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## **Arizona Federal Credit Union Expands Across Arizona through Acquisition of Horizon Community Bank**

**Phoenix, Arizona – March 10, 2022** Today Arizona Federal Credit Union ("Arizona Federal") announced that it has entered into a definitive agreement to acquire Horizon Community Bank ("Horizon Community"), an Arizona state-chartered bank headquartered in Lake Havasu City, Arizona, and wholly-owned subsidiary of Horizon Bancorp, Inc. (OTC Pink: HRRB) ("Horizon Bancorp"). Horizon Community was founded in 2002 and currently operates six branches in Fort Mohave, Kingman, Lake Havasu City, Mesa, Parker and Quartzsite, Arizona. As of December 31, 2021, Horizon Community reported \$539.5 million in total assets, \$259.9 million in total loans, \$471.7 million in total deposits and \$43.4 million in total equity.

Arizona Federal, a \$2.8 billion member-owned financial cooperative, will benefit by expanding into new market areas in western Arizona, further diversifying its assets, and adding talent and expertise. The acquisition will also help the credit union continue investments in new products and services and help fund the expansion of services to additional new markets throughout Arizona.

The 12,000 clients of Horizon Community will benefit by gaining access to Arizona Federal's full suite of financial services, including consumer loans, insurance, credit cards, investments, small business services, SBA and commercial loans, and more.

After successfully acquiring and integrating the operations of Pinnacle Bank in 2019, Arizona Federal's board of directors endorsed acquisition opportunities as a component of the credit union's future growth strategy. "We believe that quality growth and diversification is essential to continued success in our industry, and we intend to achieve it both organically and through mergers or acquisitions," explained Ronald L. Westad, President and CEO of Arizona Federal.

That strategy aligned well with Horizon Community as they explored future options for their organization. "Arizona Federal has demonstrated their competency and commitment to community banking and they will be a great partner for our bank," said Ralph Tapscott, President and CEO of Horizon Community. "I'm excited for Horizon employees to join together with Arizona Federal employees to bring additional financial services and resources to the communities we serve," he added.

The credit union is committed to keeping and operating each of the existing Horizon Community branches. "We're excited to welcome Horizon Community Bank clients as new members," Westad added. "We believe this will create significant long-term value for all stakeholders."

The transaction, which is subject to regulatory and shareholder approval, has been approved by the Boards of Directors of both institutions and is expected to be completed by the end of 2022.

After the completion of the proposed transaction, the combined organization will have more than \$3.3 billion in assets and serve over 155,000 members at 21 locations throughout Arizona. Deposits of Arizona Federal will continue to be federally insured by the National Credit Union Administration.

Arizona Federal was advised by Honigman LLP, as legal counsel, and McQueen Financial, as financial advisor. Horizon Community was advised by Fenimore Kay Harrison LLP, as legal counsel, and Hovde Group, LLC, as financial advisor.

**About Arizona Federal Credit Union**

Arizona Federal is a \$2.8 billion not-for-profit, local cooperative providing financial services and expertise to more than 145,000 member/owners. Founded in 1936, the credit union empowers members to take hold of their financial future through the delivery of leading-edge self-service tools and mobile apps, competitive rates on loans and deposits, robust home loan solutions, identity protection services and SBA and commercial loans. Arizona Federal has a history of local community involvement and is the sponsor of the Live Nation Theatre venue and exclusive credit union partner of the Phoenix Rising FC. The credit union has 14 locations in the Phoenix area and is part of the CO-OP network that gives members nationwide account access at 5,000 credit union branches and 30,000 ATMs. Deposits are federally insured by the National Credit Union Administration.

For more information: [ArizonaFederal.org](http://ArizonaFederal.org).