

MIDFLORIDA Credit Union plans largest expansion in company history!

Acquisition planned of two Florida banking operations

Lakeland, FL - MIDFLORIDA, which has grown to be one of the largest credit unions in Florida through organic growth and credit union mergers, now plans to expand its footprint even further with the acquisition of two banking operations – one in northern Florida and the other in southwest Florida. MIDFLORIDA announced its intent to merge with Community Bank & Trust of Florida and acquire the Florida assets of First American Bank of Iowa. When finalized, the combined entity will boast \$4 billion in assets, \$3.0 billion in loans, 1,100 employees and 63 full-service branches.

The merger of MIDFLORIDA and Community Bank & Trust will be the largest credit union/bank merger to date. In addition to Community Bank & Trust's \$730+ million in assets, the bank also manages over \$300 million in trust assets. MIDFLORIDA will be establishing a trust company to manage and geographically expand this service. "In many communities, credit unions are becoming the primary source for consumer and small business banking," stated Kevin Jones, CEO of MIDFLORIDA. "We hope to strategically acquire additional financial institutions in Florida to expand our affordable consumer and business services. Our goal is for MIDFLORIDA to become the most convenient credit union in Central Florida."

Community Bank & Trust as well as First American Bank were selected as partners because each institution shares the same strong service culture and commitment to customer needs as MIDFLORIDA. "Merging with MIDFLORIDA just makes sense, said Hugh Dailey, President and CEO of Community Bank & Trust. He added, "Becoming part of MIDFLORIDA allows us to maintain the parts of our business that are most important to us – a focus on the customer's needs, an emphasis on community and the ability to make quick, local decisions. We'll maintain the same local bank philosophy that has made us so successful for the last 20 years." Mr. Dailey will join MIDFLORIDA as the Market President for North Florida.

"It also helps that the selected banks' markets are adjacent to MIDFLORIDA's existing service area," Jones continued. "Twenty years ago, we changed our charter and vision to serve Central Florida. With our more recent expansion to the east and west coasts, we now feel like we are nearing achievement of that goal and are ready for the next phase. Expanding to the north and south with these strategic

partners meshes well with our future growth plans for the credit union.” MIDFLORIDA will retain all of the branches and branch staff of both banks.

All three institutions are financially strong and are complementary in terms of their financial structures. Community Bank & Trust has a strong deposit base of over \$660 million in Ocala, Gainesville and The Villages, while First American Bank’s emphasis has been in both commercial and residential mortgage lending in the Naples and Cape Coral markets. John Fisher, President of First American Bank, stated “Naples is a great market with tremendous potential for MIDFLORIDA.”

MIDFLORIDA’s business model has been equally strong but more holistic and includes indirect auto lending, commercial, residential mortgage and consumer lending and deposits. “The synergist effect of the combined institutions will allow MIDFLORIDA to generate deposits in certain markets and lend those deposits to members in another market. In the end, we’ll create an even stronger financial institution for the membership,” said Steve Moseley, President of MIDFLORIDA.

The agreements were approved by the board of directors of each company. The acquisition of the Florida assets of First American Bank of Iowa is expected to happen in November 2019, while the merger with Community Bank & Trust of Florida is expected to close at year end. Both the acquisition and the merger are subject to all required regulatory requirements and approval as well as fulfillment of all customary closing conditions.

MIDFLORIDA was advised in the First American Bank transaction by Smith Mackinnon, PA, as legal counsel, and DD&F Consulting Group, as financial advisor. First American Bank of Iowa was advised by Barack Ferrazzano Kirschbaum & Nagelberg LLP, as legal counsel, and Hovde Group, LLC as financial advisor. MIDFLORIDA was advised in the Community Bank & Trust merger by Howard & Howard Attorneys, PLLC, as legal counsel, and DD&F Consulting Group, as financial advisor. Community Bank & Trust of Florida was advised by Smith Mackinnon, PA, as legal counsel, and Hovde Group, LLC as financial advisor.

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About MIDFLORIDA Credit Union

MIDFLORIDA is a state-chartered financial institution headquartered in Lakeland, Florida. The credit union currently serves more than 315,000 members with assets totaling more than \$3.42 billion through its branch network, ATMs and website, www.midflorida.com. MIDFLORIDA Credit Union is open for membership to anyone who lives, works, worships or attends school within its Central Florida service area, which spans from coast to coast. MIDFLORIDA is federally insured by the National Credit Union Administration.