

CENTRUE FINANCIAL CORP

Form S-4

January 26, 2005

Table of Contents

As filed with the Securities and Exchange Commission on January 26, 2005

Registration No. []

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

**REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933**

CENTRUE FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

6035

*(Primary Standard Industrial
Classification Code Number)*

36-3846489

*(I.R.S. Employer
Identification No.)*

310 South Schuyler Avenue, Kankakee, Illinois 60901, (815) 937-4440

*(Address, including zip code and telephone number, including area code,
of registrant's principal executive offices)*

James Lindstrom, Chief Financial Officer

**Centrue Financial Corporation
310 South Schuyler Avenue
Kankakee, Illinois 60901
(815) 937-4440**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

**John E. Freechack, Esq.
Dennis R. Wendte, Esq.
Karyn L. Doerfler, Esq.**

**Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP
333 West Wacker Drive, Suite 2700
Chicago, Illinois 60606
Phone: (312) 984-3100
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Joseph B. Hemker, Esq.
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**Howard & Howard Attorneys PC
One Technology Plaza
211 Fulton Street, Suite 600
Peoria, Illinois 61602
Phone: (309) 672-1483
Fax: (309) 672-1568**

Approximate date of commencement of proposed sale of securities to the public: As soon as practicable after this Registration Statement becomes effective and all other conditions to the proposed merger described herein have been satisfied or waived.

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If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ _____

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐ _____

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common stock, \$0.01 par value	59,253 shares	\$23.43 = value per share	\$1,388,591.70	\$163.44

- (1) Represents the estimated maximum number of shares to be issued pursuant to the agreement and plan of merger dated as of December 31, 2004, among Centrue Financial Corporation, a Delaware corporation, Illinois Community Bancorp, Inc., an Illinois corporation, and Community Acquisition LLC, an Illinois limited liability company.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f)(2) of Regulation C under the Securities Act of 1933, as amended, based on the book value of the shares of Illinois Community Bancorp, Inc. common stock computed as of December 31, 2004.

DELAYING AMENDMENT: The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

(LOGO OF ILLINOIS COMMUNITY)

PROXY STATEMENT OF ILLINOIS COMMUNITY BANCORP, INC.

PROSPECTUS OF CENTRUE FINANCIAL CORPORATION

Merger Proposed Your Vote is Very Important

The boards of directors of Centrue Financial Corporation and Illinois Community Bancorp, Inc. have approved a merger agreement that would result in Centrue Financial's acquisition of Illinois Community.

In the transaction, subject to the limitations described in this document, shareholders of Illinois Community will receive shares of common stock of Centrue Financial, cash or a combination of both in exchange for their shares of Illinois Community stock. On an aggregate basis, 50% of the outstanding shares of Illinois Community common stock will be converted into the right to receive shares of Centrue Financial common stock, and 50% of the outstanding shares of Illinois Community common stock will be converted into the right to receive cash.

Illinois Community shareholders will be entitled to receive, for each share of Illinois Community common stock that they own, \$7.33 payable either in cash, or in shares of Centrue Financial common stock based solely on an exchange ratio that varies with Centrue Financial's average trading price shortly before the merger. Based on the \$27.97 average trading price of Centrue Financial common stock during the 10 trading days ending on the last trading day before the merger was announced, the exchange ratio would be 0.262 shares of Centrue Financial common stock per share. Based on the \$[] average trading price of Centrue Financial common stock on the 10 trading days ended [], 2005, the exchange ratio would be [] shares of Centrue Financial common stock per share. We encourage Illinois Community's shareholders to obtain current market price quotations for Centrue Financial common stock.

Centrue Financial common stock is traded on the American Stock Exchange under the symbol CFF. The closing price of Centrue Financial common stock on [], 2005, was \$[].

To complete this merger, Centrue Financial must obtain regulatory approvals and Illinois Community must obtain the approval of its shareholders. Illinois Community will hold a special meeting to vote on the merger agreement and the transactions it contemplates. **Your vote is very important.** Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card.

For a description of the significant considerations in connection with the merger and related matters described in this document, see Risk Factors beginning on page 12.

We encourage you to read this entire document carefully. This proxy statement-prospectus gives you detailed information about the merger and it includes a copy of the merger agreement as Appendix A.

Sincerely,

Roger D. Dotson
President
Illinois Community Bancorp, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement-prospectus or determined if this proxy statement-prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

The securities we are offering through this document are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either of our companies, and they are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency.

This proxy statement-prospectus is dated [], 2005, and is first being mailed on or about [], 2005.

Table of Contents

Illinois Community Bancorp, Inc.

1300 North Keller Drive
Effingham, Illinois 62401

Notice of Special Meeting of Shareholders

To Be Held On [], 2005

A special meeting of the shareholders of Illinois Community Bancorp, Inc., an Illinois corporation, will be held at [], on [], 2005, []:00 [] a.m., local time, for the following purposes:

1. To consider and vote upon a proposal to approve the Agreement and Plan of Merger dated as of December 31, 2004, among Centru Financial Corporation, a Delaware corporation, Illinois Community Bancorp, Inc. and Community Acquisition LLC, an Illinois limited liability company and a wholly-owned subsidiary of Centru Financial, and the transactions it contemplates, including the acquisition of Illinois Community by Centru Financial.

2. To transact such other business as may properly be brought before the special meeting, or any adjournments or postponements of the special meeting.

The close of business on [], 2005, has been fixed as the record date for determining those shareholders entitled to vote at the special meeting and any adjournments or postponements of the special meeting. Accordingly, only shareholders of record on that date are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

By Order of the Board of Directors,

Roger D. Dotson,
President

[], 2005

YOUR VOTE IS VERY IMPORTANT

Whether or not you plan to attend the special meeting in person, please take the time to vote by completing and mailing the enclosed proxy card in the enclosed postage-paid envelope. If you attend the special meeting, you may still vote in person if you wish, even if you have previously returned your proxy card.

Your board of directors unanimously recommends that you vote FOR approval of the merger agreement and the transactions it contemplates.

