

GERRISH SMITH TUCK

Consultants and Attorneys

Volume 2020

The Pursuit of Independence

Our firms have been (and will continue to be) advocates for long-term community bank independence. A community bank client of our firms recently asked us how we reconcile this position with the dozens of whole bank and branch merger and acquisition transactions in which our firms have served as legal and financial advisors over the past number of years. As we discussed the issues with our client, we were able to highlight there was, in fact, no contradiction at all. The reality--and one we believe is too often overlooked--is "community bank independence" requires action like any other strategic initiative. For some institutions, independence has been achieved for decades but is no longer a viable long-term strategy. For others, the pursuit of independence results in a sale (in fact, we believe proactively independent banks often make the best targets, but more on that later). The focus in either case is not the end result but the actions taken. Considering the issue of independence with our clients and internally, we believe there are five key actions that should be taken by all community banks to adopt and execute a strategy of independence.

First, the organization needs to be in the right structure. Again, remaining an independent community bank is no longer merely about "saying" you are going to remain independent. Independence requires affirmative action. For almost all community banks, one of the first courses of action is reorganizing so that the bank is owned by a bank holding company. Regardless of the actions of a few larger regional banks, the holding company structure

provides corporate benefits that a community bank alone cannot achieve, may help protect against unwanted takeover offers that a bank-only structure may be unable to defend against, and otherwise helps promote the efficient and effective operation of the organization.

In addition to considering the appropriate organizational structure, the appropriate tax structure should also be considered. For most community banking organizations, this means electing Subchapter S status. By lowering the overall tax burden and streamlining the organization's ownership structure, a Subchapter S election can help the organization achieve improved profitability while increasing after-tax cash flow for most community bank shareholders (even under the newer tax framework).

While the two structural alternatives above focus on the holding company component, strictly on the bank level, some organizations may also find it preferable to switch charters to a more favorable regulatory structure. This involves comparing charter alternatives (i.e., national versus state charter) and then, if a state charter is preferable, comparing status as a Federal Reserve member bank versus a non-member bank. While a charter conversion may be particularly useful if the bank's existing regulatory relations have gone sour, we recommend discussing this issue at length with competent counsel before making a decision. The grass isn't always greener, but our firm has seen a number of banks switch charter types with success.

GERRISH SMITH TUCK
THE CLIENT'S NEEDS COME FIRST

Second, community banks striving for independence must maintain and improve core profitability. For many, years of perseverance, going back to the basics, and hard work have restored respectable top-line revenue. Going forward, more and more organizations will show increased profitability, but the question will continue to be whether it is true, sustainable core profitability or simply a numbers game where poor loan growth is being mitigated with investment sales or other one-off earnings improvements. The true value of any financial institution is measured by its future, bottom-line, core profitability, which must be the board of directors' and management's primary focus in order to continue to achieve independence.

Though it may seem counter-intuitive, returning to core profitability may ultimately require avoiding certain growth and expansion "opportunities" that really provide no immediate return and pose long-term drains on income, as well as raise expenses. More and more community banks are forced to look at the expense side of the income statement and ask critical questions in order to drive profitability. "Why do we continue to maintain unprofitable branches?" "Why do we continue to offer products and services that have never made money (i.e., trust services, brokerage department, etc.) simply because we have always offered them?" If a community bank drives the efficiency of the organization and improves profitability, there will be no need to sell out to the first offer that comes along.

The third independence-promoting activity is addressing board succession and management succession. Too many organizations ultimately find themselves considering an offer from a buyer merely because they lack appropriate management succession planning and / or appropriate board succession planning. If you look around the board room and see no diversity (whether of gender, race, age, experience, thought, or otherwise), and there is no mandatory retirement, meaningful director evaluation, or other process to ensure renewal and regeneration of your board, your organization is much more likely to consider an unsolicited offer.

Likewise, if the board is so heavily dependent on the existing management team that it does not begin to groom younger management personnel for succession spots, then there will be no confidence in the younger management team and no one to step in to fill senior executive management roles when the existing management team decides to retire. If that occurs, the first alternative is to find a buyer. Shareholders should not be forced into selling merely because appropriate board and management succession was not carefully planned.

