

## For Immediate Release

Contact: Michael Bresnahan  
226 Nassau Street  
Saint Peter, MN 56082  
[mike.bresnahan@fnbmn.com](mailto:mike.bresnahan@fnbmn.com)  
507-931-5200

### **State Bank of Belle Plaine to Merge with First National Bank Minnesota**

Bancommunity Service Corporation has reached an agreement to acquire the State Bank of Belle Plaine, located in Belle Plaine, Minnesota. Bancommunity Service Corporation, parent company of First National Bank Minnesota, will begin operating the bank after obtaining regulatory approval which is expected in approximately three months. A merger of the two banks will follow early next year. First National Bank Minnesota has offices in Saint Peter, Mankato and Gaylord.

“The State Bank of Belle Plaine is a perfect fit to join our organization,” said Michael W. Bresnahan, President and CEO of First National Bank Minnesota. “The Gatz family has a long tradition of providing superior community banking services to Belle Plaine and the surrounding communities and we look forward to carrying on that legacy. Just as we are committed to providing unsurpassed banking services in the communities we currently serve; we will demonstrate that same commitment and value to the Belle Plaine community.”

State Bank of Belle Plaine President and CEO Paul Gatz shared his thoughts on the acquisition, “The decision to sell our bank was not an easy one. Generations of our family and dedicated bankers have proudly served our customers, our employees, our community and our bank. As we planned for this outcome, it was very important that we partner with a community bank that shared our same values. We have worked hard to earn the trust of our customers and we are confident that the same trust can be afforded to First National Bank Minnesota. They are a strong, successful community bank with a clear vision for their future. To our customers and employees, we say a sincere ‘Thank You’ – we are truly grateful for the relationships we have built, and we look forward to continuing these relationships as First National Bank Minnesota.” State Bank of Belle Plaine President and CEO Paul Gatz and Vice President William Gatz will be retiring when the acquisition is complete. The Gatz family has maintained an ownership interest in the bank for 95 of the bank’s 137-year history.

Bresnahan indicated that the vast majority of the staff at State Bank of Belle Plaine will remain with the bank following the acquisition. “Under the leadership of the Gatz family, they have developed a talented team of top-notch professionals that have served the customers and community very well. We have no intention of changing that,” Bresnahan said.

Chartered in 1857, First National Bank Minnesota is one of the oldest financial institutions in Minnesota. The bank has total assets that exceed \$215 million. The merger will result in a bank with over \$340 million in assets and more than \$35 million in capital. Terms of the agreement were not disclosed.

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#### About Bancommunity Service Corporation

Bancommunity Service Corporation (BSC) is a bank holding company with consolidated assets of approximately \$216 million. Its wholly owned subsidiary bank has offices in Saint Peter, Mankato and Gaylord, doing business as First National Bank Minnesota. The stock of BSC is not publicly traded; however, the shares are generally purchased and held by local residents. First National Bank Minnesota, chartered in 1857, provides superior financial services including personal, business, agricultural banking along with wealth management services. For more information, visit [www.fnbmn.com](http://www.fnbmn.com) . Member FDIC



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## Important Information \* Please Read \*

Dear Valued Customers,

**I want to share some important information with you, our valued customers.** After much discussion, research and evaluation, our bank ownership group and directors have made an important decision. Today, we are announcing that our bank will be merging with Bancommunity Service Corporation (parent company of First National Bank Minnesota). First National Bank Minnesota will begin operating the bank after receiving regulatory approval which is expected in approximately three months. The merger of the two banks will follow early next year.

**The decision to sell our bank was not an easy one.** Generations of our family and dedicated bankers have proudly served our customers, our employees and our community. In fact, the Gatz family has maintained an ownership interest in the bank for 95 of our 137 years. As we planned for this outcome, it was very important that we partner with a community bank that shared our values and had a long track-record of success. First National Bank Minnesota is a strong community bank that is committed to maintaining relationships with our customers and providing unsurpassed banking services in the communities we serve. They are one of the oldest banks in Minnesota with 162 years of service. The merger will benefit our customers with additional locations in Saint Peter, Mankato and Gaylord, resources, products and services. First National Bank Minnesota has indicated that the majority of our staff will remain with the bank after the merger. I'm confident our staff will continue to provide the same level of superior service you've come to expect. Your business is greatly appreciated!

**I have proudly dedicated my 40-year career to State Bank of Belle Plaine. For the past 24 years, I have been honored to lead our bank as President and CEO and humbled by the dedication of our staff.** The bank was approximately \$48 million in assets when I started as President and today, we are over \$120 million in assets. Our customers are the reason we are here, and our employees truly embody the hometown values that have guided us for 137 years.

**Retirement is in my near future.** My brother, William (Bill) Gatz, and I will retire when the acquisition is complete. It's hard to believe this day is coming soon, and I certainly have mixed emotions about it. I will greatly miss the daily interaction with our customers and staff, many of whom have become lifetime friends. As I begin a new chapter, I look forward to spending more time traveling, golfing, fishing and doing things I've always wanted to do. Belle Plaine has been my home for 40 years and I sincerely thank you for being part of it.

**You will receive more communication in the coming months.** In the meantime, continue to use your banking products and services in the same manor you currently do. If you have any questions, feel free to call me or contact one of our bankers.

**From the Gatz family, we send our sincere thanks and our best wishes to you and your family for continued financial success and happiness.**

Sincerely,

Paul Gatz  
President & CEO

201 W Main St. • Belle Plaine, MN 56011 • 952-873-2296 • Fax 952-873-2877