TABLE OF CONTENTS

<u>HOW TO OBTAIN ADDITIONAL INFORMATION</u>	ii
<u>QUESTIONS AND ANSWERS ABOUT VOTING PROCEDURES FOR THE SPECIAL MEETING</u>	iii
<u>QUESTIONS AND ANSWERS ABOUT ELECTING THE FORM OF MERGER CONSIDERATION</u>	iv
<u>SUMMARY</u>	1
<u>General</u>	1
<u>The Companies</u>	1
<u>Special Meeting</u>	1
<u>Record Date; Vote Required</u>	2
<u>Authority to Adjourn Special Meeting to Solicit Additional Proxies</u>	2

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<u>Dissenters' Rights</u>	2
<u>Recommendation to Shareholders</u>	2
<u>Share Ownership of Illinois Community's Directors and Officers</u>	2
<u>The Merger</u>	3
<u>What You Will Receive in the Merger</u>	3
<u>Election of Consideration</u>	4
<u>Exchange of Stock Certificates</u>	4
<u>Ownership After the Merger</u>	4
<u>Effective Time of the Merger</u>	4
<u>Federal Income Tax Consequences</u>	4
<u>Reasons for the Merger</u>	5
<u>Conditions to Completion of the Merger</u>	5
<u>Termination and Termination Fees</u>	6
<u>Waiver and Amendment</u>	6
<u>Regulatory Approvals</u>	6
<u>Management and Operations After the Merger</u>	6
<u>Interests of Certain Persons in the Merger</u>	6
<u>Accounting Treatment</u>	7
<u>Expenses</u>	7
<u>Material Differences in the Rights of Shareholders</u>	7
<u>Comparative Market Prices of Common Stock</u>	7
<u>Comparative Per Share Data</u>	7
<u>Market Price Information</u>	8
<u>Historical Market Prices and Dividend Information</u>	9
<u>Selected Historical Financial Data</u>	10
<u>RISK FACTORS</u>	12
<u>A WARNING ABOUT FORWARD-LOOKING STATEMENTS</u>	13
<u>INTRODUCTION</u>	14
<u>SPECIAL MEETING</u>	14
<u>Date, Place, Time and Purpose</u>	14
<u>Record Date, Voting Rights, Required Vote and Revocability of Proxies</u>	14
<u>Solicitation of Proxies</u>	15
<u>Authority to Adjourn Special Meeting to Solicit Additional Proxies</u>	15
<u>Dissenters' Rights</u>	16
<u>Recommendation of Illinois Community's Board</u>	17
<u>DESCRIPTION OF TRANSACTION</u>	17
<u>General</u>	17
<u>Merger Consideration</u>	17
<u>Election Procedures: Surrender of Stock Certificates</u>	19
<u>Effective Time of the Merger</u>	20
<u>United States Federal Income Tax Consequences of the Merger</u>	21
<u>Background of the Merger</u>	24
<u>Centrue Financial's Reasons for the Merger</u>	25
<u>Illinois Community's Reasons for the Merger and Board Recommendation</u>	26
<u>Representations and Warranties</u>	27
<u>Conduct of Business Pending the Merger and Certain Covenants</u>	28
<u>Conditions to Completion of the Merger</u>	29
<u>Termination and Termination Fees</u>	31
<u>Waiver and Amendment</u>	32
<u>Regulatory Approvals</u>	32
<u>Management and Operations After the Merger</u>	33
<u>Interests of Certain Persons in the Merger</u>	33
<u>Additional Agreements</u>	35
<u>Accounting Treatment</u>	35
<u>Expenses</u>	35
<u>Resales of Centrue Financial Common Stock</u>	35
<u>EFFECT OF THE MERGER ON RIGHTS OF SHAREHOLDERS</u>	36
<u>General</u>	36
<u>Anti-Takeover Provisions Generally</u>	36
<u>Authorized Capital Stock</u>	37
<u>Voting Rights</u>	37
<u>Rights Plan</u>	38

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<u>Classification of Board of Directors</u>	39
<u>Size of the Board of Directors; Vacancies; Removal</u>	39
<u>Shareholder Nominations and Proposals</u>	40
<u>Special Meetings of Shareholders</u>	41
<u>Action by Written Consent</u>	41
<u>Dividends</u>	41
<u>Evaluation of Proposals</u>	42
<u>Special Voting Requirements; Business Combinations</u>	42
<u>Amendment of Charter Documents</u>	43
<u>Limitations on Director Liability</u>	43
<u>Indemnification</u>	44
<u>Dissenters' Rights</u>	45
<u>BUSINESS OF CENTRUE FINANCIAL</u>	45
<u>BUSINESS OF ILLINOIS COMMUNITY</u>	46
<u>OTHER MATTERS</u>	46
<u>SHAREHOLDER PROPOSALS</u>	46
<u>EXPERTS</u>	46
<u>CERTAIN OPINIONS</u>	46
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	47
<u>INFORMATION INCORPORATED BY REFERENCE</u>	47
Appendix A Agreement and Plan of Merger	
Appendix B Sections 11.65 and 11.70 of the Illinois Business Corporation Act (Dissenters' Rights)	
<u>Opinion of Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP</u>	
<u>Opinion of Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP</u>	
<u>Form of Employment Agreement</u>	
<u>Form of Non-Competition Agreement</u>	
<u>Consent of McGladrey & Pullen, LLP</u>	
<u>Form of Proxy</u>	

Table of Contents

HOW TO OBTAIN ADDITIONAL INFORMATION

This proxy statement-prospectus incorporates important business and financial information about Centrue Financial that is not included in or delivered with this document. This information is described on page under Where You Can Find More Information. You can obtain free copies of this information by writing or calling:

Centrue Financial Corporation
310 South Schuyler Avenue
P. O. Box 552
Kankakee, Illinois 60901-0552
Attention: Lynn O Brien, Corporate Secretary
Telephone: (815) 937-4440

To obtain timely delivery of the documents, you must request the information by [], 2005.

Table of Contents

QUESTIONS AND ANSWERS ABOUT VOTING PROCEDURES FOR THE SPECIAL MEETING

Q: What am I being asked to vote on?

A: Illinois Community shareholders are being asked to approve a merger agreement that will result in the merger of Illinois Community with and into a subsidiary of Centru Financial.

Q: What does Illinois Community's board of directors recommend?

A: The Illinois Community board of directors recommends that you vote FOR approval of the merger agreement and the transactions it contemplates. The board, which collectively with Illinois Community's executive officers holds 144,310 shares, or approximately 31.9% of the Illinois Community common stock eligible to vote, has agreed to vote in favor of the merger agreement.

Q: Who must approve the proposals at the special meeting?

A: Holders of at least two-thirds of the outstanding voting shares of Illinois Community as of the record date must approve the merger agreement and the transactions it contemplates.

Q: When and where is the special meeting?

A: The special meeting will be held on [], 2005, at []:00 [] m., local time, at [].

Q: What do I need to do now?

A: After reviewing this document, submit your proxy by sending a completed proxy card. By submitting your proxy, you authorize the individuals named in it to represent you and vote your shares at the special meeting in accordance with your instructions. **Your proxy vote is important.** Whether or not you plan to attend the special meeting, please submit your proxy promptly in the enclosed envelope.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: Your broker will vote your shares only if you instruct your broker on how to vote. Your broker will send you directions on how to do this.