Fourth, an independent community bank must engage in annual strategic planning. Strategic planning comes in various shapes and sizes depending on the facilitator, but our firms' approach has always been to make it practical and substantive. For example, once a year, the board and management should discuss the independence question: "Can we remain independent?" If the answer is "yes", then the follow-up discussion should be what, if any, changes need to be made.

Likewise, the strategic planning process can be one where the difficult and critical questions are addressed, such as "Can we afford to remain independent?" If the board and management cannot demonstrate the ability to continue to provide a return to stakeholders as favorable as would be achieved in a sale, there may be a fiduciary duty to sell. Engaging in a substantive strategic planning process can help drive the organization to clearly define the ways that the organization can maintain independence. The other items mentioned in this article can even serve as a basis for the strategic planning process to ensure that independence is maintained.

Fifth, independent community banks must seek to enhance stakeholder value above all else. The previous four elements could really be classified as a subset of the overarching mandate to enhance stakeholder value. Community banks are for-profit institutions. For those community banks with shareholder investors who have put their money at stake, a critical mission component of the organization should be trying to

achieve greater returns for those investors. Even mutuals, who have no shareholders, have account holders and other stakeholders, such as the local community, to whom they have a responsibility to add and enhance value in order to be viable long term. Simply put, no financial institution becomes the employer of choice in its community and creates better opportunities for its citizens, customers, and employees unless the board and management are primarily focused on finding, creating, and sustaining value.

The true value of a financial institution in the merger and acquisition context is determined by its future earnings potential. If a board and management are unwilling to enhance value for stakeholders--shareholders or otherwise--then the first offer that presents more favorable alternatives may trigger a fiduciary duty by the board and management to accept the offer, or at least put the bank "in play". Therefore, the surest way to maintain independence for your organization is to have a plan that fully enhances stakeholder value.

As a final note, always remember that independence is action-oriented, not results-oriented. Adhering to the principles discussed above will hopefully help your organization remain independent in a consolidating environment and provide positive benefits for years.

GERRISH SMITH TUCK DIRECTOR TRAINING MATERIALS

Philip Smith and Greyson Tuck of Gerrish Smith Tuck, in coordination with the Independent Community Bankers of America, have produced a video series for director training that discusses relevant issues such as strategic planning, corporate governance, and compliance. For additional information about the series, please contact Carolyn Martin at cmartin@gerrish.com or visit icba.org/education/products/bank-director-video-series.

Planning and Executing a Successful Whole Bank or Branch Acquisition

In years past, growth was not synonymous with consolidation. In today's banking industry, the two seem to be intrinsically intertwined. We will be the first to tell you that the investment bankers' mantra that "a community bank must double its size to survive" is simply not true. It is far too broad a brush stroke. We have visited or spoken with hundreds of community bankers over the past few years whose banks have adopted a nominal or moderate growth strategy and are faring just fine. Still, it would be naïve to ignore the fact that, for many others in the industry, the only opportunity for meaningful growth is consolidation. Recently, this has particularly been the case when the desired growth is deposit growth. Our firms have assisted in many transactions fueled by a need for deposits.

Despite the trend, though, we continue to find that a large number of community banks have no clue how to meaningfully consider whether to pursue a merger or acquisition transaction. This is simply due to a lack of experience. Whatever the reason, finding your place in the merger and acquisition arena can feel like searching for something in the dark. For any banks that are considering a whole bank or bank branch acquisition as a potential means of growth, there are a number of principles that should be followed.

1. Decide Your Institution's Acquisition Strategy Early.

The first decision to be made regarding the acquisition of a bank or branch is whether the acquisition fits within the acquirer's long-term strategic plan. Some banks' strategic plans are conducive to acquisitions while, for others, an acquisition of another institution does not make sense no matter what the situation or how "cheap"

it may seem initially. A Board of Directors should decide (and at least annually re-evaluate) whether a bank or branch acquisition fits within the acquirer's long term strategic plan. Making this decision early allows the board to fully understand, debate, and plan for the issues associated with acquiring another financial institution. More importantly, it allows a board the benefit of being free from the pressure of time constraints under which bank acquisitions sometimes occur.

In addition to determining whether an acquisition of another bank or bank branch fits within the acquirer's long-term strategic plan, a board should consider their "appetite for risk" as part of this planning process. On one hand, this involves assessing the board's appetite for funding an acquisition with leverage. The majority of community bank transactions are for cash, which means the acquirer has to come up with the funds. Some organizations will be able to solicit capital injections for existing shareholders, but most are required to fund with debt leverage.

