

Edgar Filing: MidWestOne Financial Group, Inc. - Form S-3

MidWestOne Financial Group, Inc.  
Form S-3  
February 15, 2013

As filed with the Securities and Exchange Commission on February 15, 2013  
Registration No. 333-

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

FORM S-3  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

MidWestOne Financial Group, Inc.  
(Exact name of registrant as specified in its charter)

Iowa  
(State or other jurisdiction of  
incorporation or organization)

42-1206172  
(I.R.S. Employer  
Identification Number)

102 South Clinton Street  
Iowa City, Iowa 52240  
(319) 356-5800

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Charles N. Funk  
President and Chief Executive Officer  
MidWestOne Financial Group, Inc.  
102 South Clinton Street  
Iowa City, Iowa 52240  
(319) 356-5800

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:  
Robert M. Fleetwood  
Brad A. Kopetsky  
Barack Ferrazzano Kirschbaum & Nagelberg LLP  
200 West Madison Street, Suite 3900  
Chicago, Illinois 60606  
(312) 984-3100

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest

reinvestment plans, check the following box. T

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. £

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. £

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. £

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. £

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  
 Accelerated filer  
 Non-accelerated filer  
 Smaller reporting company  
 (Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per unit (1)	Proposed maximum aggregate offering price(1)	Amount of registration fee(1)(7)
Common Stock, \$1.00 par value per share(2)		\$	\$	\$
Preferred Stock, no par value per share(2)				
Debt Securities(3)				
Warrants(4)				
Subscription Rights(5)				
Units				
Depository Shares(6)				
Total:			\$ 25,000,000.00	\$ 0.00

(1) Calculated in accordance with Rule 457(o). The proposed maximum offering price per security will be determined from time to time by the registrant in connection with the issuance of the securities registered by this registration statement. The proposed maximum aggregate offering price has been estimated solely for the purpose of calculating the registration fee. In no event will the aggregate maximum offering price of all securities issued under this registration statement exceed \$25,000,000.00. The amount registered is not specified as to each class of securities to be registered hereunder pursuant to General Instruction II.D to Form S-3 under the Securities Act of 1933, as amended.

(2) Shares of preferred stock or common stock may be issued in primary offerings, upon conversion of debt securities or preferred stock registered hereby or upon the exercise of warrants or subscription rights to purchase preferred stock or common stock.

(3) The debt securities being registered hereunder may consist of one or more series of senior debt securities, subordinated debt securities or junior subordinated debt securities, or any combination thereof, as more fully described herein.

(4) Warrants exercisable for common stock, preferred stock, depository shares or debt securities.

(5) Rights evidencing the right to purchase common stock, preferred stock, depository shares or debt securities.

(6) The depository shares registered hereunder will be evidenced by depository receipts issued pursuant to a deposit agreement. If the registrant elects to offer to the public fractional interests in shares of preferred stock, then depository receipts will be distributed to those persons purchasing the fractional interests and the shares will be issued to the depository under the deposit agreement.

(7) All of the \$25,000,000.00 of securities registered pursuant to this registration statement (collectively, the “Unsold Securities”) consist of unsold securities previously registered by the registrant on its Registration Statement on

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Form S-3 filed on February 11, 2010 and declared effective on February 26, 2010 (File No. 333-164870) (the "Prior Registration Statement"). As of the date hereof, all of the Unsold Securities remain unsold. In connection with the filing of the Prior Registration Statement, the registrant paid a registration fee of \$1,782.50 in respect of such Unsold Securities. In accordance with Question 212.24 of the Securities and Exchange Commission, Division of Corporation Finance's Compliance and Disclosure Interpretations regarding Securities Act Rules, the registrant is not required to pay any additional fee with respect to the \$25,000,000.00 of Unsold Securities being included in this registration in reliance on Rule 415(a)(6), because such Unsold Securities (and associated fees) are being moved from the Prior Registration Statement to this registration statement. Accordingly, the "Amount of Registration Fee" above reflects no fee being due, as no new securities are being registered on this registration statement.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement containing this prospectus filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED FEBRUARY 15, 2013

PROSPECTUS

\$25,000,000.00

MidWestOne Financial Group, Inc.

Common Stock

Preferred Stock

Debt Securities

Warrants

Subscription Rights

Units

Depositary Shares

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We may offer and sell, from time to time, in one or more offerings, together or separately, any combination of the securities described in this prospectus. The aggregate initial offering price of the securities that we offer will not exceed \$25,000,000.00. This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in one or more supplements to this prospectus. This prospectus may not be used to sell securities unless accompanied by the applicable prospectus supplement. Before investing, you should carefully read this prospectus and any related prospectus supplement.