Q: How will my shares be voted if I return a blank proxy card?

A: If you sign and date your proxy card but do not indicate how you want to vote, your proxies will be counted as a vote FOR the proposals identified in this document and in the discretion of the persons named as proxies in any other matters properly presented at the special meeting.

Q: What will be the effect if I do not vote?

A: Your failure to vote will have the same effect as if you voted against approval of the merger agreement and the transactions it contemplates.

Q: Can I vote my shares in person?

A: Yes, if your shares are registered in your own name, you may attend the special meeting and vote your shares in person. However, we recommend that you sign, date and promptly mail the enclosed proxy card.

Q: Can I change my mind and revoke my proxy?

A: Yes, you may revoke your proxy and change your vote at any time before the polls close at the special meeting by following the instructions in this document.

Q: What if I oppose the merger? Do I have dissenters' rights?

A: Dissenters' rights are available under the Illinois Business Corporation Act. A copy of the applicable provisions of Illinois law is attached as Appendix B to this document.

iii

Table of Contents

Q: Who can answer my questions?

A: You should contact:
Illinois Community Bancorp, Inc.
1300 North Keller Drive
Effingham, Illinois 62401
Attention: Roger D. Dotson
Telephone: (217) 347-7127

QUESTIONS AND ANSWERS ABOUT ELECTING THE FORM OF MERGER CONSIDERATION

Q: What will I receive in the merger?

A: For each share of Illinois Community common stock that you own, you will be entitled to receive \$7.33 per share payable either in cash or common stock of Centru Financial. On an aggregate basis, 50% of the outstanding shares of Illinois Community common stock will be converted into the cash consideration, and 50% of the outstanding shares of Illinois Community common stock will be converted into the stock consideration. Subject to that requirement, you will be entitled to elect the form of merger consideration that you would like to receive, as we describe further below.

The actual number of shares of Centru Financial common stock that will be issued for each share of Illinois Community common stock will be equal to that number of shares of Centru Financial common stock, rounded to the nearest one-thousandth of a share, equal to the quotient of \$7.33 divided by an average price of Centru Financial common stock. The average price of Centru Financial common stock will be calculated as the unweighted average of the high and low sale prices of a share of Centru Financial common stock, as reported on the American Stock Exchange for each of the 10 trading days ending on the third trading day preceding the closing of the merger. Because the determination period that will be used for this calculation has not yet occurred, the actual exchange ratio cannot be determined at this time. However, this document describes the effect of various prices on the exchange ratio. For example, using the average trading price of Centru Financial common stock during the 10 trading days ended [], 2005, the exchange ratio for each share of Illinois Community common stock would be [] shares of Centru Financial common stock. You should obtain current market price quotations for Centru Financial common stock to determine the effect of changes in the market price on the exchange ratio.

Based on the condition that no more than 452,310 shares of Illinois Community common stock be outstanding when the merger is completed, the total consideration Centru Financial will pay in the merger is expected to equal approximately \$3,315,430.

Q: How do I elect the form of payment I will receive in the merger?

A: Shortly after the merger, you will receive a form in the mail with written instructions on how to elect the form of payment you want to receive in the merger. Subject to the limitations described in this document, you will have the option to elect to receive cash, shares of Centru Financial common stock, or both.

All shareholder elections are subject to the requirement that on an aggregate basis 50% of the outstanding shares of Illinois Community common stock must be converted into the right to receive cash, and 50% of the outstanding shares of Illinois Community common stock must be converted into the right to receive Centru Financial common stock. Therefore, depending on elections made by other shareholders, the exchange agent may modify your election to satisfy this requirement, which means that you may ultimately receive more or fewer shares of Centru Financial common stock or more or less cash than you otherwise elected to receive.

If you do not make a timely election, you will be allocated cash and/or shares as needed to satisfy the overall 50% cash and 50% stock requirement discussed above. Completed election forms must be returned to LaSalle Bank, which is serving as the exchange agent in this transaction, on or before 5:00 p.m., Kankakee, Illinois time, on [], 2005.

Table of Contents

Q: How do I exchange my Illinois Community stock certificates?

A: A letter of transmittal, which will include instructions on where to surrender your stock certificates for exchange, will be mailed to you with the election form. The exchange agent will allocate cash and Centru Financial common stock among Illinois Community's shareholders in accordance with the terms of the merger agreement and will transmit the merger consideration to the former Illinois Community shareholders.

Q: Whom should I call with questions?

A: You should contact:
Illinois Community Bancorp, Inc.
1300 North Keller Drive
Effingham, Illinois 62401
Attention: Roger D. Dotson
Telephone: (217) 347-7127

This brief summary highlights selected information from this proxy statement-prospectus and does not contain all of the information that is important to you. We urge you to carefully read this entire document and the other documents we refer to in this document. These will give you a more complete description of the transaction we are proposing. For more information about Centru Financial, see [Where You Can Find More Information](#). We have included page references in this summary to direct you to other places in this proxy statement-prospectus where you can find a more complete description of the topics summarized below.

This proxy statement-prospectus relates to the proposed acquisition of Illinois Community by Centrue Financial. Centrue Financial and Illinois Community believe that the acquisition will enhance shareholder value by allowing Illinois Community shareholders to receive Centrue Financial common stock and cash in exchange for their shares of Illinois Community common stock and by permitting Centrue Financial to expand its presence with the addition of new markets in Illinois.

to approve the merger agreement and the transactions it contemplates; and

to act on other matters that may properly be submitted to a vote at the meeting.

Table of Contents

Record Date; Vote Required

(pages and)

You may vote at the meeting of Illinois Community's shareholders if you owned Illinois Community common stock at the close of business on [], 2005. You can cast one vote for each share of Illinois Community common stock that you owned at that time. To approve the merger agreement and the transactions it contemplates, the holders of at least two-thirds of the outstanding voting shares of Illinois Community as of the record date must vote in favor of doing so.

You may vote your shares in person by attending the meeting or by mailing us your proxy if you are unable or do not wish to attend. You can revoke your proxy at any time before Illinois Community takes a vote at the meeting by submitting a written notice revoking the proxy or a later-dated proxy to the secretary of Illinois Community, or by attending the meeting and voting in person.

Authority to Adjourn Special Meeting to Solicit Additional Proxies

(page)

Illinois Community is asking its shareholders to grant full authority for the special meeting to be adjourned, if necessary, to permit solicitation of additional proxies to approve the transactions proposed by this proxy statement-prospectus.

Dissenters' Rights

(page)

As more fully described beginning on page , under Illinois law, Illinois Community shareholders have the right to dissent from the merger and receive in cash the fair value of their shares of Illinois Community common stock.

