results.
- This report is published solely for informational purposes and should not be construed as an offer to buy or sell, or a solicitation of an offer to buy or sell, any security. The securities discussed herein are not suitable for everyone; each investor should assess his or her own particular financial condition and investment objectives before making any investment decisions.
- FIG Partners LLC may act as principal for its own account or as agent for both buyer and seller in connection with the purchase or sale of any security discussed herein.
-
- The author is employed by FIG Partners LLC, a broker-dealer.
- Data sources for the report are Bloomberg Financial L.P., S&P Global Mkt Intelligence, Stockcharts.com, Thompson Financial and regulatory filings.