



PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS

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Additional Information Incorporated Into the Proxy Statement

The Bank has made copies of the audited financial statements of the Bank for the years ending December 31, 2019 and 2020 accessible at <http://www.cstproxy.com/towncenterbank/2021> If you would like a paper copy of any of the information contained on the website, please contact Continental Stock Transfer and Trust Company by calling 1-888-221-0690, using the Internet by visiting <http://www.cstproxy.com/towncenterbank/2021> or sending an email to proxy@continentalstock.com. Please include the company name and your accountnumber in the subject line.



PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS

Introduction & Summary:

Town Center Bank (the “**Bank**”) is providing this Proxy Statement to you in connection with the solicitation of proxies for the Annual Meeting of Shareholders of the Bank (the “**Meeting**”). The matters to be considered and acted on are listed in the attached Notice.

Annual Meeting of Shareholders	
Time & Date:	May 18, 2021 at 4:00pm, Central Standard Time
Place:	Town Center Bank 1938 E Lincoln Hwy, Suite 201 New Lenox, Illinois 60451
Record Date:	March 30, 2021

Shareholders of the Bank should rely only on the information contained in this Proxy Statement. If anyone provides a shareholder with different or inconsistent information, the shareholder should not rely on it. No person is authorized to give any information or to make any representation not contained or incorporated by reference in this Proxy Statement in connection with the solicitation of proxies by the Bank. You should not rely on any other information or representation as having been authorized by the Bank.

The information appearing in this Proxy Statement, as well as the documents and reports incorporated herein, is accurate only as of the date on the front cover of this Proxy Statement or the other dates given in this Proxy Statement and in the documents and reports incorporated herein. The business, financial condition, results of operations, and prospects of the Bank may have changed since those dates, and, as a result, such information may not be accurate as of any other date. None of the Bank officers, directors, agents or representatives assume any responsibility or duty to amend or supplement this Proxy Statement or as the documents and reports incorporated herein.

This Proxy Statement is dated March 30, 2021

FORWARD LOOKING STATEMENTS

Statements contained in this Proxy Statement that are not purely historical are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including our expectations, intentions, beliefs, or strategies regarding the future. Any statements in this document about expectations, intentions, beliefs, plans, objectives, assumptions, or future events or performance are not historical facts and are forward-looking statements. These statements may often, but not always, be identified by words such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” and other similar expressions. Examples of forward-looking statements include, but are not limited to, statements we make regarding “beliefs about loan losses” and “expectations regarding customer preference.” The foregoing is not an exclusive list of all forward-looking statements we make.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. The Bank’s actual results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution each shareholder therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: fluctuations in interest rates, inflation, government regulations, conditions in the financial markets, economic conditions nationally and regionally particularly local real estate values, customer disintermediation, insufficient allowances for loan losses, environmental liability associated with lending activities, technological advancements and competitive product and pricing pressures in the geographic and business areas in which we conduct operations, as well as the results of examinations of the Bank by the Illinois Department of Financial and Professional Regulation (“*Division of Banking*”) and by the Federal Deposit Insurance Corporation (“*FDIC*”) or any other regulatory authority.

Any forward-looking statement speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for the Bank to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments, actual results or otherwise, except as may be required by law.

QUESTIONS AND ANSWERS REGARDING THE MEETING

This Section highlights selected information from this Proxy Statement but may not contain all of the information that is important for you to understand the contemplated actions fully. Therefore the Bank urges you to read carefully the entire Proxy Statement.

What are the purposes of the Meeting?

The purposes of the Meeting are:

- (1) To consider and act upon a proposal to elect to the Town Center Bank's Board of Directors Nine (9) persons nominated by the Board of Directors;
- (2) To consider and act upon a proposal for the reorganization of the Bank into a bank holding company form of ownership;
- (3) To consider and act upon a proposal to ratify the appointment of BKD, LLP as TownCenter Bank's independent registered public accounting firm for the 2021 fiscal year.

How can I get electronic access to the proxy materials?

The Notice of Internet Availability of Proxy Materials provides you with instructions regarding how to view proxy materials for the Meeting on the Internet and execute a proxy.

How many votes do I have?

You will have one (1) vote for every Bank Share that you owned on March 30, 2021, our record date.

How many votes can be cast by all shareholders?

As of March 30, 2021, a total of 2,333,660 Bank Shares were issued and outstanding.

How many votes must be present to hold the Meeting?

In order for business to be conducted at the Meeting, a quorum must be present. A quorum consists of a majority of the Bank Shares issued and outstanding on the record date and entitled to vote, or at least 1,166,831 shares. Bank Shares represented at the Meeting in person or by a properly executed proxy (including shares that abstain or do not vote with respect to one or more of the matters to be acted upon) will be counted for purposes of determining whether a quorum exists. If a quorum does not exist, the Meeting will be adjourned until a quorum is obtained. Accordingly, the Bank urges you to vote by proxy even if you plan to attend the Meeting so that the Bank will know as soon as possible that

enough votes will be present to hold the Meeting.

How do I vote?