To dissent and receive the fair value of their shares, Illinois Community shareholders must follow the procedures outlined in Appendix B.

If you exercise your dissenters' rights and the conditions outlined in Appendix B are met, your shares of Illinois Community common stock will not be converted into the right to receive the consideration provided in the merger agreement. Instead, your only right will be to receive in cash the fair value of your Illinois Community shares as determined by mutual agreement between you and Centru Financial or by a court if you are unable to agree. You should be aware that submitting a signed proxy card without indicating a vote with respect to the merger will be deemed a vote FOR the merger and a waiver of your dissenters' rights. A vote AGAINST the merger does not dispense with the other requirements for exercising dissenters' rights under Illinois law.

The fair value may be more or less than the consideration you would have received under the terms of the merger agreement. If you exercise your dissenters' rights and complete the process of having a court determine the fair value of your shares in accordance with Illinois law, the amount you are awarded could be less than the value of the cash and shares of Centru Financial common stock that you would have received in the merger.

Recommendation to Shareholders

(page)

Illinois Community's board of directors believes that the merger agreement and the merger are fair to you and in your best interests, and unanimously recommends that you vote FOR the proposal to approve the merger agreement and the transactions it contemplates.

Share Ownership of Illinois Community's Directors and Officer

(pages and)

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On the record date, Illinois Community's directors and executive officers owned 144,310 shares, or approximately 31.9% of the outstanding shares of Illinois Community common stock. Illinois Community's

Table of Contents

directors and executive officers have agreed to vote their shares to approve the merger agreement and the transactions it contemplates. However, because they own only approximately 31.9% of the outstanding shares of Illinois Community's common stock, there is no assurance that the proposal will be approved.

The Merger

(page)

We have attached a copy of the merger agreement to this document as Appendix A. Please read the merger agreement. It is the legal document that governs the merger.

We propose a combination in which Illinois Community will merge with and into a wholly-owned subsidiary of Centru Financial. The surviving entity will immediately liquidate, leaving Centru Financial as the direct owner of Illinois Community Bank. We expect to complete the merger in the second quarter of 2005, although delays could occur.

What You Will Receive in the Merger

(page)

For each share of Illinois Community common stock that you own, you will be entitled to receive \$7.33 per share payable either in cash or common stock of Centru Financial. On an aggregate basis, 50% of the outstanding shares of Illinois Community common stock will be converted into cash and 50% of the outstanding shares of Illinois Community common stock will be converted into Centru Financial common stock. Subject to that requirement, you will be entitled to elect the form of merger consideration that you would like to receive, as we describe further in this document.

For the consideration paid in the form of stock, the actual number of shares of Centru Financial common stock that will be issued for each share of Illinois Community common stock will be equal to that number of shares of Centru Financial common stock, rounded to the nearest one-thousandth of a share, that is equal to the quotient of \$7.33 divided by an average price of Centru Financial common stock. The average price of Centru Financial common stock is calculated as the unweighted average of the high and low sale prices of a share of Centru Financial common stock as reported on the American Stock Exchange for each of the 10 trading days ending on the third trading day preceding the closing of the merger. Because the determination period that will be used for this calculation has not yet occurred, the actual exchange ratio cannot be determined at this time. However, this document describes the effect of various prices on the exchange ratio.

*Example: Using \$27.97, which is the average of the high and low trading prices of Centru Financial common stock during the 10 trading days ended December 30, 2004, the last trading day before the merger agreement was announced, the exchange ratio for each share of Illinois Community common stock would be 0.262 shares of Centru Financial common stock ($\$7.33 \div \$27.97 = 0.262$). Based on the maximum of 452,310 shares of Illinois Community common stock that may be outstanding at the time of the merger, and taking into account the requirement that 50% of the outstanding shares of Illinois Community common stock be converted into Centru Financial common stock, Centru Financial would issue 59,253 shares of its common stock in the merger ($452,310 * 0.50 = 226,155$; $226,155 * 0.262 = 59,253$).*

*Example: Using the average of the high and low trading prices of Centru Financial common stock during the 10 trading days ended [], 2005, the exchange ratio for each share of Illinois Community common stock would be [] shares of Centru Financial common stock ($\$7.33 \div [] = []$). Based on the maximum of 452,310 shares of Illinois Community common stock that may be outstanding at the time of the merger, and taking into account the requirement that 50% of the outstanding shares of Illinois Community common stock be converted into Centru Financial common stock, Centru Financial would issue [] shares of its common stock in the merger ($452,310 * 0.50 = 226,155$; $226,155 * [] = []$).*

You should obtain current market price quotations for Centru Financial common stock to determine the effect of changes in the market price on the exchange ratio.

Table of Contents

Election of Consideration

(pages through)

Subject to the limitations described in this document, you have the option to receive the merger consideration in the form of cash, Centrue Financial common stock or a combination of both. Shortly after the merger is completed, you will receive an election form in the mail with written instructions on how to elect the form of payment you would like to receive.

All shareholder elections are subject to the requirement that on an aggregate basis 50% of the outstanding shares of Illinois Community common stock must be converted into the right to receive cash, and 50% of the outstanding shares of Illinois Community common stock must be converted into the right to receive Centrue Financial common stock. Therefore, depending on elections made by other shareholders the exchange agent may modify your election to satisfy this requirement, which means that you may ultimately receive more or fewer shares of Centrue Financial common stock or more or less cash than you otherwise elected to receive.

If you do not make a timely election, you will be allocated cash and/or shares as needed to satisfy the overall 50% cash and 50% stock requirement discussed above. Completed election forms must be returned to LaSalle Bank, which is serving as the exchange agent in this transaction, on or before 5:00 p.m., Kankakee, Illinois time, on [], 2005.

Exchange of Stock Certificates

(page)

After the merger is completed, you will also receive instructions on how to surrender your stock certificates representing Illinois Community common stock in exchange for Centrue Financial stock certificates and cash. You must carefully review and complete these materials and return them as instructed along with your Illinois Community Common stock certificates. **Please do not send any stock certificates to the exchange agent, Centrue Financial or Illinois Community until you receive these instructions.**

Ownership After the Merger

(page)

Assuming that the maximum 452,310 shares of Illinois Community common stock are exchanged in the merger, and based on the \$[] average trading price of Centrue Financial as reported on the American Stock Exchange during the 10 trading days ended as of [], 2005, Centrue Financial will issue [] shares of its common stock and will pay \$1,657,716.15 in cash to Illinois Community shareholders in the merger. Based on the number of outstanding shares of Centrue Financial common stock at [], 2005, this would constitute approximately [%] of the outstanding common stock of Centrue Financial immediately following the merger.

