

# **Bond Case Briefs**

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## **Stifel to Acquire Indiana-based City Financial.**

Stifel Financial (SF) has entered into a definitive agreement to acquire 100% of the equity interests in City Financial Corporation, and its wholly owned subsidiary City Securities Corporation, according to an announcement the firm made on Tuesday.

“We have known the management team at City Financial for a long time and have always been impressed with their leading market position in the public finance and wealth management businesses within the state of Indiana,” said Ronald J. Kruszewski, chairman and CEO of Stifel, in a statement. “We believe the addition of City and its growing and profitable business to the Stifel platform further enhances the Company’s growing presence in these two attractive businesses.”

City Securities, established in 1924 and headquartered in Indianapolis, Indiana, is an independent investment bank focused primarily on offering wealth management and public finance services across the Midwest and Indiana.

The firm’s primary business lines include the private client group and the public finance group. The private client group has 40 financial advisors across eight Indiana offices with roughly \$4 billion in client assets, and its public finance group is the leading underwriter of Indiana municipal bond issues.

As of July 1, Stifel had about 2,300 advisors and \$226 billion in client assets – which represents an average of about \$98.5 million in client assets per advisor. Of its total advisor force, roughly 2,170 are employee reps and 130 are independent advisors.

According to Mike Bosway, CEO of City Financial, City Securities’ partnership with Stifel Financial will enhance its position in increasingly competitive markets.

“We are excited about the opportunities that this transaction will provide to our clients as Stifel provides City Securities the resources to elevate our Wealth Advisory and Public Finance platforms,” Bosway said in a statement. “I am also pleased that my entire team of top managers and all of our financial advisors and bankers have committed to this transaction by signing continuation agreements with Stifel, confirming their long-term belief in the combined organization.”

City Financial Corporation’s two other wholly owned subsidiaries, City Securities Insurance and City Real Estate Advisors, are not part of this transaction. Closing is expected in Q1 2017.

Terms of the transaction were not disclosed.

THINK ADVISOR

EMILY ZULZ

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