Separately, the board should also determine its risk appetite with respect to the level of the target's asset quality or other issues. The board should determine whether it has the ability to stomach the ups and downs and the uncertainty of a troubled bank acquisition, or whether its board makeup requires it to avoid "problem institutions" and seek acquisitions of banks or branches with only negligible issues.

2. Identify The Ideal Target Institution.

If a Board of Directors has decided acquiring a bank or branch fits within the acquirer's long-term strategic plan, the board should next identify the bank's "ideal" target. Identifying an ideal target does not mean pinpointing a specific institution and waiting for it to begin marketing itself for sale. Instead, identifying the ideal target institution requires a board to identify the general attributes of the bank or branch it would like to purchase.

A board should compile a list of the target's

characteristics that will give the highest probability of a successful and profitable acquisition. The geographic location and size of an ideal target, the severity of the target's problems, and other important characteristics should all be considered. It is unlikely an acquisition opportunity will meet exactly each one of the ideal characteristics. However, identifying the ideal characteristics before an opportunity presents itself will allow a board to quickly gauge whether an opportunity is worthy of further consideration.

3. Use Outside Assistance to Determine the Structure of the Acquisition.

Bank acquisitions come in all shapes and sizes. Some acquisitions are structured as whole bank purchases, which depending on the health of the target may have holdbacks for accounting revaluation adjustments, problem loan losses, or other unique components. Some acquisitions, particularly branch transactions, are purchase and assumption transaction where the acquirer assumes a branch's deposit liabilities and acquires assets (loans, building, cash, etc.) to offset the assumed liabilities. Some bank acquisitions are not acquisitions at all, but are more properly characterized as equity injections. With an array of options available to bank purchasers, it is important

SCHEDULE YOUR STRATEGIC PLANNING NOW!

Several members of Gerrish Smith Tuck, Consultants and Attorneys, facilitate strategic planning sessions for community banks all over the nation. Now is the perfect time to schedule your 2020 planning session. If you would like a member of Gerrish Smith Tuck to facilitate your next strategic planning retreat, please contact Jeff Gerrish, Philip Smith, or Greyson Tuck at (901) 767-0900.

for the acquirer and their consultants or attorneys to identify exactly what acquisition structure will yield the greatest likelihood of success.

4. Conduct a Thorough Due Diligence Investigation.

Although things have improved drastically in the community bank sector over the past ten years, due diligence of a potential target is as important as ever. Safety and soundness "time bombs" may have diffused, but compliance "gotchas" are alive and well.

It is of paramount importance that a community bank acquirer conduct a thorough due diligence of the target to understand exactly what is being purchased. The acquirer must do a detailed review of the target's assets and compliance. An acquirer must fully understand the target institution in order to value the acquisition properly and avoid any surprises at or following closing.

5. Don't Over-Allocate Resources to the Acquired Institution.

Community bank acquirers tend to devote a substantial portion of their time and resources to their recent acquisition. While this is expected in a bank or branch acquisition, over-allocating financial or managerial resources to the recently purchased institution can lead to problems. An acquirer with too much focus on a recent acquisition can neglect their original institution and jeopardize its safety and soundness.

Bank acquirers should be vigilant in their oversight of both the original and the acquired institution. Particular attention should be paid to striking the right balance of resources allocated to both. A healthy institution can quickly turn into a troubled institution if too much time

and resources are spent on the acquired institution and not enough time and resources are spent maintaining the original institution.

If the past few years have been any indication, the future will continue to present a number of acquisition opportunities for community banks. These acquisitions can prove to be a profitable strategic move so long as the acquiring institution sticks to these fundamental principles of buying a community bank or branch.