Effective Time of the Merger

(page)

The merger will become final when articles of merger are filed with the Secretary of State of the State of Illinois. If Illinois Community s shareholders approve the merger at their special meeting, and if Centrue Financial obtains all required regulatory approvals, we anticipate that the merger will be completed in the second quarter of 2005, although delays could occur.

We cannot assure you that we can obtain the necessary shareholder and regulatory approvals or that the other conditions to completion of the merger can or will be satisfied.

Federal Income Tax Consequences

(page)

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The merger will be tax-free for federal income tax purposes to Illinois Community shareholders who only receive Centrue Financial shares in the merger. For Illinois Community shareholders who receive cash in exchange for any of their Illinois Community shares or for those shareholders who receive cash for fractional

Table of Contents

shares, the cash received will either be characterized as a dividend (to the extent of Illinois Community's earnings and profits) for U.S. federal income tax purposes or it will be characterized as a payment in exchange for stock. Because the determination of each shareholder's tax treatment is highly dependent upon that shareholder's specific facts and relationships with other shareholders, it is not possible to reach any general conclusions with respect to this issue.

Reasons for the Merger

(pages and)

Centrue Financial. The Centrue Financial board of directors believes that the merger will enhance shareholder value by increasing the capability to offer a full range of financial products and services in many of central Illinois' most attractive markets.

Illinois Community. The Illinois Community board of directors believes that the merger with Centrue Financial is consistent with Illinois Community's goal of enhancing shareholder value. In addition, the Illinois Community board of directors believes that the customers and communities served by Illinois Community will benefit from the merger.

You can find a more detailed discussion of the background of the merger and Centrue Financial's and Illinois Community's reasons for the merger in this document under "Description of Transaction" "Background of the Merger" beginning on page , "Centrue Financial's Reasons for the Merger" beginning on page and "Illinois Community's Reasons for the Merger and Board Recommendation" beginning on page .

The discussion of each party's reasons for the merger includes forward-looking statements about possible or assumed future results of operations and the performance of the combined company after the merger. For a discussion of factors that could affect these future results, *see* "A Warning About Forward-Looking Statements" on page .

Conditions to Completion of the Merger

(page)

The completion of the merger depends on a number of conditions being met. Subject to exceptions described in the merger agreement, these include:

accuracy of the respective representations and warranties of Centrue Financial and Illinois Community in the merger agreement;

compliance in all material respects by each of Centrue Financial and Illinois Community with their respective covenants and agreements in the merger agreement;

approval of regulatory authorities;

approval of the merger agreement by Illinois Community shareholders;

receipt by each party of an opinion that, for federal income tax purposes, Illinois Community shareholders who exchange their shares for shares of common stock of the combined company will not recognize any gain or loss as a result of the merger, except in connection with the receipt of cash in exchange for shares of Illinois Community common stock and the payment of cash instead of fractional shares, or the payment of cash resulting from the exercise of appraisal rights (this opinion will be subject to various limitations and we recommend that you read the more detailed description of federal income tax consequences provided in this document beginning on page); and

the absence of any injunction or legal restraint blocking the merger, or of any proceedings by a government body trying to block the merger.

Table of Contents

A party to the merger agreement could choose to complete the merger even though a condition to its obligation has not been satisfied, as long as the law allows it to do so. We cannot be certain when or if the conditions to the merger will be satisfied or waived, or that the merger will be completed.

Termination and Termination Fees

(page)

The parties can mutually agree at any time to terminate the merger agreement without completing the merger. Also, either party can decide, without the consent of the other, to terminate the merger agreement if the merger has not been completed by June 30, 2005, unless the failure to complete the merger by that time is due to a violation of the merger agreement by the party that wants to terminate the merger agreement.

In addition, either Centrue Financial or Illinois Community can terminate the merger agreement if the conditions to its respective obligation to complete the merger have not been satisfied. Centrue Financial also may terminate the agreement if environmental investigations indicate the presence of material adverse environmental conditions that cannot be removed or remediated at a cost of \$50,000 or less.

Either Centrue Financial or Illinois Community may be required to pay the other party a termination fee if the merger agreement is terminated due to certain circumstances outlined in the merger agreement. For a discussion of these conditions and fees, *see* Description of Transaction Termination and Termination Fees.

Waiver and Amendment

(page)

Centrue Financial and Illinois Community may jointly amend the merger agreement and either party may waive its right to require the other party to adhere to any term or condition of the merger agreement. However, neither may do so after Illinois Community's shareholders approve the merger, if the amendment or waiver would materially and adversely affect the rights of Illinois Community's shareholders.

Regulatory Approvals

(page)

We cannot complete the merger unless it is approved by the Board of Governors of the Federal Reserve System, referred to as the Federal Reserve, and the Illinois Department of Financial and Professional Regulation. Once the Federal Reserve approves the merger, we have to wait anywhere from 15 to 30 days before we can complete the merger, during which time the U.S. Department of Justice can challenge the merger on antitrust grounds.

Centrue Financial has filed all of the required applications or notices with the Federal Reserve and the Illinois Department of Financial and Professional Regulation.

Management and Operations After the Merger

(page)

Following the merger, Community Acquisition LLC, the surviving entity in its merger with Illinois Community, will dissolve, leaving Centrue Financial as the direct holding company of Illinois Community Bank. The directors and officers of Centrue Financial will remain the same as they were prior to the merger.

Interests of Certain Persons in the Merger

(page)

Some of Illinois Community's directors and officers have interests in the merger that differ from, or are in addition to, their interests as shareholders in Illinois Community, as described beginning on page .

The members of Illinois Community's board of directors knew about these additional interests and considered them when they approved the merger agreement and the transactions it contemplates.

Table of Contents

Accounting Treatment

(page)

The merger will be accounted for as a purchase transaction in accordance with accounting principles generally accepted in the United States.

Expenses

(page)

Each of Centrue Financial and Illinois Community will pay its own expenses in connection with the merger, including filing, registration and application fees, printing fees and fees and expenses of its own financial or other consultants, accountants and counsel.

Material Differences in the Rights of Shareholders

(page)

Upon completion of the merger, Illinois Community shareholders, other than those receiving only cash in the merger, will become shareholders of Centrue Financial and their rights will be governed by Delaware law and by Centrue Financial's certificate of incorporation and bylaws. There are material differences between the rights of the shareholders of Centrue Financial and Illinois Community, which we describe in this document.