You may vote by completing and returning the proxy card, voting online by visiting <http://www.cstproxy.com/towncenterbank/2021>, voting by mobile voting, or by voting in person at the Meeting. The Bank encourages you to attend the Meeting, and execution of the proxy will not affect your right to attend the Meeting and vote in person. However, to ensure that your shares are voted in accordance with your wishes and that a quorum is present at the Meeting so that the Bank can transact business, the Bank urges you to complete, sign and return the proxy card as promptly as possible or vote via the Internet or mobile voting. Your prompt response will help reduce proxy costs, which are paid for by us.

Can I change my vote?

Yes. Send in a new proxy card with a later date or send a written notice of revocation to Karen Morgan, Corporate Secretary, at the Bank at 1938 E. Lincoln Highway, Unit 101, New Lenox, Illinois 60451. To be effective, the new proxy card or written revocation must be received by the Secretary prior to the exercise of the proxy at the Meeting. If you attend the Meeting and want to vote in person, you can deliver a written revocation of your proxy to the Secretary at the Meeting, and you will receive a ballot to vote at the Meeting. However, mere attendance at the shareholders' Meeting will not in itself revoke a proxy. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change your vote.

What happens if the Meeting is postponed or adjourned?

Your proxy will still be good and may be voted at the postponed or adjourned Meeting. You will still be able to change or revoke your proxy until it is voted.

What vote is required to approve each item?

The affirmative vote of the majority of the outstanding Bank Shares entitled to vote and represented at the Meeting will be required to elect each director and to ratify the appointment of BKD, LLP as the independent registered public accounting firm for the Bank. Two-Thirds (2/3rds) of the affirmative vote of the outstanding Bank Shares entitle to vote and represented at the Meeting will be required to approve the Agreement and Plan of Reorganization pursuant to which the Bank will become a wholly owned subsidiary of the newly formed bank holding company.

As of March 30, 2021, the Bank's executive officers and directors owned beneficially 292,670 shares, excluding options and warrants that are immediately exercisable, or approximately 12.54% of the outstanding Bank Shares. As of March 30, 2021 the Bank's executive officers and directors owned beneficially 567,953 shares, including warrants and vested stock options that are immediately exercisable, or approximately 21.77% of the outstanding Bank Shares. The Bank's executive officers and directors have indicated that they intend at this time to vote their shares in favor of electing each of the individuals named in the Proxy Statement as director nominees and for the approval of the Agreement and Plan of Reorganization of the Bank into a bank holding company form of ownership.

What does the Board of Directors recommend?

The Bank's Board of Directors has unanimously approved and recommends that you vote "FOR" each of the individuals nominated as directors in the Proxy Statement, "FOR" the approval of the Agreement and Plan of Reorganization converting the Bank into a bank holding company form of ownership and "FOR" ratifying the appointment of BKD, LLP as the Bank's independent registered public accounting firm for the Bank for the fiscal.

Have the Shareholders of the Bank ever approved a Bank Holding Company form of ownership for the Bank in the past?

Yes. The Shareholders of the Bank at their Annual Meeting held May 21, 2013 voted in favor to reorganized the Bank into a bank holding company form of ownership by approving the Merger Agreement and Plan of Merger described in the Proxy Statement for the May 21, 2013 Annual Meeting. However, the same was never consummated or completed and the required applications for regulatory approval were withdrawn by management and the Board of the Bank at that time as a result of general conditions affecting financial institutions at that time.

What is the reason for the bank holding company reorganization?

The Board of Directors of the Bank believes that a bank holding company form of ownership for the Bank will provide greater flexibility in the management structure, acquisition activities, diversification and capital enhancement. A more detail discussion of the reasons for the proposed formation of the bank holding company form of ownership is set forth in Proposal II of this Proxy Statement.

Are there any other matters to be voted on at the Meeting?

The Bank knows of no other business that is likely to be brought before the Meeting. If any other matters are properly brought before the Meeting, or any adjournment thereof, Daniel Regan, the person named in the proxies, acting under the proxy, will have discretion to vote on those matters in accordance with his best judgment.

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

Not unless you act to cause your shares to be voted by your broker. Your broker will vote your shares only if you provide instructions on how to vote. You should follow the directions provided by your broker. For more information, see "THE ANNUAL MEETING —Voting of Proxies."

Who should I call with questions or to obtain additional copies of this Proxy Statement?

You should contact Karen Morgan, Corporate Secretary, Town Center Bank, 1938 E. Lincoln Highway, Unit 101 New Lenox, Illinois 60451; telephone (815) 806-7018 or email k.morgan2@towncenterbank.com

Why is this document referred to as a Proxy Statement?

This document is a Proxy Statement because it is being used by the Bank to solicit your vote for the election of the nominees for the director positions and the ratification of the Bank's appointment of its independent registered public accounting firm.

THE ANNUAL MEETING

Quorum

A quorum requires the presence, in person or by proxy, of shareholders owning at least a majority of the outstanding Bank Shares issued and outstanding on the record date. The Bank will count the following shares as present at the Meeting for the purpose of determining a quorum:

- Bank Shares present in person at the Meeting, whether voting or not voting
- Bank Shares represented by proxies, whether the shareholder has voted upon or abstained on any matter
- Bank Shares represented by proxies from a broker with or without indication of how the shares are to be voted

Votes Required

The affirmative vote of a majority of the outstanding Bank Shares entitled to vote and represented at the Meeting will be required to elect each director and ratification of the appointment of BKD, LLP as the Bank's independent registered public accounting firm. Two-Thirds (2/3rds) of the affirmative vote of the outstanding Bank Shares entitled to vote and represented at the Meeting will be required to approve the Agreement and Plan of Reorganization pursuant to which the Bank will become a wholly owned subsidiary of the newly formed bank holding company.