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RESOURCE MATERIALS

Gerrish Smith Tuck has created numerous Memos to Clients and Friends on various topics (available free of charge). Set forth below are sample Memos to Clients and Friends:

Acquisitions

- Responding to Unsolicited Offers
- Treatment of Transaction Expenses

Employee Benefit Issues

- Incentive Compensation Plans
- Taking a Fresh Look at ESOPs
- Key Employment Contract Provisions Utilized by Community Banks

Raising and Allocating Capital

- Raising Capital Without Registering with the SEC
- Stock Repurchase Plans
- The Continuing Benefits of a Community Bank Holding Company

Regulatory

- Qualified Mortgage Rule
- Civil Money Penalty Process
- Community Bank Leverage Ratio Capital Plan

Subchapter S

- Subchapter S Taxation Under the 2017 Tax Bill
- Use of S Corporations by Financial Institutions
- Eligible Subchapter S Shareholders

Miscellaneous

- Loan Production Offices
- Efficient Conduct of Board Meetings
- Enterprise Risk Management
- Legal Entity Identifiers
- Types of Incentive Compensation Plans

Gerrish Smith Tuck, in connection with various speaking engagements around the country, has created high quality “handout” booklets. The publications below are available for a nominal charge:

Director Duties: Creating Value for the Organization

What’s Next – Back to Basics and Back to the Future

Enhancing Shareholder Value – With or Without Sale

Mastering M&A for Today’s Community Bank

Is a Holding Company in Your Bank’s Future?

New Truths About Directors, Shareholders and Regulators (Including Compliance)

The Community Bank Survival Guide

The Pros and Cons of Converting to Subchapter S

Strategic Planning: Don’t Make Me Do It!

THE CHAIRMAN’S FORUM NEWSLETTER AND GERRISH’S MUSINGS

The Chairman’s Forum Newsletter and *Gerrish’s Musings* are complimentary email newsletters prepared and distributed by Gerrish Smith Tuck. The Chairman’s Forum Newsletter, distributed monthly, is exclusively designed for community bank Chairmen, Vice Chairmen, and senior directors. Gerrish’s Musings, distributed bi-monthly, contains practical commentary for community bank directors and officers based on Jeff Gerrish’s, Philip Smith’s, and Greyson Tuck’s experiences with community banks around the nation.

If you are interested in any of these memos, publications, or newsletters please call or email Valerie Wilt at (901) 684-2310 or vwilt@gerrish.com.

Please visit our website at: www.gerrish.com

Areas of Service

Gerrish Smith Tuck, LLC, Consultants and Gerrish Smith Tuck, PC, Attorneys are committed to the delivery of the highest quality, timely and most effective consulting and legal services **exclusively to community financial institutions** in the following areas:

FINANCIAL ADVISORY/ CONSULTING SERVICES

- Strategic Planning -
- Acquisition Pricing and Financial Analysis -
 - Fairness Opinions -
 - Capital Planning -
- Subchapter S Financial Modeling -
 - Directors' Liability -
- Mergers and Acquisitions Transaction Structure -
 - Executive Compensation -
 - Employee Benefits -
- Bank/Stock Valuation Analysis -
 - Tax and Estate Planning -
 - New Bank Formations -
 - Going Private -
 - Stock Repurchase Analysis -
 - Branch Profitability Analysis -
 - Expert Witness -

LEGAL SERVICES

- Mergers and Acquisitions -
 - ESOPs and KSOPs -
- Dealing with the Regulators -
 - Going Private -
- Director and Officer Liability -
- Private Securities Placements -
 - Fair Lending -
- Subchapter S Formations -
 - Executive Compensation -
- Holding Company Formations -
 - Federal and State Taxation -
 - New Bank Formations -
 - Corporate Contract Review -
- General Corporate & Securities -
- Regulatory Enforcement Actions -
 - Probate -
 - Employee Benefits -
- Estate Planning for Executives -

PROGRAMS & PRESENTATIONS

In addition to facilitating numerous strategic planning retreats and proprietary director and officer training sessions, Gerrish Smith Tuck also has recently provided speakers for the following trade associations on a wide variety of topics:

- Alabama Bankers Association
- American Bankers Association
- Arkansas Community Bankers
- Arizona Bankers Association
- Bank Holding Company Association
- California Bankers Association
- California Community Banking Network
- Community Bankers Association of Georgia
- Community Bankers Association of Illinois
- Community Bankers of Iowa
- Community Bankers Association of Kansas
- Community Bankers of Michigan
- Community Bankers of Washington
- Community Bankers of West Virginia
- Independent Bankers of Colorado
- Independent Community Bankers Association of New Mexico
- Independent Community Bankers of America
- Independent Community Bankers of Minnesota
- Independent Community Banks of North Dakota
- Independent Community Banks of South Dakota
- Indiana Bankers Association
- Iowa Independent Bankers
- Maine Bankers Association
- Montana Independent Bankers Association
- Nebraska Independent Community Bankers
- Pennsylvania Association of Community Bankers
- Pennsylvania Bankers Association
- South Carolina Bankers Directors College
- Tennessee Bankers Association
- Virginia Association of Community Banks
- Washington Bankers Association
- Western Bankers Association

Please email us or visit www.gerrish.com for a complete listing of upcoming conferences and seminars at which we will be speaking.