Comparative Market Prices of Common Stock

(pages and)

Shares of Centrue Financial common stock are traded on the American Stock Exchange under the symbol CFF. On December 30, 2004, the last trading day before we announced the merger, the last reported trading price of Centrue Financial common stock was \$28.19 per share. On [], 2005, the last reported trading price of Centrue Financial common stock was \$[] per share. We can make no prediction or guarantee at what price Centrue Financial common stock will trade after the completion of the merger. Shares of Illinois Community common stock trade on the pink sheets under the symbol ILCM.PK, however, Illinois Community's shares trade very infrequently.

Comparative Per Share Data

The following table presents comparative historical per share data of Centrue Financial and Illinois Community and unaudited pro forma per share data that reflect the combination of Centrue Financial using the purchase method of accounting.

The information listed as equivalent pro forma for Illinois Community was obtained by multiplying the amounts for Illinois Community by the exchange ratio of 0.262, which is the exchange ratio based on the average Centrue Financial common stock price of \$27.97 during the 10 trading days prior to December 30, 2004, the day before the execution of the merger agreement was announced. However, as explained in this proxy statement-prospectus, the exchange ratio may go up or down as the market price of the common stock of Centrue Financial fluctuates.

We expect that we will incur merger and integration charges as a result of combining our companies. We also anticipate that the merger will provide the combined company with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect these expenses or benefits and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have actually been had our companies been combined as of the dates or for the periods presented. The pro forma combined numbers represent the combination of the net income/ (loss) of Centrue Financial and Illinois Community for the periods presented. Additionally, share amounts were increased for the amount of shares expected to be issued in the merger.

Table of Contents***Illinois Community***

	As of and for the Nine Months Ended September 30,		As of and for the Years Ended December 31,		
	2004	2003	2003	2002	2001
Historical:					
Net loss basic	\$ (0.19)	\$ (0.80)	\$ (1.20)	\$ (2.53)	\$ (3.92)
Net loss diluted	(0.19)	(0.80)	(1.20)	(2.53)	(3.92)
Cash dividends declared					
Book value	3.52	4.06	3.75	5.09	7.52
Equivalent pro forma combined:					
Net loss basic	\$ (0.05)	\$ (0.21)	\$ (0.31)	\$ (0.66)	\$ (1.03)
Net loss diluted	(0.05)	(0.21)	(0.31)	(0.66)	(1.03)
Cash dividends declared					
Book value	0.92	1.06	0.98	1.33	1.97

Centrue Financial

	As of and for the Nine Months Ended September 30,		As of and for the Years Ended December 31,		
	2004	2003	2003	2002	2001
Historical:					
Net income basic	\$ 1.29	\$ 0.35	\$ 0.65	\$ 0.94	\$ 1.34
Net income diluted	1.29	0.35	0.65	0.93	1.31
Cash dividends declared	0.075	0.225	0.30	0.29	0.24
Book value	17.73	16.84	17.51	17.63	16.93
Pro forma combined:					
Net income basic	\$ 1.23	\$ 0.24	\$ 0.38	\$ 0.45	\$ 0.63
Net income diluted	1.22	0.24	0.38	0.44	0.62
Cash dividends declared	0.075	0.225	0.30	0.29	0.24
Book value	17.31	16.32	17.13	17.19	16.53

Market Price Information

Centrue Financial common stock is traded on the American Stock Exchange under the symbol CFF. Shares of Illinois Community common stock trade on the pink sheets under the symbol ILCM.PK; however, trading in Illinois Community's shares occurs very infrequently. On December 30, 2004, the business day immediately preceding the public announcement of the execution of the merger agreement, and [], 2005, the most recent practicable date prior to the mailing of this document, the reported market prices of Centrue Financial common stock and Illinois Community common stock, and the equivalent price per share of Centrue Financial common stock giving effect to the merger, were as follows:

Closing Sales Price

**Equivalent Price
per Share of
Centrue
Financial**

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Price per Share	Centrue Financial	Illinois Community	Common Stock
December 30, 2004	\$ 28.19	\$ 1.55	\$ 7.39
[], 2005	\$ []	\$ []	\$ []

Table of Contents

The Equivalent Price Per Share of Centrue Financial Common Stock at each specified date in the above table represents the product achieved when the closing sales price of a share of Centrue Financial common stock on that date is multiplied by the exchange ratio of 0.262, which is the number of shares of Centrue Financial common stock that an Illinois Community shareholder would receive for each share of Illinois Community common stock based on the \$27.97 average market price of Centrue Financial common stock for the 10 prior trading days ending on December 30, 2004, the day before the execution of the merger agreement was announced. Shareholders should obtain current market price quotations for share of Centrue Financial common stock prior to making any decision with respect to the merger.

The market price of Centrue Financial common stock will likely fluctuate between the date of this document and the date on which the merger is completed and after the merger. Because the market price of Centrue Financial common stock is subject to fluctuations, the exchange ratio will change and the value of the shares of Centrue Financial common stock that Illinois Community shareholders will receive in the merger may increase or decrease after the merger.

By voting to approve the merger agreement and the transactions it contemplates, Illinois Community shareholders will be choosing to invest in Centrue Financial to the extent they receive Centrue Financial common stock in exchange for any portion of their shares of Illinois Community common stock. An investment in Centrue Financial's common stock involves significant risk. In addition to the other information included in this proxy statement-prospectus, including the matters addressed in A Warning About Forwarding-Looking Statements beginning on page , Illinois Community shareholders should carefully consider the matters described below in Risk Factors beginning on page when determining whether to approve the merger agreement and the transactions it contemplates.

Historical Market Prices and Dividend Information

Centrue Financial. Centrue Financial's common stock is traded on the American Stock Exchange under the symbol CFF. The following table sets forth for the calendar quarter indicated the high and low closing market prices per share of Centrue Financial common stock as reported on the American Stock Exchange and the dividends per share of Centrue Financial common stock:

Quarter Ended	High	Low	Dividends Declared
Year-to-date 2005:			
First quarter (through [], 2005)	\$ []	\$ []	\$ []
2004:			
Fourth quarter	\$ 28.20	\$ 26.75	\$ 0.00
Third quarter	\$ 28.19	\$ 26.99	\$ 0.00
Second quarter	\$ 28.25	\$ 25.60	\$ 0.00
First quarter	\$ 28.40	\$ 27.00	\$ 0.075
2003:			
Fourth quarter	\$ 32.30	\$ 25.70	\$ 0.075
Third quarter	\$ 28.30	\$ 23.00	\$ 0.075
Second quarter	\$ 23.10	\$ 18.20	\$ 0.075
First quarter	\$ 19.70	\$ 17.90	\$ 0.075

Dividends for the first three quarters of 2003 have been restated to reflect the 2-for-1 stock split that occurred in October 2003. In April of 2004, Centrue Financial's board of directors voted to eliminate its quarterly dividend, with the expectation that the approximately \$800,000 in annualized savings would be used for its share repurchase and acquisition programs. A decision to reinstate dividends, and the timing and amount of any future dividends on shares of Centrue Financial common stock, will depend upon earnings, cash requirements, the financial condition of Centrue Financial and its subsidiaries, applicable government regulations and other factors deemed relevant by Centrue Financial's board of directors.

