

DONNELLY PENMAN & PARTNERS

INVESTMENT BANKING

DP&P acted as Sales Agent to Huron Valley State Bank and Clarkston Financial Corporation

Huron Valley State Bank

Huron Valley State Bank (HVSB) began operations under a separate charter on Monday, August 15, 2005. HVSB was organized by Clarkston Financial Corporation (CKSB) in tandem with local business people and seasoned banking professionals. HVSB is located in the Village of Milford in Oakland County, Michigan and is the area's first community bank to serve a market area consisting of the Village of Milford, and the Townships of Commerce, Highland, White Lake and Hartland. HVSB will provide a full range of traditional commercial and consumer banking services for small to medium-sized businesses as well as individuals.

Clarkston Financial Corporation

CKSB is the holding company for Clarkston State Bank and HVSB. Clarkston State Bank opened in January of 1999 and operates 5 branches in Clarkston, Waterford, and Independence Township, and operates one loan center in Clarkston. CKSB will enter into an arms-length service agreement with HVSB to provide data processing, mortgage operations and other services to HVSB.

The Transaction

Donnelly Penman & Partners (DP&P) acted as exclusive sales agent for HVSB in connection with the sale of 820,000 shares in the offering. CKSB will own approximately 55% of HVSB with local investors owning the balance of the shares outstanding.

DP&P assisted HVSB in all facets of the capital raise including compilation of investor lists, preparation of investor presentations, and assisting directors in the solicitation of investor interest including one-on-one meetings. In addition to working with the directors, DP&P was able to attract interest from its own investor relationship base. The principals of DP&P have been involved in raising the initial capital for over 15 bank De Novo formations in the Midwest and has a completion rate of 100%.

In addition to assisting HVSB, DP&P also acted as sales agent to CKSB in connection with their Rights Offering of 165,776 common shares at \$18.00 per share. CKSB received \$2.983 million of proceeds in connection with the Rights Offering which together with other corporate funds was used to purchase their majority interest in HVSB. For further information, please contact **John Donnelly**, Managing Director, at (313) 393-3054.

August 2005

These securities have been sold.
This announcement appears as a matter of record only.

820,000 Shares



**Initial Offering of
Common Stock**

Price: \$10.00 per share

August 2005

These securities have been sold.
This announcement appears as a matter of record only.

165,776 Shares



**Rights Offering of
Common Stock**

Price: \$18.00 per share

Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a [FINRA](#) licensed broker dealer and member [SIPC](#).

Donnelly Penman & Partners is owned by the employees of the firm, who have participated in more than 225 transactions since the firm's inception in September 2000 and collectively have more than 85 years of investment banking experience.