

TriState Capital Holdings, Inc.
Form 424B7
May 22, 2018
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Registration Statement No. 333-222074

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and they are not soliciting an offer to buy these securities, in any jurisdiction where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated May 22, 2018

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated December 21, 2017)

2,200,000 Shares

Common Stock

The Selling Shareholders named in this prospectus supplement are offering an aggregate 2,200,000 shares of common stock of TriState Capital Holdings, Inc. We will not receive any proceeds from the sale of our common stock by the Selling Shareholders.

Our common stock is traded on The Nasdaq Global Select Market (Nasdaq) under the symbol TSC. On May 21, 2018, the last reported sales price of our common stock as quoted on Nasdaq was \$26.86 per share.

The underwriters have agreed to purchase the shares of our common stock from the Selling Shareholders at a price of \$ per share, which will result in approximately \$ of proceeds to the Selling Shareholders. The underwriters may offer the shares of our common stock from time to time to purchasers directly or through agents, or through brokerage transactions on The Nasdaq Global Select Market, or to dealers in negotiated transactions or in a combination of such methods of sale, or otherwise, at fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, subject to receipt and acceptance by the underwriters and subject to the underwriters right to reject any order in whole or in part. See

Underwriting beginning on page S-18 of this prospectus supplement for more information.

Investing in our common stock involves risks. See Risk Factors beginning on page S-8 of this prospectus supplement and beginning on page 23 of our Annual Report on Form 10-K for the year ended December 31, 2017.

Neither the Securities and Exchange Commission, any state securities commission, the Federal Deposit Insurance Corporation (FDIC), the Board of Governors of the Federal Reserve System nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares of our common stock are not a savings account, deposit or other obligation of any of our bank or non-bank subsidiaries and are not insured by the FDIC or any other governmental agency or instrumentality.

Delivery of the shares of common stock is expected to be made on or about May , 2018.

The date of this prospectus supplement is May , 2018.

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ABOUT THIS PROSPECTUS SUPPLEMENT

We have not, and the Selling Shareholders and the underwriters have not, authorized any person to provide you with any information other than that contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus or that is contained in any free writing prospectus issued by or on behalf of us or to which we have referred you. Neither we nor the Selling Shareholders nor the underwriters take any responsibility for, and can provide no assurances as to the reliability of, any other information that others may give to you. We are not, the Selling Shareholders are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer and sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and any free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of our common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference herein and therein. The second part, the accompanying prospectus, provides more general information. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement and the information contained in the accompanying prospectus or any document incorporated by reference therein filed prior to the date of this prospectus supplement, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a statement in another document having a later date for example, a document incorporated by reference in the accompanying prospectus the statement in the document having the later date modifies or supersedes the earlier statement.

This prospectus supplement is part of a shelf registration statement on Form S-3 (File No. 333-222074) that the United States Securities and Exchange Commission (the SEC) declared effective on December 21, 2017. Under the shelf registration process, we may from time to time offer and sell any combination of the securities described in the accompanying prospectus.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act). These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as may, should, could, predict, potential, believe, will likely result, expect, continue, will, anticipate, seek, estimate, intend, would and outlook, or the negative version of those words or other comparable of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

deterioration of our asset quality;

our ability to prudently manage our growth and execute our strategy;

changes in the value of collateral securing our loans;

business and economic conditions generally and in the financial services industry, nationally and within our local market area;

changes in management personnel;

our ability to maintain important deposit customer relationships, our reputation and otherwise avoid liquidity risks;

our ability to provide investment management performance competitive with our peers and benchmarks;

operational risks associated with our business, including cyber-security related risks;

volatility and direction of market interest rates;

increased competition in the financial services industry, particularly from regional and national institutions;

changes in the laws, rules, regulations, interpretations or policies relating to financial institutions, accounting, tax, trade, monetary and fiscal matters;

further government intervention in the U.S. financial system; and

natural disasters and adverse weather, acts of terrorism, cyber-attacks, an outbreak of hostilities or other international or domestic calamities, and other matters beyond our control.

For other factors, risks and uncertainties that could cause our actual results to differ materially from estimates and projections contained in forward-looking statements, please read the **Risk Factors** section beginning on page S-8 of this prospectus supplement and the sections titled **Risk Factors**, **Cautionary Note Regarding Forward-Looking Statements** and **Management's Discussion and Analysis of Financial Condition and Results of Operations** contained in our reports to the SEC that are incorporated by reference into this prospectus.