Table of Contents

Illinois Community. Illinois Community trades on the pink sheets under the symbol ILCM.PK, however trading in market for Illinois Community's shares occurs very infrequently. From time to time, Illinois Community becomes aware of transactions in its common stock. Management of Illinois Community is aware of only twelve transactions in Illinois Community stock which have occurred over the last two years, ten of which occurred at a price of \$2.75 per share, one of which occurred at a price of \$3.50 per share and one of which occurred at a price of \$2.00 per share. Illinois Community has not paid dividends on its common stock.

Selected Historical Financial Data

The following table presents selected consolidated financial data as of September 30, 2003, and 2004, and for the nine-month periods then ended, and as of December 31, 1999, 2000, 2001, 2002, and 2003, for each of the five years then ended, for Centru Financial. The financial ratios for the nine-month periods ended September 30, 2003, and 2004, are presented on an annualized basis. The historical financial information is based on the historical financial information that is contained in reports Centru Financial has previously filed with the Securities and Exchange Commission, which can be found in its Form 10-Q for the quarter ended September 30, 2004, and its Annual Report on Form 10-K for the year ended December 31, 2003. These documents are incorporated by reference in this proxy statement-prospectus. *See* Where You Can Find More Information on page .

You should read the following table in conjunction with the consolidated financial statements described above.

Historical results do not necessarily indicate the results that you can expect for any future period. Centru Financial believes that it has included all adjustments (which include only normal recurring adjustments) necessary to arrive at a fair presentation of its interim results of operations. Results for the interim period ended September 30, 2004, do not necessarily indicate the results that you can expect for the year as a whole.

Table of Contents**Historical Financial Data of Centrue Financial**

	Nine Months Ended September 30,		Years Ended December 31,				
	2004	2003	2003(4)	2002	2001	2000	1999
(Dollars in thousands, except per share data)							
Selected Financial Condition Data:							
Total assets	\$ 603,892	\$ 509,409	\$ 609,208	\$ 546,404	\$ 490,280	\$ 459,894	\$ 404,178
Loans, net, including loans held for sale	428,085	340,034	425,840	384,367	394,618	338,956	270,360
Investment securities held-to-maturity(1)	149	962	942	1,143	1,554	2,066	966
Investment securities available-for-sale	108,798	65,987	87,712	82,638	46,391	73,221	82,623
Deposits	496,022	419,297	496,054	433,565	417,059	389,450	356,437
Total borrowings	61,551	58,400	64,396	69,700	30,000	29,000	11,200
Stockholders' equity	42,969	31,415	45,643	41,107	41,191	39,289	36,248
Shares outstanding(3)	2,423,316	1,865,222	2,606,022	2,331,762	2,432,716	2,526,216	2,486,766
For the period:							
Net interest income after provision for loan losses	\$ 13,099	\$ 7,274	\$ 11,358	\$ 12,037	\$ 13,528	\$ 12,852	\$ 11,557
Net income	3,261	691	1,363	2,233	3,261	2,584	1,759
Per common share:							
Book value per share outstanding(3)	\$ 17.73	\$ 16.84	\$ 17.51	\$ 17.63	\$ 16.93	\$ 15.56	\$ 14.58
Tangible book value per share outstanding(2)(3)	11.84	14.72	12.66	15.81	15.11	13.65	12.49
Basic earnings per share(3)	1.29	0.35	0.65	0.94	1.34	1.03	0.68
Diluted earnings per share(3)	1.29	0.35	0.65	0.93	1.31	1.00	0.64
Financial ratios:							
Stockholders' equity to total assets	7.12%	6.17%	7.49%	7.52%	8.40%	8.54%	8.96%
Non-performing assets to total assets	1.74%	1.51%	1.00%	2.03%	0.45%	0.76%	0.69%
Net charge-offs to average loans	0.42%	1.71%	1.53%	0.01%	0.02%	0.02%	0.08%
Net interest margin	3.41%	3.14%	3.16%	3.22%	3.16%	3.25%	3.08%
Operating expenses to average assets	2.79%	2.76%	2.86%	2.52%	2.58%	2.68%	2.92%
Return on average assets	0.71%	0.18%	0.25%	0.42%	0.69%	0.60%	0.43%
Return on average stockholders' equity	9.87%	2.72%	4.00%	5.42%	8.20%	6.95%	4.61%
Average equity to average assets	7.22%	6.49%	6.33%	7.70%	8.41%	8.70%	9.38%
Dividend payout ratio	5.81%	63.38%	46.15%	30.32%	18.32%	24.12%	37.50%

(1) Includes certificates of deposit.

(2) Calculated by subtracting goodwill and other intangible assets from stockholders' equity.

- (3) Restated for 2-for-1 stock split in October 2003.
- (4) Reflects the effects of the acquisition of Aviston Financial Corporation that occurred in October 2003 and earnings and expenses subsequent to the acquisition date.

Table of Contents

RISK FACTORS

By voting in favor of the merger, Illinois Community shareholders will be choosing to invest in Centru Financial's common stock to the extent they receive Centru Financial common stock in exchange for any portion of their shares of Illinois Community common stock. In addition to the information contained elsewhere in this proxy statement-prospectus or incorporated in this proxy statement-prospectus by reference, as a shareholder of Illinois Community you should carefully consider the following factors in making your decision as to how to vote on the merger.

Because the market price of Centru Financial common stock may fluctuate, an Illinois Community shareholder cannot be sure of the value of the merger consideration that he or she will receive.

Upon completion of the merger, each share of Illinois Community common stock will be converted into shares of Centru Financial common stock, cash or a combination of Centru Financial common stock and cash under the terms of the merger agreement. The value of the stock consideration will depend on the average closing price of Centru Financial common stock during the 10 trading day measurement period ending on the third day prior to completion of the merger. The price of Centru Financial common stock will vary between the date the merger was announced, the date this document is mailed to Illinois Community shareholders and the date of the special meeting. The price of Centru Financial common stock may also vary from the average price during the 10 day pricing period used to determine the number of shares you are to receive. You will not be entitled to receive additional shares in the merger if the price of Centru Financial common stock on the closing date of the merger is less than the average price during the pricing period. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in Centru Financial's business, operations and prospects, and regulatory considerations. Many of these factors are beyond Centru Financial's control.

