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Form 425

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Fellow Arlington Bank Employees:

We are excited that Arlington Bank is planning to join First Merchants Bank, and would like to personally introduce you to our banking family.

The boards of First Merchants Bank and The Arlington Bank have approved an agreement to merge our two companies. Pending finalization, Arlington Bank will join our team of talented financial professionals within the Columbus, Ohio market, providing enhanced convenience and expertise.

We believe you'll find First Merchants to be a natural extension of Arlington Bank; we're already neighbors. Our companies share a commitment to personal service, long-term customer relationships, community involvement and Midwestern values.

Founded in 1893 and headquartered in Muncie, Indiana, First Merchants Corporation is a \$7 billion organization. We operate as First Merchants Bank, Lafayette Bank & Trust, and First Merchants Private Wealth Advisors. As the largest financial services holding company headquartered in Central Indiana, our whole bank delivery model creates a competitive advantage. We deliver high levels of responsiveness and knowledge through all of our lines of business while leveraging high-quality administration and expertise.

We're convinced our planned partnership will prove to be mutually beneficial to our shareholders, communities, and customers, as well as you, our employees. Looking forward, the combined strength of our companies will allow us to offer a wider array of services, more access and a better overall banking experience.

As one company, we will also be better positioned to provide opportunities for talented team members like you. First Merchants respects and values people as our competitive advantage, offering a competitive benefit package, family-friendly work environment, and a variety of learning and development opportunities. Like Arlington Bank, we encourage volunteer efforts with paid time off Community Days as part of our First Merchants Serves program.

We're sure you have questions about First Merchants and what this news means to you and your customers, and hope some of your questions will be answered in the enclosed materials or online at www.firstmerchants.com. We are still in the early stages of the process, but will continue to share information and timelines for integration, name changes, and platform changes as they become available. As we prepare to combine our banks, rest assured that we will remain true to the principles both our companies were founded on: local decisions, customer focus, and community involvement.

We're proud of our intent to continue our journey and commitment to community banking as new partners, and we look forward to welcoming you to the family.

Sincerely,

ADDITIONAL INFORMATION

Forward Looking Statement

This press release contains forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often, but not always, be identified by the use of words like believe, continue, pattern, estimate, project, intend, anticipate, expect and similar expressions or future or conditional verbs such as will, would, should, could, might, can, may, or similar expressions. These forward-looking statements include, but are not limited to, statements relating to the expected timing and benefits of the proposed merger (the Merger) between First Merchants Corporation (First Merchants) and The Arlington Bank, including future financial and operating results, cost savings, enhanced revenues, and accretion/dilution to reported earnings that may be realized from the Merger, as well as other statements of expectations regarding the Merger, and other statements of First Merchants' goals, intentions and expectations; statements regarding the First Merchants' business plan and growth strategies; statements regarding the asset quality of First Merchants' loan and investment portfolios; and estimates of First Merchants' risks and future costs and benefits, whether with respect to the Merger or otherwise. These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to differ materially from those set forth in forward-looking statements, including, among other things: the risk that the businesses of First Merchants and The Arlington Bank will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be lower than expected; customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required governmental and shareholder approvals, and the ability to complete the Merger on the expected timeframe; possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; the ability of First Merchants to integrate recent acquisitions and attract new customers; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services industry; the cost and other effects of legal and administrative cases; possible changes in the credit worthiness of customers and the possible impairment of collectability of loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or regulatory requirements of federal and state agencies applicable to bank holding companies and banks like First Merchants' affiliate bank; continued availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, economic, operational, liquidity, credit and interest rate risks associated with the First Merchants' business; and other risks and factors identified in each of First Merchants' filings with the Securities and Exchange Commission. Neither First Merchants nor The Arlington Bank undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this presentation or press release. In addition, First Merchants' and The Arlington Bank's past results of operations do not necessarily indicate either of their anticipated future results, whether the Merger is effectuated or not.

Arlington Bank/First Merchants Bank Partnership

Employee Questions

Q: What happens to my benefits?

