

# DONNELLY PENMAN & PARTNERS

INVESTMENT BANKING

## MSB Holding Inc. has been acquired by Community Bancorp, Inc.

### Montrose State Bank (“Montrose”)

Montrose is a full service bank with four locations in Saginaw, Genesee, and Shiawassee Counties in Michigan. Montrose provides a wide variety of commercial and consumer banking services to individuals and small to medium-sized businesses in the communities of Montrose, Flushing, New Lothrop, and Burt. Montrose’s services include accepting time, demand and savings deposits, including regular checking accounts, savings accounts, and certificates of deposit. In addition, Montrose offers commercial, agricultural, mortgage and consumer loans and provides safe deposit facilities.

### Community State Bank of St. Charles (“Community”)

Community provides commercial and consumer banking with four branches in Saginaw County, Michigan. Community offers checking accounts, savings deposits, money market accounts, certificates of deposit and individual retirement accounts. Additionally, Community extends business lines of credit and originates commercial mortgages as part of its business lending services. Community also offers various personal loans, such as residential mortgages, home equity loans, and other consumer loans.



### The Transaction

Community Bancorp, Inc., the parent company of Community State Bank of St. Charles, acquired MSB Holding Inc. (“MSB”), parent of Montrose State Bank. At June 30, 2007, Community had assets of approximately \$132 million and Montrose had assets of approximately \$61 million. Community will pay \$10.25 million in cash to acquire all outstanding shares of MSB common stock and MSB will declare a special, one-time cash dividend to shareholders for as much as \$7.33 million. Montrose will operate under the name of Community State Bank of St. Charles. Per SNL Financial, this deal value represents 238% of book value and tangible book value. Donnelly Penman & Partners acted as financial advisor to Montrose and assisted in the negotiations in connection with the transaction. Please contact John Donnelly at (313) 393-3054 for further information.

### 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.