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The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this document. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights information contained elsewhere in, or incorporated by reference into, this prospectus supplement. Because this is a summary, it may not contain all the information that may be important to you. Therefore, you should also read the more detailed information set forth in this prospectus supplement, our financial statements and documents incorporated by reference into this prospectus supplement and the accompanying prospectus, before making a decision to invest in our common stock. See *Where You Can Find Additional Information*. Unless we indicate otherwise, the words *we*, *our*, *us* and *the Company* refer to TriState Capital Holdings, Inc. and its wholly owned subsidiaries and *Selling Shareholders* refers to LM III TriState Holdings LLC and LM III-A TriState Holdings LLC.*

TriState Capital Holdings, Inc.

TriState Capital Holdings, Inc., a Pennsylvania corporation, is a bank holding company. The Company has three wholly owned subsidiaries: TriState Capital Bank (the *Bank*), a Pennsylvania-chartered bank; Chartwell Investment Partners, LLC (*Chartwell*), a registered investment advisor; and Chartwell TSC Securities Corp. (*CTSC Securities*), a registered broker/dealer.

Through the Bank, we serve middle-market businesses in our primary markets throughout the states of Pennsylvania, Ohio, New Jersey and New York and we also serve high net-worth individuals on a national basis through our private banking channel. We market and distribute our banking products and services through a scalable branchless banking model, which creates significant operating leverage throughout our business as we continue to grow. As of March 31, 2018, the Bank had total assets of \$4.82 billion, total loans held for investment of \$4.30 billion and total deposits of approximately \$4.11 billion.

Through Chartwell we provide investment management services primarily to institutional investors, mutual funds and individual investors on a national basis. CTSC Securities supports the marketing efforts for Chartwell's proprietary investment products. As of March 31, 2018, Chartwell had assets under management of \$8.34 billion.

Our common stock is traded on Nasdaq under the symbol *TSC*. Our principal executive office is located at One Oxford Centre, 301 Grant Street, Suite 2700, Pittsburgh, Pennsylvania 15219, and our telephone number at that office is (412) 304-0304. Our website is located at www.tristatecapitalbank.com. The information contained on our website is not part of this prospectus supplement or the accompanying prospectus.

The Selling Shareholders

The Selling Shareholders named in this prospectus supplement are offering an aggregate 2,200,000 shares of our common stock. The Selling Shareholders initially invested in our Series C Preferred Stock in a private placement which closed on August 10, 2012. On May 14, 2013, the date of the closing of our initial public offering, that Series C Preferred Stock was converted into shares of our common stock. Following the completion of the offering under this prospectus supplement the Selling Shareholders are expected to own approximately 9.2% of the Company's outstanding common stock.

In addition, one of our directors, James E. Minnick, is an officer of Lovell Minnick Partners LLC, which has voting and dispositive power over the Selling Shareholders' shares. Mr. Minnick has served as a director of the Company and Bank since August 2012 as the designee of the Selling Shareholders. Following the completion of this offering, Mr. Minnick will remain a member of the Board of Directors of both the Company and the Bank. Our agreements with the Selling Shareholders provide that we will cause one nominee of the Selling Shareholders to be nominated for

election to the Board of Directors of both the Company and the Bank for as long as the Selling Shareholders funds collectively own more than 4.9% of our outstanding common stock.

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*The following summary contains summary information about our common stock and this offering and is not intended to be complete. It does not contain all the information that you should consider before deciding whether to invest in our common stock. For a complete understanding of our common stock, you should read the section of the accompanying prospectus entitled *Description of Common Stock*.*

Number of shares offered by the Selling Shareholders	2,200,000 shares of common stock
Common stock outstanding	28,993,664 shares of common stock as of May 21, 2018
Public offering price	\$ per share of common stock
Selling Shareholders	The Selling Shareholders are LM III TriState Holdings LLC and LM III-A TriState Holdings LLC. As of May 21, 2018, the Selling Shareholders beneficially owned in the aggregate 4,878,049 shares of our common stock, which represented approximately 17% of our outstanding common stock as of that date. See <i>Selling Shareholders</i> .
Use of proceeds	We will not receive any proceeds from the sale of shares of our common stock by the Selling Shareholders.
Risk factors	See <i>Risk Factors</i> beginning on page S-8 of this prospectus supplement and beginning on page 23 of our Annual Report on Form 10-K for the year ended December 31, 2017, as well as other information included in or incorporated by reference into this prospectus supplement and the accompanying prospectus for a discussion of factors you should consider carefully before deciding to invest in our common stock.
Nasdaq Global Select Market symbol	Our common stock trades on Nasdaq under the symbol <i>TSC</i> .
The number of shares of our common stock outstanding as of May 21, 2018 excludes:	
861,143 shares issuable upon exercise of stock options outstanding as of May 21, 2018 at a weighted average exercise price of \$10.68; and	

an aggregate of 1,020,352 shares reserved for future grants under our equity incentive plans as of May 21, 2018.

For additional information regarding our common stock, see Description of Common Stock in the accompanying prospectus.