Voting of Proxies

Daniel Regan, the named proxy, will vote shares represented by a properly executed proxy card received in time for the Meeting in the manner specified in each proxy. Shares represented by properly executed proxies that do not contain voting instructions will be voted in favor of the nominees for directors, in favor of the proposed reorganization of the bank into a banking holding company, and the ratification of the appointment of BKD, LLP as the Bank's independent registered public accounting firm and, if any other business is properly brought before the Meeting, will be voted in accordance with the recommendations of management.

Revocability of Proxies

If you execute a proxy, you may revoke your proxy at any time until it is voted at the Meeting by (i) delivering a written notice of revocation to the attention of Karen Morgan, Corporate Secretary, at the Bank; (ii) submitting another proxy with a later date; or (iii) appearing at the Meeting, revoking the proxy, and voting in person. Attendance at the Meeting will not in and of itself revoke a proxy that you submitted prior to the Meeting. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change your vote.

Solicitation of Proxies

The Bank will bear the cost of the solicitation of proxies from its shareholders. The Bank will solicit proxies by mail. In addition, the directors, officers, and employees of the Bank may solicit proxies from shareholders by telephone, in person, or any other lawful means. The Bank will make arrangements with brokerage houses and other custodians, nominees, and fiduciaries for forwarding proxy solicitation material to the beneficial owners of stock held of record by those persons, and the Bank will reimburse them for reasonable out-of-pocket expenses.

PROPOSAL 1 – ELECTION OF DIRECTORS

Directors of the Bank are elected to serve for a one-year period and until their respective successors are duly elected and qualified. The following nine (9) individuals have been nominated for election at the Meeting by the Board of Directors of the Bank: Kathleen Bentz, Dr. Paul Chemello, Peter Feit, Joseph Parrillo, Joseph Pascale, Daniel Regan, Michael Perry, George Reynolds, and Thomas Riordan. All of the nominees are current directors of the Bank.

A majority of the directors on our board are considered to be “independent” directors. Independent directors basically are non-insiders whom the full board has determined do not have other relationships with our company that would prevent them from making objective, independent decisions. Generally, the board oversees our business and monitors the performance of our management and does not involve itself in our day-to-day operations, which are monitored by our executive officers and management. Our directors fulfill their duties and responsibilities by attending regular meetings of the board, which are held on a monthly basis, and through committee membership.

Our board has established a fully independent audit committee that oversees the relationship with our accountants and a fully independent compensation committee that determines the compensation levels for our executive officers. The full board considers nominees for directors to be presented to shareholders.

It is intended that the proxies solicited on behalf of the Board of Directors (other than proxies in which the vote is withheld as to one or more nominees) will be voted at the Meeting for the election of the nominees identified herein. If the nominee is unable to serve, the shares represented by all such proxies will be voted for the election of a substitute nominee in the discretion of the designated proxy holders. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve, if elected. Cumulative voting does not apply in the election of directors. The nine (9) persons who receive an affirmative vote of at least a majority of the Bank shares present will become directors of the Bank immediately following the Meeting.

The Board of Directors recommends a vote “**FOR**” all of the nominees to serve as directors for a term of one (1) year and until their respective successors have been duly elected and qualified.

The business experience for the past five (5) years of each of the director nominees is set forth below.

Kathleen Bentz (55)
Director since 2017

Ms. Bentz became a Subway franchisee in 1990 and currently owns and operates a number of Subway restaurants. She served as Chair of the local Subway Franchisee Advertising Fund for Chicago and Northwest Indiana and is also a charter member of The North American Association of Subway Franchisees. Ms. Bentz began her employment career for Subway I & I Development before becoming a Subway franchisee. Ms. Bentz is a graduate of Michigan State University where she earned a Bachelor of Science degree in Packaging Engineering.

Committee(s): Asset/Liability Committee and Marketing Committee

Paul Chemello, D.O. (59)
Director since 2006

Dr. Chemello joined Advocate Medical Group in Frankfort, Illinois in 2004 and currently practices Family Medicine. Prior to joining Advocate Medical Group, he was the Chairman of the Family Practice Department at St. James Hospital in Chicago Heights, Illinois. Dr. Chemello was also the past Chairman of the Family Practice Department of South Suburban Hospital. A Chicago native, he and his wife have resided in Frankfort since 1991. Dr. Chemello attended Loyola University where he earned a Bachelor of Science degree in Biology. He received his medical degree in 1988 from Philadelphia College of Osteopathic Medicine.

Committee(s): Asset/Liability Committee and Marketing Committee

Peter Feit (60)
Director since 2006

Mr. Feit is an independent trader and investor. Previously he was a partner at Vitruvian Hedge, LLC, a trading firm on the Chicago Board of Options Exchange from 2009-2013. Prior to that, he was the Managing Member of KC-CO, an options market maker firm on the Chicago Board of Options, Chicago Board of Trade and the Chicago Mercantile Exchange where he worked since 1982. Mr. Feit attended Loyola University where he earned a Bachelor of Science degree in Computer Science.

