

Breakout V: Entering the Equipment Leasing & Finance Industry

#A0BA23

Duane Dewey

*Trustmark National Bank and
Trustmark Corporation*

Jim Reske

*First Commonwealth Financial
Corporation*

Chuck Sulerzyski

*Peoples Bancorp Inc. and
Peoples Bank*

Moderated by:

Harry Kaplun

Rinaldi Advisory Services

Entering the Equipment Leasing & Finance Industry

As banks strive to diversify their C&I assets outside CRE, equipment leasing and finance has a proven track record of doing just that. Each of the three panelists below have entered the equipment leasing and finance market in the past few years using three different methods. Our panelists will discuss the rationale and methodology.

Duane Dewey, President & CEO, Trustmark National Bank and Trustmark Corporation

James Reske, EVP, Chief Financial Officer, First Commonwealth Financial Corporation

Chuck Sulerzyski, President & CEO, Peoples Bancorp Inc. and Peoples Bank

*Moderated by: **Harry Kaplun**, Managing Director, Rinaldi Advisory Services*

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Trustmark



Duane A. Dewey

President & CEO,
Trustmark National
Bank and Trustmark
Corporation

HEADQUARTERS

Jackson, Mississippi

ASSETS

\$17.2B

BRANCHES

170

EMPLOYEES

2,725



James R. Reske

EVP, Chief Financial
Officer, First
Commonwealth
Financial Corporation

HEADQUARTERS

Indiana, Pennsylvania

ASSETS

\$9.6B

BRANCHES

119

EMPLOYEES

1,422



HEADQUARTERS

Marietta, Ohio

ASSETS

\$7.0B

BRANCHES

113

EMPLOYEES

1,280



Chuck Sulerzyski

President & CEO

Peoples Bancorp Inc.
and Peoples Bank

Equipment Finance Industry Size in 2021

GDP Metrics

~ 10% of GDP = Net Business Fixed Investment

~ 60% of Net Business Fixed Investment is Financed

~ 6% of GDP = Scale of Equipment Finance Market

The size of the U.S. equipment finance industry increased substantially in 2021, as about \$1.16 trillion equipment and software acquisitions were financed — the highest on record.

Equipment Finance Industry Size (\$B)



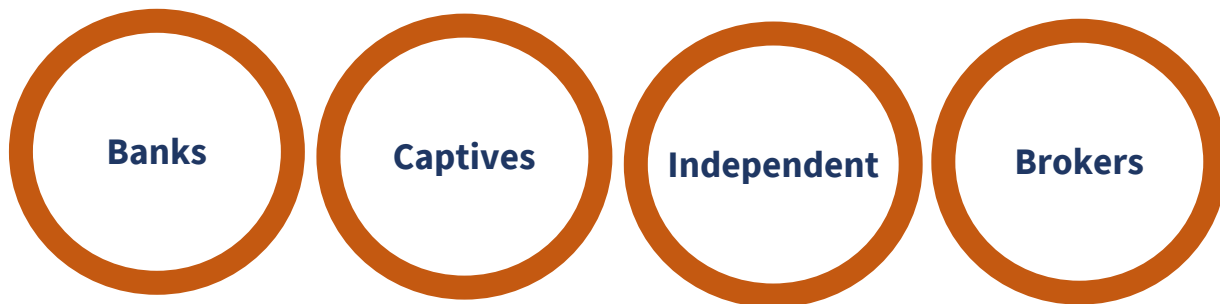
Sources: Equipment Leasing & Finance Foundation end-user surveys; BEA; Keybridge LLC.

Note: The generic term "equipment finance" is used to denote public and private equipment and software acquired via lease, secured loan, or line of credit. Non-financed equipment is acquired through cash, credit card, paid in full, or another method.

Market Segments

- » Small Ticket (SMB) < \$250K per transaction
- » Mid Ticket (Middle-Market) > \$250K < \$5 Million
- » Large Ticket > \$5 Million
- » Capital Markets

Players



What were the main reason or reasons why you chose to enter the leasing industry?

Duane Dewey Trustmark Corporation

James Reske First Commonwealth Financial Corporation

Chuck Sulerzyski Peoples Bancorp Inc. and Peoples Bank

What was your rationale for the method of entry you chose?

Duane Dewey

Denovo – Footprint & Middle Market

James Reske

Lift-Out – Capital Markets & Small Ticket

Chuck Sulerzyski

Acquisition(s) – Small Ticket & Middle Market

What were the challenges in the expansion to a national platform with the board or regulators?

Duane Dewey

Denovo – Footprint & Middle Market

James Reske

Lift-Out – Capital Markets & Small Ticket

Chuck Sulerzyski

Acquisition(s) – Small Ticket & Middle Market

Talk about the cultural aspects of bringing in a specialty business line with its unique nuances/cultures?

Duane Dewey

Denovo – Footprint & Middle Market

James Reske

Lift-Out – Capital Markets & Small Ticket

Chuck Sulerzyski

Acquisition(s) – Small Ticket & Middle Market

How does the leasing business work with the commercial bank?

Duane Dewey

Denovo – Footprint & Middle Market

James Reske

Lift-Out – Capital Markets & Small Ticket

Chuck Sulerzyski

Acquisition(s) – Small Ticket & Middle Market

How Lessons learned – what would you do differently?

Duane Dewey

Denovo – Footprint & Middle Market

James Reske

Lift-Out – Capital Markets & Small Ticket

Chuck Sulerzyski

Acquisition(s) – Small Ticket & Middle Market



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