

FOR IMMEDIATE RELEASE



---

**Sugar Creek Financial Corp., Tempo Bank and Scott Credit Union  
Sign Definitive Purchase and Assumption Agreement**

Trenton and Edwardsville, IL; August 20, 2021 – Sugar Creek Financial Corp. (“Sugar Creek”) (OTCQB: SUGR), the holding company for Tempo Bank, and Scott Credit Union announced today that Sugar Creek, Tempo Bank and Scott Credit Union have signed a definitive purchase and assumption agreement whereby Scott Credit Union will purchase substantially all of assets, and assume substantially all the liabilities (including all of the deposit account liabilities), of Tempo Bank (the “P&A transaction”) in an all-cash transaction. Scott Credit Union has agreed to pay Tempo Bank \$14,250,000 in cash as consideration in the P&A transaction, subject to dollar-for-dollar reduction if Tempo Bank’s total equity at closing as calculated as provided for in the purchase and assumption agreement is below \$10,194,000. Sugar Creek and Tempo Bank have the right to terminate the purchase and assumption agreement if the aggregate cash consideration is less \$9,425,000.

Following the completion of the P&A transaction and after all of the respective obligations of Sugar Creek and Tempo Bank (including settlement of the liquidation accounts maintained by Sugar Creek and Tempo Bank) are settled or otherwise accounted for, Tempo Bank will liquidate and distribute its remaining assets to Sugar Creek (the “liquidation”) and then Sugar Creek will dissolve and distribute its remaining assets to its stockholders (the “dissolution”).

Sugar Creek’s stockholders are currently estimated to receive in the dissolution between \$14.50 and \$16.50 in cash in exchange for each share of Sugar Creek common stock owned (the “per share consideration”). Currently, Sugar Creek has 790,701 shares of common stock outstanding. The per share consideration is subject to significant variation based on various factors including Tempo Bank’s ability to meet the minimum equity value at the closing of the P&A transaction; the regulatory treatment of and costs associated with the liquidation accounts; the amount of cash held by Sugar Creek at the closing of the dissolution; costs related to the termination of Tempo Bank’s defined benefit retirement plan; costs related to the liquidation and the distribution of Tempo Bank’s remaining assets to Sugar Creek; costs related to the dissolution and the distribution of Sugar Creek’s remaining assets to its stockholders; and Tempo Bank’s future operating results. The distribution of cash representing the per share consideration to Sugar Creek’s stockholders at the closing of the dissolution is expected to occur within several months after completion of the P&A transaction and the liquidation.

“We are excited for the opportunity to partner with Tempo Bank and to improve access to our service in Clinton County,” said Frank Padak, President and Chief Executive Officer of Scott Credit Union. “Tempo Bank is a well-managed bank, and we believe its robust mortgage lending portfolio will be beneficial to the credit union as we continue making strides for our goal of long-term growth.”

The acquisition of Tempo Bank’s assets includes its main office in Trenton, Illinois, and its branch office in Breese, Illinois, which will increase Scott Credit Union’s total footprint to 22 locations across the Metro East and St. Louis area. The acquisition is part of Scott Credit Union’s strategic growth plan, which includes adding branches to better assist members in Illinois. Tempo Bank’s customers will become members of Scott Credit Union with full access to Scott Credit Union’s wide array of products and services.

“Scott Credit Union’s values are rooted in our commitment to our local community. With Scott Credit Union offering service through 22 branches, this transaction will be mutually beneficial for Tempo Bank’s customers and Scott Credit Union members alike,” Padak continued. “One of our goals is to provide close, convenient branch access for those living or working in our service area. In addition to our Lebanon location, which was added in 2020, the acquisition of Tempo Bank’s offices helps us make progress towards that goal, especially for residents of Clinton County.”

“Tempo Bank is proud of our long history of being locally owned and operated, and we’re excited to be joining another local financial institution that shares the same sense of pride in the Metro East,” said Robert J. Stroh, Jr., Chairman, Chief Executive Officer and Chief Financial Officer of Sugar Creek Financial Corp. and Tempo Bank. “We know our customers will benefit from all the additional resources that Scott Credit Union has to offer while knowing that their money is staying right here in the community.”

Following the consolidation of the two financial institutions, Robert J. Stroh, Jr. has announced his intention to retire after more than 45 years of service with Tempo Bank. Scott Credit Union intends to offer a consulting agreement to Mr. Stroh for him to consult with Scott Credit Union for a period of time following the consolidation.

“Scott Credit Union is proud to have been serving our local communities for more than 78 years,” Padak added. “We’re dedicated to providing the best possible experience for both our members and our employees, and we look forward to welcoming Tempo Bank’s employees and customers into the Scott Credit Union family.”

The transaction has been unanimously approved by the board of directors of Sugar Creek, Tempo Bank and Scott Credit Union and is expected to close in the second quarter of 2022, subject to customary closing conditions including the approval of Sugar Creek’s stockholders and regulatory approval. Sugar Creek’s stockholders will vote on the P&A transaction and the dissolution. Sugar Creek, as the sole stockholder of Tempo Bank, will vote on the liquidation.

Honigman LLP is serving as legal counsel to Scott Credit Union. Luse Gorman, PC is serving as legal counsel to Sugar Creek and Tempo Bank, and Keefe, Bruyette & Woods, Inc., is serving as financial advisor to Sugar Creek and Tempo Bank.

### **About Scott Credit Union**

Founded in 1943, Scott Credit Union is a full-service financial cooperative. When someone opens an account at the credit union, they become a member and an owner. Because of its structure, Scott Credit Union has given back nearly \$13 million to members through a bonus dividend and loan interest rebate over the past 13 years.

Scott Credit Union currently has 20 area locations: Affton, MO; Ballpark Village in St. Louis, MO; Belleville, IL (two branches); Collinsville, IL; Columbia, IL; Crestwood, MO; Edwardsville, IL (two branches); Fairview Heights, IL; Ferguson, MO; Highland, IL; Ladue, MO; Lebanon, IL; Mascoutah, IL; O'Fallon, IL; Troy, IL; Scott Air Force Base, IL; Waterloo, IL; and Wood River, IL.

For details on opening accounts at Scott Credit Union, visit [www.scu.org](http://www.scu.org).

### **About Sugar Creek Financial Corp. and Tempo Bank**

Sugar Creek Financial Corp. is the holding company for Tempo Bank. At June 30, 2021, Tempo Bank had total assets of \$92.9 million, total deposits of \$76.4 million, and total equity of \$10.5 million. Founded in 1889, Tempo Bank is a community-oriented financial institution that provides traditional financial services within the areas it serves. Tempo Bank is headquartered in Trenton, Illinois, with a branch office in Breese, Illinois.

### **Forward-Looking Statements**

This press release contains forward-looking statements. Forward-looking statements are not historical or current facts and they often include words like “believe,” “expect,” “anticipate,” “estimate,” “intend” or similar terminology. Certain factors that could cause actual results to differ materially from those expected include delays in completing the P&A transaction, the liquidation and the dissolution; legislative and regulatory changes that adversely affect the business in which Scott Credit Union, Sugar Creek and Tempo Bank are engaged; and other factors. Except as required by law, neither Scott Credit Union, Sugar Creek nor Tempo Bank 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.

**Contact for Sugar Creek Financial Corp. and Tempo Bank:**

Robert J. Stroh, Jr.  
Chairman, Chief Executive Officer and Chief Financial Officer  
(618) 224-9228

**Contact for Scott Credit Union:**

Erin Pennington  
Public Relations and Promotions Specialist  
618-381-7042  
erin.pennington@scu.org  
www.scu.org

# # #