



News release

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Starion Financial signs agreement to purchase WPS Community Bank

Starion Financial, headquartered in Bismarck, N.D., with community banks in Middleton and Sun Prairie, Wis., has signed a definitive agreement to purchase WPS Community Bank of Madison, Wis. WPS Community Bank is scheduled to come under the Starion Financial name in the first quarter of 2015 pending regulatory approval.

Craig Larson, Starion president/CEO, said, "The acquisition is a win-win for WPS and Starion Financial. We are excited to have the opportunity to acquire such a successful, well-run community bank. Starion has been looking at community banks in the Madison market to expand our presence and increase our commitment to the community. We are proud to have served our Madison customers since 2006 and look forward to a great future serving WPS Bank customers."

WPS's decision to sell the bank comes at a time when the bank is a highly valued asset and the market is good for purchases and sales of banks. The divestiture of the bank allows WPS to continue to invest in growing and innovating in our core business, and gives the bank the opportunity it deserves to grow and succeed.

"WPS Community Bank is a financially sound, healthy organization, making it an attractive expansion opportunity for Starion," said Mike Hamerlik, President and CEO of WPS Health Insurance. "A major deciding factor in the selection was that the Starion culture is a perfect fit with our bank and its customers. WPS Bank will enjoy even more opportunities to thrive under Starion's wing."

Starion Financial will provide WPS Community Bank customers additional convenient branches in Middleton and Sun Prairie, sophisticated products and services, and higher lending limits that will allow for major financing projects to be kept local.

The purchase will require approval by the Federal Deposit Insurance Corporation (FDIC) and the North Dakota Department of Financial Institutions. The transaction is expected to be final in the first quarter of 2015.

In 1969, the Larson family purchased First National Bank of Oakes (N.D.), chartered in 1886. The family-owned community bank experienced strong growth before expanding to Madison in 2006 and Sun Prairie in 2013. In the past six years, Starion doubled its assets and has grown into a \$1 billion “supercommunity” bank, with 14 locations in nine cities and serving thousands of customers throughout Wisconsin and North Dakota. The bank has built its reputation on integrity, personalized service, local decision-making and community involvement.

Founded in January 2009, WPS Community Bank has built \$100 million in total assets with one location providing personalized banking services to individuals and small to mid-size businesses in Dane County, Wis. The bank recently was named for the eighth straight quarter as a Five-Star Superior Institution by BauerFinancial, Inc., an independent bank rating agency. The bank is a subsidiary of Wisconsin Physicians Service Insurance Corporation (WPS). WPS, the parent company of WPS Community Bank, is a nationally regarded government contractor and Wisconsin’s leading not-for-profit health insurer. Oak Ridge Financial acted as exclusive financial adviser to WPS Insurance Corporation.

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Editor’s note:

Attached are photos of Starion Financial in Middleton, Craig Larson, Mike Hamerlik

Media interviews are available with Craig Larson and Mike Hamerlik for details, please call Ellen or Trish. Please visit our websites www.wpsic.com and www.starionfinancial.com for more information.