Committees: Asset/Liability Committee (Chair); Nominating Committee; Capital Planning Committee; and Executive Committee

Joseph Parrillo, (72)
Director since 2017

Mr. Parrillo is retired from Felician Services, Inc. where he served as the Executive Vice President of Finance/CFO, Secretary and Treasurer for 26 years. Mr. Parrillo is a current member of the Sisters of the Resurrection Investment Committee and the St. Eugene Parish Finance Council. Mr. Parrillo is a Certified Public Accountant and attended University of Illinois where he earned his Bachelor of Science degree in Accounting.

Committee(s): Asset/Liability Committee and Audit Committee

Joseph Pascale (63)
Director since 2006

Mr. Pascale has been owner of Aurelio's Pizza in Frankfort, Illinois since 1980. Mr. Pascale served as a director of Harris Bank Frankfort from 1997 to 2005. He is a graduate of Rich Central High School in Olympia Fields, Illinois, and attended Prairie State Junior College in Chicago Heights, Illinois and Riverside Community College in Riverside, California.

Committee(s): Marketing Committee (Chair) and Loan Committee

Michael D. Perry (64)
Chairman of the Board
Chief Executive Officer
Director since 2006

Mr. Perry serves as Chairman of the Board and Chief Executive Officer of Town Center Bank. Mr. Perry also serves as Chairman of the Board and Chief Executive Officer of 21st Century Financial Services, a provider of customized data processing services for community banks. Previously, Mr. Perry owned and operated Positive Connections, a school bus operator in Illinois and Minnesota. Mr. Perry attended Normandale Community College in Bloomington, Minnesota.

Committee(s): Executive Committee (Chair); Nominating Committee (Chair); Asset/Liability Committee; Capital Planning Committee (Chair); and Loan Committee (Chair)

Daniel Regan (57)
President
Chief Lending Officer
Director since 2015

Mr. Regan has served as President of the bank since July 2015 and as Executive Vice President/Chief Lending Officer since 2013. Mr. Regan has in excess of thirty years of executive, management, business development, and lending experience with various community banks serving the south and southwest markets of the Chicagoland area. Mr. Regan has served and currently serves on the Board of local non for profit community organizations. Mr. Regan attended Eastern Illinois University where he earned his Bachelor of Science degree in Economics.

Committee(s): Loan Committee; Capital Planning Committee; and Marketing Committee

George Reynolds (63)
Director since 2006

Mr. Reynolds is a former partner in Desmond and Ahern, LTD., Certified Public Accountants, where he worked since 1982 and had been a partner from 1989-2016. Mr. Reynolds provided servicing defined contribution and Section 125 plans for nonprofit, business, and credit union clients. Mr. Reynolds is a Certified Public Accountant and earned his Bachelor of Science degree from Saint Xavier University.

Committee(s): Audit Committee (Chair); Executive Committee; Loan Nominating Committee; and Capital Planning Committee;

Thomas Riordan, (64)
Director since 2006

Mr. Riordan has been a Member of Riordan and Scully Insurance Services, LLC since 2006. Mr. Riordan is a Certified Public Accountant and attended Northern Illinois University where he earned his Bachelor of Science degree in Accounting.

Committee(s): Executive Committee; Loan Committee; Capital Planning Committee; and Audit Committee

PROPOSAL 2 – FORMATION OF BANK HOLDING COMPANY

Summary

At its meeting held on February 16, 2021, the Board of Directors of the Bank approved the reorganization of the Bank into a holding company form of organization, subject to regulatory and shareholder approval. The formation of a holding company will be accomplished under an Agreement and Plan of Reorganization (the "Plan of Reorganization"), pursuant to which Town Center Bank ("Town Center" or the "Bank") will become a wholly owned subsidiary of a newly formed holding company called Town Center Bancorp, Inc. ("TCBI" or "Holding Company") which is an Illinois corporation that was organized on April 11, 2013 and has been inactive and conducted no business since that date.

Under the terms of the proposed reorganization ("Reorganization"), each outstanding share of common stock of Town Center will be converted into one share of common stock of the Holding Company, and the former holders of Town Center common stock will become the holders of all of the outstanding common stock of the Holding Company. Following the Reorganization it is intended that Town Center will continue its operations at its same locations, with the same management, and subject to all the rights, obligations and liabilities of the Bank existing immediately prior to the Reorganization.

Reasons for the Holding Company Reorganization

The Board of Directors of Town Center believes that a holding company structure will provide greater flexibility than is currently enjoyed by Town Center and its subsidiaries, including flexibility in management structure, acquisition activities, diversification and capital enhancement. Federal and state regulations limit the amount of businesses in which Town Center and its subsidiaries may engage and limit the amount which may be invested by Town Center in its subsidiaries. Since there are generally limited restrictions on the investment authorities of an Illinois bank, the establishment of a bank holding company is designed to permit diversification of operations and the acquisition and formation of companies engaged in lines of business which, while complementary to the banking business, should help to reduce the risks inherent in an industry which is sensitive to interest rate changes. Accordingly, upon consummation of the Reorganization, TCBI will be in a position to take immediate advantage of any acquisition opportunities which may arise to acquire companies (which it is expected will be limited to companies involved in the financial services industry). Management believes that acquisition or formation of such enterprises, which do not have the degree of asset and liability interest rate sensitivity inherent in the structure of a bank, will provide a beneficial effect on operations.