Recent Transactions



Abbotsford, Wisconsin

has acquired



Gresham, Wisconsin

Gerrish Smith Tuck, Attorneys, served as financial and legal advisors to AbbyBank

Westbrand, Inc.

Bank Holding Company for



Minot, North Dakota

has acquired

BlackRidge Financial, Inc.



Fargo, North Dakota

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Westbrand, Inc. and First Western Bank & Trust



Redwood Falls, Minnesota

has acquired



Wilmot, South Dakota

and



Summit, South Dakota

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Northeast Bancorp, First State Bank and Peoples State Bank

Associated Banc-Corp.

Bank Holding Company for



Green Bay, Wisconsin

has acquired

First Staunton Bancshares, Inc.

Bank Holding Company for



Staunton, Illinois

Gerrish Smith Tuck, Consultants and Attorneys, served as financial advisors to First Staunton Bancshares, Inc. and First National Bank in Staunton

Farmers Bancorp, Inc. of Marion Kentucky

Bank Holding Company for



Marion, Kentucky

has acquired

Community Bancorp of Kentucky, Inc.

Bank Holding Company for



FIRST STATE BANK

Central City, Kentucky

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Community Bancorp of Kentucky, Inc. and First State Bank



Sardis, Tennessee

has acquired a branch office from



Russellville, Alabama

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to The Peoples Bank and CB&S Bank

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jgerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

Recent Transactions

Peoples Bancorp
Bank Holding Company for



Rock Valley, Iowa

has acquired

Pinnacle Bancorp Inc.
Bank Holding Company for



Sioux City, Iowa

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to Peoples
Bancorp and Peoples Bank



Mineral Point, Missouri

has acquired three branch offices from



Creve Coeur, Missouri

Gerrish Smith Tuck, Consultants and
Attorneys, served as financial and legal
advisors to UNICO Bank

Commercial Bancgroup, Inc.

Bank Holding Company for



Harrogate, Tennessee

has acquired

Citizens Bancorp, Inc.

Bank Holding Company for



New Tazewell, Tennessee

Gerrish Smith Tuck, Consultants and
Attorneys, served as financial and legal
advisors to Citizens Bancorp, Inc. and
Citizens Bank



East Tawas, Michigan

has acquired a branch office from



Alpena, Michigan

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to Huron
Community Bank

Eagle Bancorp Montana, Inc.

Bank Holding Company for



Helena, Montana

has acquired

TwinCo, Inc.

Bank Holding Company for



Twin Bridges, Montana

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to TwinCo,
Inc. and Ruby Valley Bank

First Holding Company of Cavalier, Inc.

Bank Holding Company for



Cavalier, North Dakota

has acquired

Mahnomen Bancshares, Inc.

Bank Holding Company for



Mahnomen, Minnesota

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to
Mahnomen Bancshares, Inc. and First National
Bank of Mahnomen

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jgerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

Recent Transactions

Abby Bancorp, Inc.

Bank Holding Company for



Abbotsford, Wisconsin

has acquired

Fidelity Bancorp, Inc.

Bank Holding Company for



Medford, Wisconsin

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to AbbyBank

Blackhawk Bancorporation, Inc.

Bank Holding Company for



Milan, Illinois

has acquired

First Port Byron Bancorp, Inc.

Bank Holding Company for



Port Byron, Illinois

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Port Byron Bancorp, Inc. and Port Byron State Bank



Charlotte, Michigan

has acquired

Stockbridge Bancorporation, Inc.

Bank Holding Company for



Stockbridge, Michigan

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Stockbridge Bancorporation, Inc. and SSBank

TCB Mutual Holding Company

Mutual Holding Company for



Tomahawk, Wisconsin

has acquired



Merrill, Wisconsin

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to TCB Mutual Holding Company and Tomahawk Community Bank

Sullivan BancShares, Inc.

Bank Holding Company for



Sullivan, Illinois

has acquired

Moultrie Bancorp, Inc.