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. If an offering of securities involves any underwriters, dealers or agents, then the applicable prospectus supplement will name the underwriters, dealers or agents and will provide information regarding any fee, commission or discount arrangements made with those underwriters, dealers or agents.

Our common stock is listed on the NASDAQ Global Select Market under the ticker symbol "MOFG." Our principal executive offices are located at 102 South Clinton Street, Iowa City, Iowa 52240 and our telephone number is (319) 356-5800.

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Investing in our securities involves risks. You should refer to the section entitled "Risk Factors" on page 1 of this prospectus, as well as the risk factors included in the applicable prospectus supplement and certain of our periodic reports and other information that we file with the Securities and Exchange Commission and carefully consider that information before buying our securities.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not savings accounts, deposits or other obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

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The date of this prospectus is , 2013.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission, which we refer to as the SEC, using a shelf registration process on Form S-3. Under the shelf registration rules, using this prospectus, together with the applicable prospectus supplement, we may sell from time to time, in one or more offerings, on a continuous or delayed basis, the securities described in this prospectus for an aggregate initial offering price of up to \$25,000,000.00. The registration statement that contains this prospectus (including the exhibits to the registration statement) contains additional information about us and the securities we are offering under this prospectus. You can read that registration statement at the SEC website at <http://www.sec.gov> or at the SEC office mentioned under the heading “Where You Can Find Additional Information.”

This prospectus provides you with a general description of the securities we may offer. Each time we sell any of these securities, we will provide one or more prospectus supplements containing specific information about the terms of that offering. The prospectus supplements may also add, update or change information contained in this prospectus. If information in the applicable prospectus supplement is inconsistent with the information in this prospectus, then the information in such prospectus supplement will apply and will supersede the information in this prospectus. You should carefully read both this prospectus and any prospectus supplement, together with additional information described under the heading “Where You Can Find Additional Information,” before you invest.

You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it.

You should not assume that the information in this prospectus or any accompanying prospectus supplement or any document incorporated by reference is accurate as of any date other than the date of that document.

Neither we nor anyone acting on our behalf is making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

In this prospectus, the terms “MidWestOne,” “Company,” “we,” “us,” and “our” refer to MidWestOne Financial Group, Inc. and its consolidated subsidiaries, collectively, unless the context requires otherwise. References in this prospectus to the “Bank” mean MidWestOne Bank, an Iowa state-chartered bank with its main office in Iowa City, Iowa.

**RISK FACTORS**

An investment in our securities involves a high degree of risk. Before making an investment decision, you should carefully read and consider the risk factors incorporated by reference in this prospectus, as well as those contained in any applicable prospectus supplement, as the same may be updated from time to time by our future filings with the SEC under the Securities Exchange Act of 1934, as amended, or the Exchange Act. You should also refer to other information contained in or incorporated by reference in this prospectus and any applicable prospectus supplement, including our financial statements and the related notes incorporated by reference herein. Additional risks and uncertainties not known to us or that we deem immaterial may also materially and adversely affect our business and operations.

**MIDWESTONE FINANCIAL GROUP, INC.**

We are a bank holding company headquartered in Iowa City, Iowa. Our principal assets are the shares of stock of our bank subsidiary, MidWestOne Bank, and our nonbank subsidiary, MidWestOne Insurance Services, Inc. As of September 30, 2012, we had total assets of approximately \$1.7 billion, total deposits of approximately \$1.3 billion and total shareholders' equity of approximately \$171.5 million.

We conduct a full-service community banking, trust and insurance agency business through our wholly-owned subsidiaries. MidWestOne Bank is an Iowa state-chartered bank headquartered in Iowa City, Iowa, with office locations in Belle Plaine, Burlington, Cedar Falls, Conrad, Coralville, Davenport, Fairfield, Fort Madison, Melbourne, North English, North Liberty, Oskaloosa, Ottumwa, Parkersburg, Pella, Sigourney, Waterloo and West Liberty, Iowa. MidWestOne Insurance Services, Inc., headquartered in Oskaloosa, Iowa, is a full-service insurance agency that offers a wide range of insurance plans to individuals and businesses through offices in Pella, Melbourne and Oskaloosa, Iowa.

Our full-service banking businesses include the customary consumer and commercial products and services that banks provide. Deposit products offered include checking and other demand deposit accounts, NOW accounts, savings

accounts,

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money market accounts, certificates of deposit, individual retirement accounts and other time deposits. MidWestOne Bank offers commercial and industrial, agricultural, real estate mortgage and consumer loans. Other products and services include debit cards, automated teller machines, on-line banking, mobile banking, and safe deposit boxes. Our principal service consists of making loans to and accepting deposits from individuals, businesses, governmental units and institutional customers. MidWestOne Bank also has a trust and investment department through which it offers a variety of trust and investment services, including administering estates, personal trusts, conservatorships, pension and profit-sharing funds and providing property management, farm management, custodial, financial planning, investment management and retail brokerage services (the latter of which is provided through an agreement with a third-party registered broker-dealer).