Although the Board of Directors of Town Center presently intends under the Plan of Reorganization to have TCBI initially be a one bank holding company, TCBI will have the ability to become a multiple bank holding company (a holding company which has more than one financial institution subsidiary) in the future if the Board of Directors so desires. The multiple holding company structure can facilitate the acquisition of other banking institutions in addition to other companies. If a multiple holding company structure is utilized, the acquired institution would be able to operate on a more autonomous basis as a wholly-owned subsidiary of the holding company rather than as a branch or division of Town Center. For example, the acquired institution could retain its own directors, officers and corporate name, as well as having representation on the holding company board of directors. This more autonomous operation may be decisive in acquisition negotiations. Although there are no pending plans, agreements or understandings for acquisition, TCBI will be in a position to

immediately take advantage of any acquisition opportunities as they arise. It should be noted that the acquisition of another financial institution would be subject to regulatory approval, and that certain aspects of the operations of TCBI and those of its financial institution subsidiaries would still be subject to oversight and supervision by the State of Illinois Department of Financial and Professional Regulation (the "IDFPR") or by the chartering state of a non-Illinois financial institution, and the Federal Deposit Insurance Corporation ("FDIC").

If a multiple bank holding company structure is used, TCBI in the future will be able to diversify its financial services and business activities through the holding company or other subsidiaries of the holding company without being restricted by the limitation on service corporation investment authority generally applicable to the subsidiary investments of a state-chartered bank. In general, however, the business activities of bank holding companies are restricted by the 1987 Act to certain enumerated activities. The 1987 Bank Holding Company Act (the "1987 Act") expanded the list of activities for banks approved by the Federal Reserve Board ("FRB") as permissible for bank holding companies.

TCBI could also utilize the holding company formation to enhance the capital position of Town Center by issuing common or preferred stock, the cash proceeds of which could be used by TCBI to infuse on an as needed basis into Town Center in amounts determined necessary by TCBI to support the growth and activities of Town Center.

Plan of Reorganization

The Reorganization will be accomplished under the Plan of Reorganization, a copy of which is appended hereto as Appendix I. The following discussion is qualified in its entirety by reference to the Plan of Reorganization.

TCBI is an Illinois corporation which was formed by the Bank for the purpose of effecting the Reorganization and, therefore, TCBI has no prior operating history. The Plan of Reorganization is by and among TCBI, Town Center and First Interim Bank ("Interim"), a to-be-formed interim state-chartered bank.

The Reorganization will be accomplished by the following steps: (1) the formation of a wholly-owned corporation, TCBI, incorporated under the laws of the State of Illinois for the primary purpose of becoming the sole shareholder of a newly formed interim state-chartered bank, and subsequently becoming the sole shareholder of the common stock of Town Center, which formation shall include the issuance of up to 10,000,000 shares of TCBI common stock par value of \$0.01 per share; (2) the formation of an interim state-chartered bank ("Interim"), which will be wholly-owned by TCBI; and (3) the merger of Interim into Town Center, with Town Center as the surviving institution.

Pursuant to such merger: (i) all of the issued and outstanding shares of common stock of TCBI held by Town Center will be cancelled, (ii) all of the issued and outstanding common stock of Town Center will automatically be converted by operation of law on a one for one basis into an equal number of issued and outstanding shares of common stock of TCBI; (iii) all of the issued and outstanding shares of common stock of Interim will automatically be converted by operation of law on a one for one basis into an equal number of issued and outstanding shares of common stock of Town Center, which will be all of the issued and outstanding shares of Town Center.

After the Reorganization, the former holders of the common stock of Town Center will be the holders of all of the outstanding common stock of TCBI. TCBI will hold all of the issued and outstanding voting stock of Town Center; thus, Town Center is described herein as a "wholly-owned" subsidiary of TCBI following the Reorganization.

The Board of Directors of the Bank presently intends to cause TCBI to be initially capitalized up to approximately \$10,000.00 subject to the approval of the IDFPR and FDIC. The Bank intends to use cash to fund the capitalization of TCBI through the exchange of cash for TCBI common stock, as described above. Future capitalization of TCBI will be dependent upon dividends declared by Town Center based on its excess capital, its future earnings, or the raising of additional capital by TCBI through a future issuance of securities, debt or by other means. The future payment of cash dividends by the Bank will be guided by IDFPR and FDIC regulations.

After the Reorganization, the Bank will continue its existing business and operations as a wholly owned subsidiary of TCBI and the consolidated capitalization, assets, liabilities, income and financial statements of TCBI immediately following the Reorganization will be substantially the same as those of Town Center immediately prior to consummation of the Reorganization. The bank Charter of Town Center will continue to be utilized, and Town Center will adopt the Bylaws of Interim. The corporate existence of Town Center will continue unaffected and unimpaired by the Reorganization.

