

# INVESTAR HOLDING CORP

## FORM FWP

(Free Writing Prospectus - Filing under Securities Act Rules 163/433)

Filed 03/21/17

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CIK	0001602658
Symbol	ISTR
SIC Code	6022 - State Commercial Banks
Industry	Banks
Sector	Financials
Fiscal Year	12/31

**Term Sheet**



\$18,600,000  
6.00% Fixed-to-Floating Rate Subordinated Notes due March 2027

*This term sheet relates only to the securities described below and supplements and should be read together with the preliminary prospectus supplement dated March 15, 2017 and the accompanying prospectus (including the documents incorporated by reference therein) relating to those securities. Capitalized terms used in this term sheet but not defined have the meanings given to them in such preliminary prospectus supplement.*

<b>Issuer:</b>	Investar Holding Corporation (the "Company")
<b>Securities Offered:</b>	6.00% Fixed-to-Floating Rate Subordinated Notes due March 2027 (the "Notes")
<b>Aggregate Principal Amount:</b>	\$18,600,000
<b>Rating:</b>	Kroll Bond Rating Agency: BBB-  A rating reflects only the view of a rating agency, and it is not a recommendation to buy, sell or hold the Notes. Any rating can be revised upward or downward or withdrawn at any time by a rating agency if such rating agency decides that circumstances warrant that change. Each rating should be evaluated independently of any other rating.
<b>Trade Date:</b>	March 21, 2017
<b>Settlement Date:</b>	March 24, 2017
<b>Final Maturity (if not previously redeemed):</b>	March 30, 2027

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<b>Interest Rate:</b>	<p>From and including the Settlement Date to, but excluding March 30, 2022 a fixed per annum rate of 6.00%, payable semi-annually in arrears.</p> <p>From and including March 30, 2022, through the maturity date or the date of earlier redemption, a floating per annum rate equal to three-month LIBOR (provided, however, that in the event the then current three-month LIBOR is less than zero, three-month LIBOR shall be deemed to be zero) plus 394.5 basis points, payable quarterly in arrears.</p>
<b>Issue Price to Investors:</b>	100%
<b>Interest Payment Dates:</b>	Interest on the Notes will be payable on March 30 and September 30 of each year through, but not including, March 30, 2022, and thereafter on March 30, June 30, September 30 and December 30 of each year to, but excluding the maturity date or earlier redemption. The first interest payment will be made on September 30, 2017.
<b>Day Count Convention:</b>	30/360 to but excluding March 30, 2022, and, thereafter, a 360-day year and the number of days actually elapsed.
<b>Optional Redemption:</b>	The Company may, at its option and subject to obtaining any required regulatory approvals, beginning with the Interest Payment Date of March 30, 2022 and on any scheduled Interest Payment Date thereafter, redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but excluding, the date of redemption.
<b>Special Event Redemption:</b>	The Notes may not be redeemed prior to March 30, 2022, except that the Company may redeem the Notes at any time, at its option, in whole but not in part, subject to obtaining any required regulatory approvals, if (i) a change or prospective change in law occurs that could prevent the Company from deducting interest payable on the Notes for U.S. federal income tax purposes, (ii) a subsequent event occurs that precludes the Notes from being recognized as Tier 2 capital for regulatory capital purposes, or (iii) the Company is required to register as an investment company under the Investment Company Act of 1940, as amended, in each case, at a redemption price equal to 100% of the principal amount of the Notes plus any accrued and unpaid interest through, but excluding, the redemption date. For more information, see “Description of the Notes – Redemption” in the preliminary prospectus supplement dated March 15, 2017.
<b>Denomination:</b>	\$1,000 denominations and integral multiples of \$1,000

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<b>Listing and Trading Markets:</b>	The Company does not intend to list the Notes on any securities exchange or to have the Notes quoted on a quotation system. Currently there is no public market for the Notes and there can be no assurances that any public market for the Notes will develop.
<b>Underwriter's Discount:</b>	1.50%
<b>Proceeds to the Company (after underwriting discount, but before expenses):</b>	\$18,321,000
<b>Use of Proceeds:</b>	The Company expects to use the net proceeds from this offering to fund a portion of the purchase price of the proposed merger transaction with Citizens, and for general corporate purposes, including investments in its banking subsidiary. If the merger is not consummated, the Company intends to use the net proceeds from this offering for general corporate purposes, potential strategic acquisitions and investments in its banking subsidiary.
<b>CUSIP / ISIN:</b>	46134L AA3 / US46134LAA35
<b>Sole Book Running Manager:</b>	Sandler O'Neill + Partners, L.P.
<b>Concurrent Offering:</b>	Concurrently with this offering, the Company announced the pricing of an underwritten public offering of 1,411,765 shares of common stock at a price of \$21.25 per share, for gross proceeds of approximately \$30.0 million. The Company has also granted the underwriters a 30-day option to purchase an additional 211,765 shares of common stock at the same price and on the same terms and conditions.

**The Company has filed a shelf registration statement (File No. 333-215238) (including a base prospectus) and a related preliminary prospectus supplement dated March 15, 2017 with the Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement, and the related preliminary prospectus supplement and any other documents that the Company has filed with the SEC for more information about the Company and the offering. You may get these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, the Company, the Underwriter or any dealer participating in the offering will arrange to send you the prospectus and the related preliminary prospectus supplement if you request it by calling Sandler O'Neill + Partners, L.P. toll-free at 866-805-4128.**