Our principal executive offices are located at 102 South Clinton Street, Iowa City, Iowa 52240, and our phone number is (319) 356-5800.

Additional information about us is included in our filings with the SEC, which are incorporated by reference into this prospectus. See “Where You Can Find Additional Information” and “Documents Incorporated by Reference” in this prospectus.

**USE OF PROCEEDS**

Unless the applicable prospectus supplement states otherwise, we will use the net proceeds we receive from the sale of the securities for general corporate purposes, which may include, among other things, investments in or advances to our subsidiaries, working capital, capital expenditures, stock repurchases, debt repayment or the financing of possible acquisitions. The applicable prospectus supplement relating to a particular offering of securities by us will identify the use of proceeds for that offering. Until we use the net proceeds from an offering, we may place the net proceeds in temporary investments or deposit them in a bank.

**RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table reflects our ratio of earnings to fixed charges and earnings to fixed charges and preferred stock dividends for each of the years in the five-year period ended December 31, 2011, as well as for the nine months ended September 30, 2012. We did not pay any preferred stock dividends during the years ended December 31, 2007 or 2008, or during the nine months ended September 30, 2012, because no shares of our preferred stock were outstanding during such periods. Consequently, the ratios of earnings to fixed charges and preferred stock dividends for these periods are the same as the ratios of earnings to fixed charges. Preferred stock dividends in the 2009-2011 period consisted solely of the amounts due on our Fixed Rate Cumulative Perpetual Preferred Stock, Series A, which was issued to the U.S. Department of the Treasury on February 6, 2009, pursuant to its TARP Capital Purchase Program, and redeemed on July 6, 2011.

	For the nine months ended September 30, 2012	For the years ended December 31,				
		2011	2010	2009	2008	2007
Ratio of earnings to fixed charges:						
Excluding interest on deposits	6.27	4.96	3.41	1.64	--- <sup>(1)</sup>	3.10
Including interest on deposits	2.33	1.90	1.58	1.15	0.18	1.47
Ratio of earnings to fixed charges and preferred stock dividends:						
Excluding interest on deposits	6.27	4.08	2.76	1.40	--- <sup>(1)</sup>	3.10
Including interest on deposits	2.33	1.81	1.50	1.11	0.18	1.47

(1) The earnings coverage ratio for the year ended December 31, 2008, was inadequate to cover the fixed charges and preferred stock dividends. The coverage deficiency for the period was \$25.0 million.

For purposes of computing the ratios of earnings to fixed charges and earnings to fixed charges and preferred stock dividends:

earnings represent income from continuing operations before income taxes, plus fixed charges;



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fixed charges, excluding interest on deposits, include interest expense (other than on deposits) and the portion of net rental expense deemed to be equivalent to interest on long-term debt, discount amortization and preferred stock dividends; and

fixed charges, including interest on deposits, include all interest expense and the portion of net rental expense deemed to be equivalent to interest on long-term debt, discount amortization and preferred stock dividends.

DESCRIPTION OF CAPITAL STOCK

General

We have the authority to issue 15,000,000 shares of common stock, par value \$1.00 per share, and 500,000 shares of preferred stock, no par value per share. As of December 31, 2012, we had 8,480,488 shares of common stock and no shares of preferred stock issued and outstanding.

The following description of the material terms of our capital stock is only a summary. This summary does not purport to be a complete description of the terms and conditions of our capital stock in all respects and is subject to and qualified in its entirety by reference to our amended and restated articles of incorporation and by-laws, each of which is incorporated herein by reference, as well as the Iowa Business Corporation Act, or IBCA, and any other documents referenced in the summary and from which the summary is derived.

Common Stock

General. Under our amended and restated articles of incorporation, we have the authority to issue 15,000,000 shares of our common stock, par value \$1.00 per share, of which 8,480,488 shares were issued and outstanding as of December 31, 2012. As of December 31, 2012, there were 159,588 shares of our common stock underlying options that have been issued pursuant to our equity incentive plans and 496,614 shares of our common stock reserved for future issuance under our equity incentive plans. Our common stock is listed for trading on the NASDAQ Global Select Market under the symbol "MOFG."

Each share of our common stock has the same relative rights and is identical in all respects to every other share of our common stock. Our shares of common stock are neither redeemable nor convertible, and the holders thereof have no preemptive or subscription rights to purchase any of our securities.

Voting Rights. Each outstanding share of our common stock is entitled to one vote on all matters submitted to a vote of shareholders. There is no cumulative voting in the election of directors.

