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## **CORPORATE AMERICA FAMILY CREDIT UNION (CAFCU) ANNOUNCES PLANS TO ACQUIRE BEN FRANKLIN BANK OF ILLINOIS**

*CAFCU is Eager to Acquire Chicago Suburban Area Based Community Bank*

*Corporate America Family Credit Union Empowers Members for Financial Success*

### **FOR IMMEDIATE RELEASE**

**Elgin, IL and Arlington Heights, IL (July 17, 2019)** – Corporate America Family Credit Union (“CAFCU”) and Ben Franklin Financial, Inc. (OTC PINK: BFFI), the holding company for Ben Franklin Bank of Illinois (“Ben Franklin Bank”), announced today that CAFCU, Ben Franklin Financial and Ben Franklin Bank have signed a definitive purchase and assumption agreement (the “Agreement”) whereby CAFCU will acquire the assets and assume the liabilities of Ben Franklin Bank in an all-cash transaction. Following the completion of this transaction, the existence of Ben Franklin Bank and Ben Franklin Financial will end and their remaining assets, after all obligations are settled, will be distributed to the Ben Franklin Financial stockholders. As of March 31, 2019, Ben Franklin Bank operated two bank branches in Arlington Heights and Rolling Meadows, Illinois and had \$93.2 million in assets. This strategic acquisition will increase CAFCU’s total number of branches to 22 and total assets to approximately \$700 million.

This transaction will be the first time that a federal mutual holding company that converted to a stock holding company following the implementation of the Dodd-Frank Act will have its assets and liabilities sold to a credit union. As a result, we cannot predict at this time whether the liquidation accounts maintained by Ben Franklin Financial and Ben Franklin Bank will be required to be distributed to certain depositors of Ben Franklin Bank, the amount of any such distribution, and the ultimate impact of any required payments on the amount of cash to be received by Ben Franklin Financial stockholders in the transaction.

Under the terms of the purchase and assumption agreement, Ben Franklin Financial stockholders are currently estimated to receive between \$10.33 and \$10.70 in cash consideration for each share of Ben Franklin Financial common stock (the “per share consideration”). The per share consideration is subject to significant variation based on various items, such as, Ben Franklin Bank’s ability to meet a minimum equity target at closing; the regulatory treatment of and costs associated with the liquidation accounts maintained by Ben Franklin Financial and Ben Franklin Bank; the amount of cash held by Ben Franklin Financial at closing; costs related to terminating the existence of Ben Franklin Bank and Ben Franklin Financial and distributing the remaining assets to stockholders; and future operating results. Other factors that may cause a reduction in the per share consideration include, among others, final costs associated with terminating specific employee benefit plans and any Ben Franklin Bank environmental problems with remediation costs over a threshold amount.

The transaction has been unanimously approved by the board of directors of each party and is expected to close in early 2020, subject to customary closing conditions, the approval of Ben Franklin Financial stockholders, regulatory

approvals, and if required, approval of the depositors of Ben Franklin Bank. The distribution of cash to Ben Franklin Financial stockholders is expected to occur within several months after completion of the sale of assets to CAFCU.

Both banking locations of Ben Franklin Bank of Illinois will continue to operate as branches of CAFCU after the transaction is finalized. Ben Franklin Bank's customers will become members of CAFCU with full access to the credit union's wide array of products and services as well as its larger lending limit.

*C. Steven Sjogren, President and CEO of Ben Franklin Financial stated "We have spent a long time seeking to maximize stockholder value and believe that we have negotiated an outstanding transaction for our stockholders. We are enthusiastic about our consolidation with Corporate America Family Credit Union as it significantly expands opportunities for our customers, our employees, and our community. Corporate America Family Credit Union has a history of focusing on the financial success of its members, and this collaboration ensures that customer-focused banking will remain in our community."*

Ben Franklin Bank currently operates two branches located in the Chicago suburbs. Established in 1893 as a building and loan association, the bank now offers a full range of financial services that focuses on the needs of the surrounding communities.

CAFCU and Ben Franklin Bank are both committed to providing a safe and sound financial institution that will not only strengthen the foundation of CAFCU, but will also allow for continued growth and success.

*"Corporate America Family Credit Union (CAFCU) provides members with the tools, resources, and expertise to empower financial success. Our mission is to make a meaningful difference in the financial lives of our members. We are looking forward to the acquisition of Ben Franklin Bank and feel this will be an excellent opportunity to provide even more individuals with the products and services CAFCU offers in furthering financial goals and dreams."* said Peter Paulson, President, and CEO of CAFCU.

Ben Franklin Financial is being represented in this transaction by Janney Montgomery and Scott LLC, Chicago, Illinois, as well as Luse Gorman, PC, Washington, D.C. CAFCU is being represented by Howard and Howard, Royal Oak, Michigan.

#### **About Corporate America Family Credit Union (CAFCU)**

CAFCU has 80 years of experience serving the financial needs of members, and currently has 20 locations in small towns and major metropolitan areas nationwide, serving 67,000 members. For details about CAFCU's products and services, visit [www.cafcu.org](http://www.cafcu.org).

#### **About Ben Franklin Financial, Inc.**

Ben Franklin Financial has been the stock holding company of Ben Franklin Bank of Illinois since January 2015. As of March 31, 2019, Ben Franklin Bank of Illinois operated two bank branches in Arlington Heights and Rolling Meadows, Illinois and had \$93.2 million in assets. Ben Franklin Financial's common stock on the OTC Pink Marketplace appears under the symbol "BFFI." For more information about Ben Franklin Financial and Ben Franklin Bank, visit [www.benfrankbank.com](http://www.benfrankbank.com).

#### **Forward-Looking Statements**

This news release contains forward-looking statements. Forward-looking statements include statements regarding the anticipated closing date of the transaction and anticipated future plans and expectations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like "believe," "expect," "anticipate," "estimate," and "intend" or future or conditional verbs such as "will," "would," "should," "could" or "may." Certain factors that could cause actual results to differ materially from expected results include delays in completing the transaction, uncertainties regarding the proper treatment and calculation of the liquidation account, transaction expenses, additions to Ben Franklin Bank's allowance for loan losses, difficulties in integrating Ben Franklin Bank into CAFCU, legislative and regulatory changes that adversely

affect the business in which CAFCU and Ben Franklin Financial are engaged, changes in the securities markets and other risks and uncertainties. Except as required by law, neither CAFCU nor Ben Franklin Financial undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made.

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