Regulatory Approval

The series of transactions described in the Plan of Reorganization must receive various regulatory approvals. The IDFPR, which is the Bank's state regulator, must issue a Permit to Organize Interim. The FDIC, which insures the Bank's deposits, must approve the merger between the Bank and Interim. Finally, the FRB, which will regulate the Holding Company, must approve the formation of the Holding Company. Subsequent to the consummation of the Reorganization, the Holding Company must also register with the IDFPR. The required applications will be filed with the various regulatory agencies following Shareholder approval of this proposal. The approval of the Plan of Reorganization by the shareholders of the Bank is subject to receipt of the IDFPR, FDIC and FRB approvals. If any of these agencies fails to approve the proposed transaction, the proposed transaction will not be consummated.

Shareholder Approval

In order for Town Center to proceed with the Plan of Reorganization, Proposal II must be approved by at least 2/3rds vote of Town Center's shareholders entitled to vote at this meeting. Regardless of the number of shares of common stock owned, it is important that shareholders be represented by proxy or be present in person at the Meeting. Shareholders are requested to vote by completing the enclosed proxy and returning it signed and dated in the enclosed postage-paid envelope. Shareholders are urged to indicate their vote in the spaces provided on the proxy. Proxies solicited by the Board of Directors of the Bank will be voted in accordance with the directions given therein. Where no instructions are indicated, proxies will be voted **FOR** the approval of the formation of Town Center Bancorp, Inc. as a holding company registered with the Federal Reserve Board.

Effective Date

The "Effective Date" of the Reorganization will be the date upon which the Articles of Merger pertaining to the Reorganization are filed and endorsed by the IDFPR. Although management of the Bank does not anticipate any significant delays in obtaining the endorsement of the Articles, the effects of any such delays on holders of the Bank's common stock would depend upon the attendant facts and circumstances surrounding the specific delay.

Exchange of Stock Certificates

After the Effective Date of the Reorganization, the book entry confirmations evidencing common stock of Town Center will represent, by operation of law, the same number of shares of common stock of TCBI. Former holders of the Bank's common stock will not be required to surrender their book entry confirmations for TCBI common stock confirmations. The transfer agent for Town Center will act in the same capacity for TCBI.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE FORMATION OF THE HOLDING COMPANY DESCRIBED IN THIS PROXY STATEMENT.

**PROPOSAL 3 – ADVISORY VOTE RATIFYING THE APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee of the Board is responsible for appointing the Bank’s independent registered public accounting firm, and the Committee has selected BKD, LLP, to serve as our independent registered public accounting firm for our fiscal year ending December 31, 2021. We are submitting this selection for shareholder ratification at the Annual Meeting. We expect to have a representative of BKD, LLP to be present at the Annual Meeting and to have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions from shareholders. BKD, LLP also served as our independent registered public accounting firm for our fiscal year ending December 31, 2020.

Although we are not required to have our shareholders ratify the selection of our independent registered public accounting firm, our Board has determined to seek this ratification from shareholders. If our shareholders do not ratify the selection, the Audit Committee will reconsider whether to retain BKD, LLP, but may retain them nonetheless. Even if the selection is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interests of the Bank.

MANAGEMENT OF THE BANK; BENEFICIAL OWNERSHIP OF SECURITIES; COMPENSATION

The following table sets forth certain information with respect to the beneficial ownership of the outstanding Bank Shares of the date of this Proxy Statement (i) by each person who beneficially owns more than five percent of the Bank Shares, (ii) by each of the directors and executive officers of the Bank, and (iii) by all current directors and the executive officers as a group. The directors and executive officers of the Bank, their ages as of the date of this Proxy Statement and their positions with the Bank are also included below.

The percentage of class was calculated based on 2,333,660 Bank Shares outstanding as of March 30, 2021. This number also includes shares subject to options or warrants which are currently exercisable and deemed to be outstanding and beneficially owned by the person holding such options or warrants for purposes of computing the percentage ownership of that person.

Proxy Statement					
2020 Beneficial Owners					
As of 3/30/2021					
Beneficial Owner	Age	Position with the Bank	Title of Class	Total number of shares beneficially owned (1)	Percentage of common stock outstanding
Kathleen Bentz	55	Director	Bank Shares	68,716	2.63%
Paul Chemello	59	Director	Bank Shares	44,066	1.69%
Peter Feit	60	Director	Bank Shares	74,019	2.84%
Joseph Parrillo	72	Director	Bank Shares	1,000	0.04%
Joseph Pascale	63	Director	Bank Shares	43,679	1.67%
Michael Perry	64	Chairman/CEO/Director	Bank Shares	161,027	6.17%
Daniel Regan	57	President/CLO/Director	Bank Shares	22,900	0.88%
George Reynolds	63	Director	Bank Shares	70,848	2.72%
Tom Riordan	64	Director	Bank Shares	81,698	3.13%
				567,953	21.77%
All directors and executive officers, as a group (9 persons)					
Total Shares Outstanding at 3/30/2021		2,333,660			
Unexercised Options		<u>275,283</u>			
Total		2,608,943			

(1) Includes the following Bank Shares subject to options exercisable by the directors and executive officers: Kathleen Bentz (31,132 shares); Paul Chemello (15,566 shares); Peter Feit (28,019 shares); Joseph Pascale (18,679 shares); Michael Perry (68,491 shares); Daniel Regan (20,000), George Reynolds (46,698 shares); and Thomas Riordan (46,698 shares).

