

EMCLAIRE FINANCIAL CORP

FORM 8-K (Current report filing)

Filed 10/02/17 for the Period Ending 09/30/17

Address	612 MAIN ST EMLENTON, PA, 16373
Telephone	7248672311
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SIC Code	6021 - National Commercial Banks
Industry	Banks
Sector	Financials
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) September 30, 2017

Emclaire Financial Corp

(Exact name of registrant as specified in its charter)

Pennsylvania

(State or other jurisdiction of incorporation)

001-34527

(Commission File Number)

25-1606091

(IRS Employer Identification No.)

612 Main Street, Emlenton, Pennsylvania

(Address of principal executive offices)

16373

(Zip Code)

Registrant's telephone number, including area code (844) 767-2311

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.01 Completion of Acquisition or Disposition of Assets

Effective on September 30, 2017, Emclaire Financial Corp ("Emclaire") completed its acquisition of Northern Hancock Bank and Trust Co. ("Northern Hancock") in accordance with the terms of the Agreement and Plan of Merger, dated as of May 4, 2017, by and between Emclaire and Northern Hancock (the "Merger Agreement"), and a related Agreement of Merger by and between Northern Hancock and The Farmers National Bank of Emlenton, the wholly-owned banking subsidiary of Emclaire ("Farmers National") (the "Bank Merger Agreement").

On September 29, 2017, the Merger Agreement was amended to reduce the cash consideration for each share of NHBT common stock to \$0.361 to reflect certain adjustments to Northern Hancock's closing balance sheet. Pursuant to the Merger Agreement, as amended, and the related Bank Merger Agreement, Northern Hancock was merged with and into Farmers National (the "Merger"). Upon completion of the Merger, each outstanding share of common stock of Northern Hancock issued and outstanding immediately prior to the effective time of the Merger was cancelled and converted into the right to receive 0.9793 of a share of common stock of Emclaire, plus \$0.361 in cash (or in the aggregate 58,445 shares of Emclaire common stock and \$21,563 in cash).

The foregoing description of the Merger Agreement, as amended, and the Merger does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, as amended, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

ITEM 8.01 Other Events

On October 2, 2017 Emclaire issued a press release announcing the completion of the acquisition of Northern Hancock. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibit is filed herewith.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Agreement and Plan of Merger by and between Emclaire Financial Corp and Northern Hancock Bank and Trust Co., dated as of May 4, 2017 (including Exhibit A, the form of Agreement of Merger by and between Northern Hancock Bank and Trust Co and The Farmers National Bank of Emlenton)*
10.2	Amendment No. 1 to the Merger Agreement, dated September 29, 2017
99.1	Press Release dated October 2, 2017

* Incorporated by reference from the Current Report on Form 8-K filed by Emclaire on May 5, 2017.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EMCLAIRE FINANCIAL CORP

Date: October 2, 2017

By: /s/William C. Marsh
William C. Marsh
Chairman, President and Chief Executive Officer

AMENDMENT NO. 1
TO
AGREEMENT AND PLAN OF MERGER

Amendment No. 1, dated as of September 29, 2017 (the "Amendment"), to the Agreement and Plan of Merger, dated as of May 4, 2017 (the "Agreement"), by and between Emclave Financial Corp, a Pennsylvania corporation (the "Company"), and Northern Hancock Bank and Trust Co., a West Virginia chartered bank ("NHBT").

WITNESSETH

WHEREAS, pursuant to Section 11.3 of the Agreement, the parties to the Agreement desire to amend the Agreement;

NOW THEREFORE, in consideration of the premises, the mutual agreements herein set forth and such other consideration the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Section 3.1 Conversion of NHBT Common Stock; Merger Consideration. Section 3.1.3 of the Agreement is hereby amended and restated to read as follows:

"Except for Dissenting Shares, each outstanding share of NHBT Common Stock shall be converted into the right to receive (i) 0.9793 (the "**Exchange Ratio**") of a share of Company Common Stock, subject to adjustment as provided in Section 3.1.5 (the "**Per Share Stock Consideration**"), and (ii) a cash payment, without interest, equal to \$0.361 (the "**Per Share Cash Consideration**")."

2. Effectiveness. This Amendment shall be deemed effective as of the date first above written, as if executed on such date. Except as expressly set forth herein, this Amendment shall not by implication or otherwise alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect and shall be otherwise unaffected.

3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws the Commonwealth of Pennsylvania, without giving effect to its principals of conflict of law.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall for all purposes be deemed an original, and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed in counterparts by their duly authorized officers as of the day and year first above written.

Emclair Financial Corp

By: /s/William C. Marsh

Name: William C. Marsh

Title: President and Chief Executive Officer

Northern Hancock Bank and Trust Co.