Liquidation Rights. Upon our liquidation, dissolution or winding up, the holders of our common stock are entitled to receive, pro rata, our assets which are legally available for distribution, after payment of all debts and other liabilities and subject to the prior rights of any holders of preferred stock then outstanding.

Dividends Payable on Shares of Common Stock. In general, the holders of outstanding shares of our common stock are entitled to receive dividends out of assets legally available therefor at such times and in such amounts as our board of directors may from time to time determine. The ability of our board of directors to declare and pay dividends on our common stock may be affected by both general corporate law considerations and policies of the Board of Governors of the Federal Reserve, which we refer to herein as the Federal Reserve, applicable to bank holding companies. As an Iowa corporation, we are subject to the limitations of Iowa law, which allows us to pay dividends unless, after such dividend: (i) we would not be able to pay our debts as they become due in the usual course of business; or (ii) our total assets would be less than the sum of our total liabilities plus any amount that would be needed, if we were to be dissolved at the time of the dividend payment, to satisfy the preferential rights upon dissolution of our shareholders whose rights are superior to the rights of our shareholders receiving the distribution. Additionally, as a general matter, the Federal Reserve indicates that the board of directors of a bank holding company should eliminate, defer or significantly reduce the dividends if: (i) the company's net income available to shareholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends; (ii) the prospective rate of earnings retention is inconsistent with the company's capital needs and overall current and prospective financial condition; or (iii) the company will not meet, or is in danger of not meeting, its minimum regulatory capital adequacy ratios. The Federal Reserve also possesses enforcement powers over bank holding companies and their nonbank subsidiaries to prevent or remedy actions that represent unsafe or unsound practices or violations of applicable statutes and regulations. Among these powers is the ability to proscribe the payment of dividends by banks and bank holding companies.



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Most of our revenues available for the payment of dividends derive from amounts paid to us by the Bank. There are various statutory limitations that limit the ability of the Bank to pay dividends to us. The Bank is a state-chartered bank and is subject to the laws and regulations of the Iowa Superintendent of Banking and to the regulations of the Federal Deposit Insurance Corporation. If a bank's primary banking regulator determines that the bank is engaged or is about to engage in an unsafe or unsound banking practice, the regulator may require, after notice and hearing, that the bank cease and desist from such practice. Depending on the financial condition of the bank, an unsafe or unsound practice could include the payment of dividends. In particular, the federal banking agencies have indicated that paying dividends that deplete a bank's capital base to an inadequate level would be an unsafe and unsound banking practice. Under the Iowa Banking Act, Iowa state-chartered banks, such as the Bank, generally may pay dividends only out of undivided profits. In addition, the Iowa Superintendent of Banking may restrict the declaration or payment of a dividend by an Iowa state-chartered bank.

Furthermore, the payment of dividends by any financial institution is affected by the requirement to maintain adequate capital pursuant to applicable capital adequacy guidelines and regulations, and a financial institution generally is prohibited from paying any dividends if, following payment thereof, the institution would be undercapitalized. Even notwithstanding the availability of funds for dividends, the FDIC may prohibit the payment of any dividends by an insured bank, such as the Bank, if the FDIC determines such payment would constitute an unsafe or unsound practice.

### Preferred Stock

General. We may issue up to 500,000 shares of preferred stock, no par value per share, from time to time in one or more series. Our board of directors, without further approval of the shareholders, has the authority to fix the dividend rights and terms, conversion rights, voting rights, redemption rights and terms, liquidation preferences, sinking funds and any other rights, preferences, privileges and restrictions applicable to each series of preferred stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, adversely affect the voting power of the holders of our common stock.

The applicable prospectus supplement and any other offering materials relating to any series of preferred stock issued under the registration statement of which this prospectus is a part will specify the terms of the series, including:

- the maximum number of shares in the series and the designation of the series;
- the terms on which dividends, if any, will be paid;
- the terms on which the shares of the series may be redeemed, if at all;
- the liquidation preference, if any;
- the terms of any retirement or sinking fund for the purchase or redemption of the shares of the series;
- the terms and conditions, if any, on which the shares of the series will be convertible into, or exchangeable for, shares of any other class or classes of common or preferred stock;
- the voting rights, if any, of the shares of the series; and
- any or all other preferences and relative, participating, operational or other special rights or qualifications, limitations or restrictions of the shares of the series.

The description of preferred stock above and the description of the terms of a particular series of preferred stock contained in the applicable prospectus supplement and other offering materials, if any, are not complete. You should refer to the applicable certificate of designations with respect to a series of preferred stock for complete information concerning the terms of that series. A copy of the certificate of designations for each series of preferred stock will be filed with the SEC as an exhibit to the registration statement of which this prospectus is a part or as an exhibit to a filing incorporated by reference in the registration statement.

### Anti-Takeover Provisions.

General. Our amended and restated articles of