Bank Holding Company for



Lovington, Illinois

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Sullivan BancShares, Inc., First National Bank of Sullivan, Moultrie Bancorp, Inc. and Hardware State Bank



TODAY'S BANK

Huntsville, Arkansas

has acquired, through a FDIC failed bank transaction,



Mulberry, Arkansas

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Today's Bank

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jjerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

Recent Transactions

Amboy Bancorp, Inc.

Bank Holding Company for



Amboy, Illinois

has acquired



Franklin Grove, Illinois

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Amboy Bancorp, Inc. and The First National Bank in Amboy



Canton, Illinois

has acquired

Henry State Bancorp, Inc.

Bank Holding Company for



Henry, Illinois

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Henry State Bancorp, Inc. and Henry State Bank

First State Bancshares of Dekalb County, Inc.

Bank Holding Company for



Fort Payne, Alabama

has acquired

First Rainsville Bancshares, Inc.

Bank Holding Company for

First Bank of the South

Rainsville, Alabama

Gerrish Smith Tuck, Attorneys, served as financial and legal advisors to First Rainsville Bancshares, Inc. and First Bank of the South



Hillsboro, Illinois

has acquired a branch office from



Terre Haute, Indiana

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to First Community Bank of Hillsboro

Sargent Bankshares, Inc.

Bank Holding Company for



Forman, North Dakota

has acquired

FNB Bankshares, Inc.

Bank Holding Company for



Milnor, North Dakota

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to FNB Bankshares, Inc. and First National Bank of Milnor

Planters Holding Company



Indianola, Mississippi

has acquired

Covenant Financial Corporation



Clarksdale, Mississippi

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Covenant Financial Corporation and Covenant Bank

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jgerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

Recent Transactions



Effingham, Illinois

has acquired

First Federal MHC
Mutual Holding Company for



Mattoon, Illinois

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to
Washington Savings Bank

Community Financial Corp.

Bank Holding Company for



Edgewood, Iowa

has acquired

Garnavillo Bank Corporation

Bank Holding Company for



Garnavillo, Iowa

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to
Garnavillo Bank Corporation and The Garnavillo
Savings Bank

Docking Bancshares, Inc.

Bank Holding Company for



Arkansas City, Kansas

has acquired

Relianz Bancshares, Inc.

Bank Holding Company for



Wichita, Kansas

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to Docking
Bancshares, Inc. and Union State Bank

Olympic Bancorp, Inc.

Bank Holding Company for



Port Orchard, Washington

has acquired

**Puget Sound Financial Services,
Inc.**

Bank Holding Company for



Fife, Washington

Gerrish Smith Tuck, Consultants and Attorneys,
served as financial and legal advisors to Puget
Sound Financial Services, Inc. and Fife
Commercial Bank

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jgerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

Recent Transactions

TS Contrarian Bancshares, Inc.

Bank Holding Company for

TS Bank

Treynor, Iowa

has acquired

Tioga Bank Holding Company

Bank Holding Company for

THE BANK OF TIOGA

Tioga, North Dakota

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Tioga Bank Holding Company and The Bank of Tioga

LIBERTYVILLE SAVINGS BANK

Fairfield, Iowa

has acquired

Keota Farmers Savings Bank

Keota, Iowa

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Farmers Savings Bank

Security Financial Services Corporation

Bank Holding Company for

sfb
SECURITY FINANCIAL BANK

Durand, Wisconsin

has acquired

Bloomer Bancshares, Inc.

Bank Holding Company for

PEOPLES State Bank
OF BLOOMER

Bloomer, Wisconsin

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to Bloomer Bancshares, Inc. and Peoples State Bank of Bloomer

WSFS Financial Corporation

Bank Holding Company for

WSFS bank

Wilmington, Delaware

has acquired

First Wyoming Financial Corporation

Bank Holding Company for

THE First National BANK OF Wyoming

Wyoming, Delaware

Gerrish Smith Tuck, Consultants and Attorneys, served as financial and legal advisors to First Wyoming Financial Corporation and The First National Bank of Wyoming

To discuss your institution's bank acquisition transaction opportunities, please contact Jeff Gerrish at jgerrish@gerrish.com, Philip Smith at psmith@gerrish.com, or Greyson Tuck at gtuck@gerrish.com.

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