APPENDIX I

TOWN CENTER BANK New Lenox, Illinois

AGREEMENT AND PLAN OF REORGANIZATION

THIS AGREEMENT AND PLAN OF REORGANIZATION, dated as of ____ ____, 2021, by and among **Town Center Bank**, a state chartered bank ("**Town Center**"), whose primary federal regulator is the Federal Deposit Insurance Corporation ("**FDIC**"); and **Town Center Bancorp, Inc.**, an Illinois corporation ("**Holding Company**"); and **First Interim Bank**, a to be formed Illinois bank ("**Interim**").

The parties hereto desire to enter into an Agreement and Plan of Reorganization whereby the corporate structure of Town Center will be reorganized into the holding company form of ownership. The result of such reorganization will be that immediately after the Effective Date (as defined in Article VI below), all of the issued and outstanding shares of Common Stock of Town Center will be held by Holding Company and the holders of the issued and outstanding shares of Common Stock of Town Center will become the holders of the issued and outstanding shares of Common Stock of Holding Company.

The reorganization of Town Center will be accomplished by the following steps: (1) the formation by Town Center of a wholly-owned, first-tier subsidiary, Holding Company, incorporated under the laws of the State of Illinois for the primary purpose of becoming the sole stockholder of a newly formed interim Illinois chartered bank ("Interim"), and subsequently becoming the sole stockholder of the Common Stock of Town Center; (2) the formation of Interim, which will be wholly-owned by Holding Company, and (3) the merger of Interim into Town Center with Town Center as the surviving bank. Pursuant to such merger: (i) all of the issued and outstanding shares of Common Stock of Holding Company held by Town Center will be cancelled; (ii) all of the issued and outstanding common stock shares of Town Center will automatically be converted by operation of law on a one-for-one basis into an equal number of issued and outstanding shares of Common Stock of Holding Company, (iii) all of the issued and outstanding shares of Common Stock of Interim will automatically be converted by operation of law on a one-for-one basis into an equal number of issued and outstanding shares of Common Stock of Town Center, which will be all the issued and outstanding stock of Town Center.

NOW, THEREFORE, in order to consummate the Agreement and Plan of Reorganization, and in consideration of the mutual covenants herein set forth, the parties agree as follows:

ARTICLE I

MERGER OF INTERIM INTO TOWN CENTER AND RELATED MATTERS

1.1 On the Effective Date, Interim will be merged with and into Town Center (the "Merger"), Town Center will be the surviving bank and the separate existence of Interim will cease, and all assets and property (real, personal and mixed, tangible and intangible, choses in-action, rights and credits) then owned by

Interim, or which would inure to it, shall immediately and automatically, by operation of law and without any conveyance, transfer, or further action, become the property of Town Center. Town Center shall be deemed to be a continuation of Interim, and Town Center shall succeed to the rights and obligations of Interim.

1.2 Following the Merger, the existence of Town Center shall continue unaffected and unimpaired by the Merger, with all rights, privileges, immunities and powers, subject to all of the duties and liabilities, of a bank organized under the laws of the State of Illinois.

1.3 From and after the Effective Date, and subject to the actions of the Board of Directors of Town Center, the business presently conducted by Town Center (whether directly or through its subsidiaries) will continue to be conducted by it, as a wholly-owned subsidiary of Holding Company, and the present directors and officers of Town Center will continue in their present positions. The home office of Town Center in existence immediately prior to the Effective Date shall continue to be the home office of Town Center from and after the Effective Date.

ARTICLE II

CONVERSION OF STOCK

2.1 The terms and conditions of the Merger, the mode of carrying the same into effect, and the manner and basis of converting the Common Stock of the parties to this Agreement shall be as follows:

A. On the Effective Date, all shares of Common Stock of Holding Company held by Town Center shall be cancelled and shall no longer be deemed to be issued and outstanding for any purpose.

B. On the Effective Date, each common stock share, \$1.00 par value, of Town Center (the "Town Center Common Stock") issued and outstanding immediately prior to the Effective Date shall automatically by operation of law be converted into and shall become one share of Common Stock, \$0.01 par value, of the Holding Company (the "Holding Company Common Stock"). Each share of Common Stock of Interim issued and outstanding immediately prior to the Effective Date shall, on the Effective Date, automatically by operation of law be converted into and become one share of Common Stock, \$1.00 par value, of Town Center and shall not be further converted into shares of Holding Company Common Stock, so that from and after the Effective Date, all of the issued and outstanding shares of Common Stock of Town Center shall be held by the Holding Company.

C. After the Effective Date, each book entry confirmation that represented Common Stock of Town Center shall, for all purposes, automatically be deemed to evidence an equal number of shares of Holding Company Common Stock. Shares of Holding Company Common Stock shall be held in book entry format. The current transfer agent and registrar of Town Center, Continental Stock, Transfer & Trust, 1 State Street, 30th Floor, New York, NY will act in the same capacity for the Holding Company Common Stock.

D. All shares of Holding Company Common Stock into which shares of Town Center Common Stock shall have been converted pursuant to this Article II shall be deemed to have been issued in full satisfaction of all rights pertaining to such converted shares.