A: Nothing changes with the announcement. Continue to use your current insurance card(s) and process claims as normal. When The Arlington Bank employees transition over to First Merchants' benefits, employees will participate in benefit enrollment meetings and will have plenty of advance notice of all changes. After the legal close and on the date that is selected as the transition date, all employees (full time and part time) will become eligible for First Merchants' 401k plan. Details will be forthcoming over the next several months explaining that transition process.

Q: When do you expect the legal close to occur?

A: Sometime mid-year 2017, however the closing is subject to several conditions, including obtaining regulatory approvals and approval of The Arlington Bank shareholders. So, we cannot predict the exact timing.

Arlington Bank/First Merchants Bank Partnership

KEY MESSAGES

Subject to approval by Arlington Bank shareholders and banking regulators, we plan to join First Merchants Bank. With this combination, the company would have over \$7 billion in assets, providing financial strength and the ability to continue our mission of being a high performing, customer-centric company. The planned combination of Arlington Bank and First Merchants Bank represents an alliance between two well respected and like-minded companies.

Partnered with Arlington Bank, the First Merchants Bank market position in Columbus, OH improves from #12 to #8. We will become a larger, stronger bank in the Columbus market, one of the fastest growing cities in America.

With 7 current Columbus-area locations and 120 local employees, First Merchants Bank has been serving Columbus for over 25 years.

The First Merchants Bank Columbus Advisory Board provides local insight and growth support in the market.

The combination of Arlington Bank and First Merchants Bank provides an excellent opportunity, as we strive to grow profitably and efficiently, in what has become a very competitive and highly regulated industry.

First Merchants Corporation is currently a \$7 billion financial services holding company, the largest headquartered in Central Indiana. Looking forward, our bank would be over \$7.3 billion in total assets, giving us the ability to leverage costs and expenses (economies of scale), for items such as health insurance, IT, internal processing, regulatory and compliance management, etc.

We share a vision of providing relationship banking, while striving to become the highest performing bank in every market we serve. The core values of both companies share a commitment to local decision making, personal service, long-term relationships and community involvement.

First Merchants has a solid balance sheet, with a history of strong earnings, and most importantly, they have been serving and providing trusted advice to local communities, just like ours, for over 120 years.

For customers, this combination would support broader access to diverse product and service offerings to include enhanced commercial lending limits.

We intend to finalize the combination of Arlington Bank and First Merchants Bank in the second quarter of 2017 pending the necessary approvals.

The boards of both companies have already signed an agreement to merge.

Next, we plan to get approval from regulators and the shareholders of Arlington Bank.

We look forward to finalizing the combination once final approvals are obtained.

FOR COMMON CUSTOMER QUESTIONS AND THEIR ANSWERS, SEE THE FOLLOWING PAGES.

Arlington Bank/First Merchants Bank Partnership

Who is First Merchants?

First Merchants is the largest financial services company headquartered in Central Indiana, with over 100 locations in 27 Indiana, two Ohio, and two Illinois counties.

Our community banking history dates back to 1893, giving us over 120 years of experience. We provide customers with financial services delivered locally by bankers who are known and trusted in their communities. We take pride in building deep, lifelong relationships where customers can bank with their neighbors and friends.

The First Merchants family includes First Merchants Bank, Lafayette Bank & Trust, and First Merchants Private Wealth Advisors.

Will you be keeping all Arlington Bank banking centers?

Yes. Arlington Bank and First Merchants Bank both have banking center locations in Grandview. We will be combining both locations into the Arlington Bank location. This will result in closing the existing First Merchants location. However, we plan to retain the employees from both the closing and receiving banking centers.

Will my account number/debit card/service charge change?

Possibly. As we prepare to finalize our partnership, we'll be evaluating accounts and planning to integrate our systems. We pledge to communicate any necessary changes to you, our customer, in a clear and timely manner.

For now, it's business as usual, and you may do your banking as you've always done, using your existing account numbers, logins, etc.

Will the name of my bank change?

As part of our planned partnership, Arlington Bank will proudly be taking the First Merchants Bank name, but the people who serve you would not change.