Accordingly, you will not know when you vote or make your election, either the number or the exact value of the shares of Centru Financial common stock that you will receive in the merger. Moreover, the market value of Centru Financial shares at the time of the merger and afterwards could be substantially higher or lower than the current market value. You are urged to obtain current market quotations for Centru Financial stock, and to consult with your financial advisors before you vote.

You may receive more or less stock or more or less cash than you desire.

To preserve the treatment of the merger as a tax-free reorganization under the Internal Revenue Code, the merger agreement requires that, on an aggregate basis, taking into account dissenters' shares, 50% of the Illinois Community shares outstanding at the effective time be converted into shares of Centru Financial common stock and 50% of the Illinois Community shares outstanding at the effective time be converted into cash. Although you will be permitted to elect the form of consideration you desire in the merger, your elections are subject to a proration procedure that will enable Centru Financial to implement this 50% stock and 50% cash limitation. Accordingly, you will not know, either when you vote or when you make your election, the number of shares of Centru Financial common stock or the amount of cash that you will actually receive in the merger.

The interests of certain management officials of Illinois Community may be different from those of other shareholders.

Illinois Community's directors and executive officers have interests in the merger other than their interests as Illinois Community shareholders. These interests may cause Illinois Community's directors and executive officers to view the merger proposal differently than you may view it. The board of directors of Illinois Community was aware of these interests at the time it approved the merger. See Description of Transaction Interests of Certain Persons in the Merger.

Table of Contents

Difficulties in combining the operations of Illinois Community and Centrue Financial may prevent the combined company from achieving the expected benefits from its acquisition.

The combined company may not be able to achieve fully the strategic objectives and operating efficiencies it hopes to achieve in the merger. The success of the merger will depend on a number of factors, including the combined company's ability to:

integrate the operations of Illinois Community with those of Centrue Financial;

maintain existing relationships with depositors so as to minimize withdrawals of deposits after the merger;

maintain and enhance existing relationships with borrowers so as to limit unanticipated losses from loans of Illinois Community and Centrue Financial;

control its incremental non-interest expense so as to maintain overall operating efficiencies;

retain and attract qualified personnel; and

compete effectively in the communities served by Illinois Community and Centrue Financial and in nearby communities.

These factors could contribute to the combined company not achieving the expected benefits from the merger within the desired time frames, if at all.

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

We have each made forward-looking statements in this document (and in documents to which we refer you in this document) that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our operations or the performance of the combined company after the merger is completed. When we use any of the words "believes," "expects," "anticipates," "estimates" or similar expressions, we are making forward-looking statements. These statements are based on Centrue Financial's and Illinois Community's respective managements' existing expectations, which in turn are based on information that is currently available to them and on the current economic, regulatory and competitive environment, including factors such as the strength of the U.S. and local economies; federal, state and local laws, regulations and policies; interest rates and regulatory policies; and expectations as to competitors and customers. Many possible events or factors, including changes from current conditions in the factors mentioned above, could affect the future financial results and performance of each of our companies and the combined company after the merger and could cause those results or performance to differ materially from those expressed in our forward-looking statements.

In addition to the factors listed above and the risks discussed in the "Risk Factors" section of this proxy statement-prospectus, factors that could have a material adverse effect on our operations and future prospects include, but are not limited to, the following:

the economic impact of past and any future terrorist threats and attacks, acts of war or threats thereof and the response of the United States to any such threats and attacks;

technological changes implemented by us and by other parties, including third party vendors, which may be more difficult or more expensive than anticipated or which may have unforeseen consequences to us and our customers;

the availability of capital to fund the expansion of the combined business; and

other factors referenced in this proxy statement-prospectus or the documents incorporated by reference.

These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

Table of Contents

Any forward-looking earnings estimates included in this proxy statement-prospectus have not been examined or compiled by either of our independent public accountants, nor have either of our independent accountants applied any procedures to our estimates. Accordingly, our accountants do not express an opinion or any other form of assurance on them. The forward-looking statements included in this proxy statement-prospectus are made only as of the date of this proxy statement-prospectus. Further information concerning Centrue Financial and its business, including additional factors that could materially affect Centrue Financial's financial results, is included in Centrue Financial's filings with the Securities and Exchange Commission.

INTRODUCTION

Illinois Community is furnishing this proxy statement-prospectus to holders of Illinois Community common stock, \$0.01 par value per share, in connection with the solicitation of proxies by Illinois Community's board of directors. Illinois Community's board of directors will use the proxies at the special meeting of shareholders of Illinois Community to be held on [], 2005, and at any adjournments or postponements of the meeting.

Shareholders will be asked at this special meeting to vote to approve the Agreement and Plan of Merger, dated as of December 31, 2004, among Illinois Community, Centrue Financial and Community Acquisition LLC, and the transactions it contemplates. Under the merger agreement, Illinois Community will merge into Community Acquisition LLC and Community Acquisition LLC will be dissolved immediately after the merger. As a result, Illinois Community Bank, which is currently a wholly-owned subsidiary of Illinois Community, will become a wholly-owned subsidiary of Centrue Financial. It is Centrue Financial's present intention that after the effective time of the merger among Illinois Community, Centrue Financial, and Community Acquisition LLC, Illinois Community Bank will merge with Centrue Financial's wholly-owned subsidiary, Centrue Bank. The bank merger is currently expected to occur several months after the holding company merger. If the merger among Illinois Community, Centrue Financial and Community Acquisition LLC is approved by Illinois Community's shareholders, each of the outstanding shares of Illinois Community common stock will be converted into the right to receive shares of Centrue Financial common stock, cash or a combination of both, as described in this proxy statement-prospectus.

SPECIAL MEETING

Date, Place, Time and Purpose

The special meeting of Illinois Community's shareholders will be held at [], at []:00 [] m., local time, on [], 2005. At the special meeting, holders of Illinois Community common stock will be asked to vote upon a proposal to approve the merger agreement and the transactions it contemplates.

Record Date, Voting Rights, Required Vote and Revocability of Proxies

The Illinois Community board fixed the close of business on [], 2005, as the record date for determining those Illinois Community shareholders who are entitled to notice of and to vote at the special meeting. Only holders of Illinois Community common stock of record on the books of Illinois Community at the close of business on the record date have the right to receive notice of and to vote at the special meeting. On the record date, there were [] shares of Illinois Community common stock issued and outstanding, held by approximately [] holders of record.

At the special meeting, Illinois Community shareholders will have one vote for each share of Illinois Community common stock owned on the record date. The holders of one-third of the outstanding shares of Illinois Community common stock entitled to vote at the special meeting must be present for a quorum to exist at the special meeting.