

First Scottsdale Bank, NA (Private; Scottsdale, AZ) agrees to acquire Commerce Bank of Arizona, Inc. (Tucson, AZ), with First Scottsdale Bank, NA becoming the wholly-owned subsidiary of Commerce Bank of Arizona Inc.'s parent company, CBOA Financial Inc. (OTCQB: CBOF; Tucson, AZ)

Deal Value: Not Disclosed

Sandler O'Neill served as financial advisor and provided a fairness opinion to First Scottsdale Bank, NA in this transaction. This transaction represents Sandler O'Neill's 93rd bank or thrift transaction nationwide since January 1, 2010. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹ Sandler O'Neill has served as a financial advisor or provided a fairness opinion on 4 of the 6 bank or thrift transactions involving a buyer or target headquartered in Arizona since January 1, 2012.

First Scottsdale Bank and Commerce Bank of Arizona, Inc.'s parent company, CBOA Financial, Inc., have announced an agreement to merge. With over \$300 million in assets and eight branches stretching from Scottsdale to Tucson the combined company will be the second largest community bank franchise headquartered in the state of Arizona. As part of the transaction, the combined company will undertake a \$10 million common equity offering. The combined bank will operate under the Commerce Bank name.

Comparable Financial Highlights

	<u>1st Scotts.</u>	<u>CBOA</u>
Total Assets	\$79.7	\$224.0
Net Loans	\$52.0	\$170.4
Deposits	\$62.8	\$199.3
Equity	\$16.6	\$15.7

Pro Forma Branch Network



Notes:
 Dollars in millions
 Financial data as of December 31, 2012
¹Excludes terminated transactions, self-advisory roles and does not combine the results of advisors which have merged until the date such merger was completed
 Source: SNL Financial

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