We believe that banking is personal, and pledge to continue to provide the same personal service and advice you're accustomed to, coming from the same great people you know and trust. The community banking principles Arlington Bank stands for are alive and well.

First Merchants Bank promises "The Strength of Big, The Service of Small." By taking on a new name, we will be better able to deliver the strength our larger company offers, while keeping our promise to support your ability to deliver personal service, every day.

Arlington Bank/First Merchants Bank Partnership

Why is this happening/Why First Merchants?

Over the next few days, you may read headlines that say "First Merchants Acquires Arlington Bank" or "Arlington Bank Sells to First Merchants." While those headlines are technically correct, they don't properly convey the real spirit of the transaction. Arlington Bank and First Merchants believe this to be the best time to join together because there is a great opportunity to combine our strengths. First Merchants is the right strategic partner whose vision and passion for serving its communities is closely aligned with what Arlington Bank has been delivering since 1998.

First Merchants' strong capital position allows for larger commercial and small business credits, spurring additional economic and community development opportunities, all while preserving a customer-centric approach. Additionally, Arlington Bank clients will benefit from enhanced product and service offerings, the convenience of a larger banking center and ATM network and significantly enhanced commercial banking lending limits.

FORWARD-LOOKING STATEMENTS

This filing and the exhibits hereto contain forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often, but not always, be identified by the use of words like “believe”, “continue”, “pattern”, “estimate”, “project”, “intend”, “anticipate”, “expect” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “might”, “can”, “may”, or similar expressions. These forward-looking statements include, but are not limited to, statements relating to the expected timing and benefits of the proposed Merger, including future financial and operating results, cost savings, enhanced revenues, and accretion/dilution to reported earnings that may be realized from the Merger, as well as other statements of expectations regarding the Merger, and other statements of First Merchants’ goals, intentions and expectations; statements regarding First Merchants’ business plan and growth strategies; statements regarding the asset quality of First Merchants’ loan and investment portfolios; and estimates of First Merchants’ risks and future costs and benefits, whether with respect to the Merger or otherwise.

These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to differ materially from those set forth in forward-looking statements, including, among other things: the risk that the businesses of First Merchants and Arlington Bank will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be lower than expected; customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required regulatory and shareholder approvals, and the ability to complete the Merger on the expected timeframe; possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; the ability of First Merchants to integrate recent acquisitions and attract new customers; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services industry; the cost and other effects of legal and administrative cases; possible changes in the creditworthiness of customers and the possible impairment of collectability of loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or regulatory requirements of federal and state agencies applicable to bank holding companies and banks like First Merchants’ affiliate bank; continued availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, economic, operational, liquidity, credit and interest rate risks associated with First Merchants’ business; and other risks and factors identified in First Merchants’ filings with the Securities and Exchange Commission.

First Merchants does not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this filing. In addition, First Merchants’ and Arlington Bank’s past results of operations do not necessarily indicate either of their anticipated future results, whether the Merger is effectuated or not.

ADDITIONAL INFORMATION FOR SHAREHOLDERS

This filing does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any proxy vote or approval. The proposed Merger will be submitted to Arlington Bank’s shareholders for their consideration. In connection with the proposed Merger, First Merchants will file with the SEC a Registration Statement on Form S-4 that will include a Proxy Statement for Arlington Bank and a Prospectus of First Merchants, as well as other relevant documents concerning the proposed transaction. **SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE CORRESPONDING PROXY STATEMENT-PROSPECTUS REGARDING THE MERGER WHEN THEY BECOME AVAILABLE, AS WELL AS ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, TOGETHER WITH ALL AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Once filed, you may obtain a free copy of the Proxy Statement- Prospectus, when it becomes available, as well as other filings containing information about First Merchants, at the SEC’s website (<http://www.sec.gov>). You may also obtain these documents, free of charge, by accessing First Merchants’ website (<http://www.firstmerchants.com>) under the tab “Investors,” then under the heading “Financial Information” and finally under the link “SEC Filings”.

Arlington Bank and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Arlington Bank in connection with the proposed Merger. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Proxy Statement-Prospectus regarding the proposed Merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.