



## First Citizens Financial Corporation has Completed a \$10.0 million Offering of Common Stock Through a Private Placement

### First Citizens Financial Corporation

First Citizens Financial Corporation (“FCFC” or the “Company”), a bank holding company headquartered in Dawsonville, Georgia, is the parent company of Foothills Community Bank (“Foothills”). Founded in 2006, Foothills (formerly known as First Citizens Bank) is the only community bank headquartered in Dawson County, Georgia, a community north of Atlanta. Foothills maintains one branch in Dawsonville and one branch in Cummings, GA. As of March 31, 2016, and prior to this Offering, Foothills had total assets of approximately \$69.7 million, total loans of \$43.6 million, total deposits of \$68.1 million, and total equity of \$1.5 million.

### The Transaction

On October 13, 2012, Foothills was issued a Consent Order by the FDIC and State of Georgia Department of Banking and Finance, ordering it to raise its Tier One Leverage Ratio to 8.0% and its Total Risk Based Capital Ratio to 10.0%. In June 2015, Donnelly Penman & Partners (“DPP”) was formally engaged by FCFC as the Company’s exclusive placement agent to raise capital. As of June 30, 2015, Foothill’s Tier One Leverage Ratio was 2.17% and its Total Risk Based Capital Ratio was 3.76%. On August 18, 2015, the Company’s board of directors formally elected John L. Lewis as President and Chief Executive Officer of the Company and Foothills.

On May 3, 2016, the Company completed a \$10.0 million offering of common stock through a private placement (the “Private Placement”) of 20,000,000 shares, at a price of \$0.50 per share, to several institutional and local high net worth investors. On a pro forma basis, the Company will be in compliance with the capital portion of its Consent Order and will exceed the “well-capitalized” regulatory guidelines.

Additionally, the Company as of December 31, 2015, had an approximate \$5.1 million valuation allowance against its deferred tax asset that is expected to be preserved in the Private Placement. The Company received a formal opinion from a big four accounting firm opining on that preservation at closing.

Donnelly Penman & Partners acted as exclusive placement agent to First Citizens Financial Corporation. Please contact [John Donnelly](#) at (313) 393-3054, [Andrew Christians](#), CFA at (313) 393-3074, or [Gregory Cunningham](#) at (313) 393-3070 for further information.

### Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a [FINRA](#) licensed broker dealer and member [SIPC](#).

Donnelly Penman & Partners is owned by the employees of the firm, who have successfully completed more than 290 transactions and advisory engagements since the firm’s inception in September 2000. Its principals have more than 110 years of investment banking experience collectively.

May 2016

*These securities have been sold.  
This announcement appears as a matter of record only.*

  
**FIRST CITIZENS FINANCIAL CORPORATION**

*bank holding company of*

  
**foothills community bank**

(Dawsonville, GA)

**Private Placement of Common Stock**

**\$10.0 Million**

Exclusive Placement Agent

**Capital Raise**