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The following tables set forth selected historical financial and other information for the periods ended and as of the dates indicated. The selected financial information presented below as of March 31, 2018 and for the three months ended March 31, 2018 and 2017 is derived from our unaudited consolidated financial statements incorporated by reference into this prospectus supplement from our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018. The selected historical financial information as of March 31, 2017 is derived from our unaudited consolidated financial statements for the quarter ended March 31, 2017, which are not included or incorporated by reference in this prospectus supplement. The selected financial information presented below as of December 31, 2017 and 2016 and for the years ended December 31, 2017, 2016 and 2015 is derived from our audited consolidated financial statements incorporated by reference into this prospectus supplement from our Annual Report on Form 10-K for the year ended December 31, 2017. The selected financial information as of December 31, 2015, 2014 and 2013 and for the years ended December 31, 2014 and 2013 is derived from our audited consolidated financial statements for the years then ended, which are not included or incorporated by reference in this prospectus supplement. Results from prior periods are not necessarily indicative of results that may be expected for any future period.

This selected financial information should be read in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 and our Annual Report on Form 10-K for the year ended December 31, 2017, and with our consolidated financial statements and related notes incorporated by reference into this prospectus supplement.

<i>(Dollars in thousands, except per share data)</i>	As of and For the Three Months Ended March 31,		As of and For the Years Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
Income statement data:							
Interest income	\$ 41,416	\$ 28,737	\$ 134,295	\$ 98,312	\$ 83,596	\$ 78,085	\$ 72,870
Interest expense	15,154	7,821	42,942	23,499	15,643	12,251	11,067
Net interest income	26,262	20,916	91,353	74,813	67,953	65,834	61,803
Provision (credit) for loan losses	195	243	(623)	838	13	10,159	8,187
Net interest income after provision for loan losses	26,067	20,673	91,976	73,975	67,940	55,675	53,616
Total non-interest income	11,089	11,409	46,966	46,508	35,483	31,549	5,779
Total non-interest expense	23,850	21,158	91,472	78,794	70,043	64,327	40,815
Income before tax	13,306	10,924	47,470	41,689	33,380	22,897	18,580
Income tax expense	2,905	3,432	9,482	13,048	10,892	6,969	5,713
Net income	\$ 10,401	\$ 7,492	\$ 37,988	\$ 28,641	\$ 22,488	\$ 15,928	\$ 12,867
Earnings per common share basic	\$ 0.38	\$ 0.27	\$ 1.38	\$ 1.04	\$ 0.81	\$ 0.56	\$ 0.49

Earnings per common share diluted	0.36	0.26	1.32	1.01	0.80	0.55	0.48
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<i>(Dollars in thousands, except per share data)</i>	As of and For the Three Months Ended March 31,		As of and For the Years Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
Balance sheet data:							
Cash and cash equivalents	\$ 145,033	\$ 112,501	\$ 156,153	\$ 103,994	\$ 96,676	\$ 105,710	\$ 146,558
Total investment securities	245,350	234,866	220,552	238,473	225,411	211,893	230,180
Loans held-for-investment	4,302,766	3,537,090	4,184,244	3,401,054	2,841,284	2,400,052	1,860,775
Allowance for loan losses	(14,818)	(16,185)	(14,417)	(18,762)	(17,974)	(20,273)	(18,996)
Loans held-for-investment, net	4,287,948	3,520,905	4,169,827	3,382,292	2,823,310	2,379,779	1,841,779
Goodwill and other intangible assets, net	64,897	66,746	65,358	67,209	50,816	52,374	
Other assets	163,525	140,019	166,007	138,489	105,958	96,207	71,992
Total assets	4,906,753	4,075,037	4,777,897	3,930,457	3,302,171	2,845,963	2,290,509
Deposits	4,098,955	3,317,880	3,987,611	3,286,779	2,689,844	2,336,953	1,961,705
Borrowings, net	304,764	349,561	335,913	239,510	254,308	164,106	20,000
Other liabilities	62,805	47,937	65,302	52,361	32,042	39,514	14,859
Total liabilities	4,466,524	3,715,378	4,388,826	3,578,650	2,976,194	2,540,573	1,996,564
Total shareholders equity	440,229	359,659	389,071	351,807	325,977	305,390	293,945
Book value per common share	13.87	12.52	13.61	12.38	11.62	10.88	10.25
Tangible book value per common share ⁽¹⁾	11.63	10.19	11.32	10.02	9.81	9.02	10.25
Performance ratios:							
Return on average assets	0.89%	0.76%	0.89%	0.81%	0.74%	0.61%	0.59%
Return on average equity	10.64%	8.52%	10.30%	8.48%	7.13%	5.25%	4.84%
Net interest margin ⁽²⁾	2.35%	2.24%	2.25%	2.23%	2.36%	2.62%	2.92%
Adjusted total revenue							