By: /s/Mark A. Mangano

Name: Mark A. Mangano

Title: President and Chief Executive Officer

**Emclaire Financial Corp**

612 Main Street ♦ Emlenton, PA 16373-0046

Phone: (844) 767-2311/FAX: (724) 867-9326

P R E S S R E L E A S E

RELEASE DATE:**Monday, October 2, 2017****CONTACT:**

William C. Marsh

Chairman, President and

Chief Executive Officer

Emclaire Financial Corp

Phone: (844) 800-2193

Email: investor.relations@farmersnb.com**Emclaire Financial Corp Announces Completion of its
Acquisition of Northern Hancock Bank and Trust Co.**

Emlenton, PA, October 2, 2017 – Emclaire Financial Corp (NASDAQ: EMCF) (Emclaire), the parent holding company of The Farmers National Bank of Emlenton (Farmers National), announced today that, as of September 30, 2017, they have completed the acquisition of Northern Hancock Bank and Trust Co., Newell, West Virginia (Northern Hancock).

The transaction has expanded Emclaire's franchise into Hancock County, West Virginia and increased Emclaire's consolidated total assets and total deposits to approximately \$750 million and \$629 million, respectively. The merger is expected to be immediately accretive to Emclaire's earnings for the remainder of 2017, excluding one-time charges, and 6% accretive to 2018 earnings and higher in future years. No additional capital was needed to complete the transaction and Emclaire and Farmers National remain "well-capitalized" institutions for regulatory purposes.

William C. Marsh, Chairman, President and Chief Executive Officer of Emclaire and Farmers National, stated, "We are pleased to welcome all Northern Hancock depositors and customers to the Emclaire family. We are excited to expand our franchise into the upper panhandle of West Virginia and look forward to building upon and enhancing the customer relationships that Northern Hancock developed over the years. We believe we can provide Northern Hancock customers with a broader array of banking services, including expanded commercial and consumer lending capabilities and a more robust array of depository products and services. The acquisition of Northern Hancock, near the proposed Shell cracker plant in adjacent Beaver County, along with the recent opening of our new full-service banking office in Aspinwall, Pennsylvania (a Pittsburgh suburb) reflects our strategy to profitably grow our banking franchise in desirable contiguous markets."

Mark A. Mangano, President and Chief Executive Officer of Northern Hancock, said, "We are pleased to have joined forces with Emclaire and Farmers National. We are excited about the new products and services that will be available to our customers."

Silver, Freedman, Taff & Tiernan LLP, Washington, DC acted as legal counsel to Emclaire in the transaction. Keevican, Weiss, Bauerle & Hirsh, LLC, Pittsburgh, Pennsylvania acted as legal counsel and Renaissance Partners, LLC acted as financial advisor to Northern Hancock.

About Emclaire Financial Corp

Emclaire Financial Corp is the parent company of The Farmers National Bank of Emlenton, an independent, nationally chartered, FDIC-insured community bank headquartered in Emlenton, Pennsylvania, operating 18 full service offices in Pittsburgh and in Venango, Butler, Clarion, Clearfield, Crawford, Elk, Jefferson and Mercer counties, Pennsylvania as well as Hancock county, West Virginia. Emclaire's common stock is quoted on and traded through the NASDAQ Capital Market under the symbol "EMCF". For more information, visit Emclaire's website at "www.emclairefinancial.com".

Forward-looking Statements:

This release contains certain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements do not relate strictly to historical or current facts. Forward-looking statements reflect management's current views and estimates of future economic circumstances, industry conditions, company performance and financial results. They often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors - many of which are beyond our control - could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. Forward-looking statements regarding the transaction are based upon currently available information.

Actual results could differ materially from those indicated in forward-looking statements. Among other factors, actual results may differ from those described in forward-looking statements due to: the anticipated benefits from the proposed transaction are not realized in the time frame anticipated or at all as a result of changes in general economic and market conditions, interest rates, laws and regulations and their enforcement, and the degree of competition in our markets; the ability to promptly and effectively integrate the businesses of the companies; the reaction of the companies' customers to the transaction; diversion of management time on merger-related issues; changes in asset quality and credit risk; the inability to sustain revenue and earnings; and competitive conditions.

Emclaire's Annual Report on Form 10-K and other reports filed with the SEC describe some additional factors which could cause actual conditions, events or results to differ significantly from those described in forward-looking statements.

Forward-looking statements speak only as of the date they are made. Copies of Emclaire's reports filed with the SEC are available in the Financial Information section of Emclaire's website, www.emclairefinancial.com. We do not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made or to reflect the occurrence of unanticipated events.