



## Fentura Financial, Inc. to acquire Community Bancorp, Inc.

### Fentura Financial, Inc.

Fentura Financial, Inc. (OTCQX:FETM), (“Fentura”) is a bank holding company headquartered in Fenton, Michigan, whose bank subsidiary is The State Bank (“TSB”). TSB is a full-service community bank offering a wide range of banking services to individuals, small business and government entities through its 6 branch locations in Genesee County, 1 branch in Oakland County, and 1 branch in Livingston County. As of December 31, 2015, Fentura had total assets of \$445.0 million, gross loans of \$378.7 million, total deposits of \$376.0 million, and total equity of \$32.5 million.

### Community Bancorp, Inc.

Community Bancorp (“Community”) is a bank holding company headquartered in St. Charles, Michigan, whose bank subsidiary is Community State Bank. Community maintains 5 branches and 1 LPO in Saginaw County, 1 branch in Genesee County, and 1 branch in Shiawassee County. As of December 31, 2015, Community State Bank had total assets of \$195.8 million, gross loans of \$81.4 million, total deposits of \$173.9 million, and total equity of \$21.4 million.

### The Transaction

On March 23, 2016, the boards of directors of Fentura and Community announced the execution of a definitive agreement by which Fentura will acquire Community in an all-cash transaction. Shareholders of Community will receive cash consideration of \$21.6 million in aggregate, or approximately \$68.75 per share. Fentura expects the transaction to be significantly accretive to earnings in year one, and anticipates earn back of the tangible book value dilution in less than three years.

Based on the companies’ balance sheets as of December 31, 2015, following completion of the transaction the combined organization will have approximately \$620 million in assets, \$461 million in loans and \$550 million in deposits. TSB’s branch offices will double to 16 locations, predominately serving mid-Michigan markets. The transaction is expected to be completed in the third quarter of 2016, subject to approval by the shareholders of Community Bancorp, Inc., the Federal Reserve Bank of Chicago, the Federal Deposit Insurance Corporation, and the Michigan Department of Insurance and Financial Services.

Donnelly Penman & Partners acted as a financial advisor to Fentura and assisted in the negotiations in connection with the transaction, as well as delivered a Fairness Opinion. Howard & Howard acted as legal counsel to Fentura. Please contact [John Donnelly](#) at (313) 393-3054 or [Andrew Christians](#), CFA at (313) 393-3074 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 successfully completed more than 280 transactions and advisory engagements since the firm's inception in September 2000. Its principals have more than 110 years of investment banking experience collectively.

March 2016



has agreed to acquire

**Community Bancorp, Inc.**

*holding company of*



(St. Charles, MI)

Buy Side Advisory and Fairness Opinion