E. All outstanding options to purchase Town Center Common Stock shall, for all purposes, automatically be deemed to evidence an equal number of options, as the case maybe, for the purchase of Holding Company Common Stock and subject to the same conditions, price and terms as existed with respect to the warrants and options for the purchase of Town Center Common Stock.

F. On the Effective Date, the holders of Town Center Common Stock outstanding on the Effective Date shall cease to have any rights with respect to the stock of Town Center, and their sole rights shall be with respect to the Holding Company Common Stock into which their Town Center Common Stock shall have been converted by the Merger.

ARTICLE III

DIRECTORS AND OFFICERS OF HOLDING COMPANY

3.1 On the Effective Date, the initial Board of Directors of the Holding Company shall consist of 5 directors who shall initially be elected for a one-year term. The following individuals shall serve as the initial Board of Directors of the Company until the first annual meeting of shareholders:

BANK MANAGEMENT TO PROVIDE

Thereafter the directors shall be elected by class with 2 directors being elected as Class I directors for a one-year term, 2 directors being elected as Class II directors for a two-year term, and 1 directors being elected as Class III directors for a three-year term.

3.2 The following individuals shall serve as the initial officers of the Holding Company:

Chairman & CEO:	Michael Perry
President:	Dan Regan
Secretary:	Karen Morgan

ARTICLE IV

CONDITIONS

4.1 The obligations of Town Center, Holding Company, and Interim to effect the Merger and otherwise consummate the transactions which are the subject matter hereof shall be subject to the satisfaction of the following conditions:

A. To the extent required by applicable law, rules, and regulations, the shareholders of Town Center entitled to vote shall, at a meeting of the shareholders of Town Center duly called, have approved this Agreement by the affirmative two-thirds (2/3) vote of shareholders entitled to vote at such meeting.

B. The shares of the Holding Company Common Stock to be issued to the Town Center shareholders pursuant to this Agreement shall have been, if required by law, duly registered pursuant to Section 5 of the Securities Act of 1933, as amended, and Holding Company shall have complied with all applicable state securities or "blue sky" laws relating to the issuance of the Holding Company Common Stock.

C. Any and all approvals from the office of the Illinois Department of Financial and Professional Regulation ("IDFPR"), the Federal Deposit Insurance Corporation (the "FDIC"), the Federal Reserve Board ("FRB"), and any other governmental agency having jurisdiction necessary for the lawful consummation of the Merger and the issuance and delivery of the Holding Company Common Stock as contemplated by this Agreement shall have been obtained.

D. Town Center shall have received either: (i) a ruling from the Internal Revenue Service or (ii) an opinion from its independent auditors or its legal counsel to the effect that the Merger will be treated as a non-taxable transaction under Section 368 or other applicable provisions of the Internal Revenue Code and that no gain or loss will be recognized by the shareholders of Town Center upon the exchange of Town Center Common Stock held by them for Holding Company Common Stock.

ARTICLE V **TERMINATION**

5.1 This Agreement may be terminated at the election of any of the parties hereto if any one or more of the conditions to the obligations of any of them hereunder shall not have been satisfied and shall have become incapable of fulfillment and shall not be waived. This Agreement may also be terminated at any time prior to the Effective Date by the mutual consent of the respective Boards of Directors of the parties.

5.2 In the event of the termination of this Agreement pursuant to any of the foregoing provisions, no party shall have any further liability or obligation of any nature to any other party under this Agreement.

ARTICLE VI **EFFECTIVE DATE OF MERGER**

Upon satisfaction or waiver (in accordance with the provisions of this Agreement) of each of the conditions set forth in Article IV, the parties hereto shall execute and cause to be filed Articles of Merger, and such certificates or further documents as shall be required by the FDIC, IDFPR, and FRB, and with such other federal or state regulatory agencies as may be required. Upon approval by the FDIC, IDFPR and FRB, and endorsement of such Articles of Merger by the IDFPR, the Merger and other transactions contemplated by this Agreement shall become effective. The Effective Date for all purposes hereunder shall be the later of the date of such endorsement by the FRB, FDIC and IDFPR.

ARTICLE VII
MISCELLANEOUS

7.1 Any of the terms or conditions of this Agreement, which may legally be waived, may be waived at any time by any party hereto which is entitled to the benefit thereof, or any of such terms or conditions may be amended or modified in whole or in part at any time, to the extent authorized by applicable law, by an agreement in writing, executed in the same manner as this Agreement.

7.2 Any of the terms or conditions of this Agreement may be amended or modified in whole or in part at any time, to the extent permitted by applicable law, rules and regulations, by an amendment in writing, provided that any such amendment or modification is not materially adverse to Town Center, Holding Company or their shareholders. In the event that any governmental agency requests or requires that the transactions contemplated herein be modified in any respect as a condition of providing a necessary regulatory approval or favorable ruling, or that in the opinion of counsel such modification is necessary to obtain such approval or ruling, the Agreement may be modified, at any time before or after adoption thereof by the members and shareholders of Town Center, by an instrument in writing, provided that the effect of such amendment would not be materially adverse to Town Center, Holding Company or their shareholders.

7.3 This Agreement shall be governed by and construed under the laws of the State of Illinois except as Federal law is deemed to apply.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement and Plan of Reorganization as of ____ ____, 2021.

TOWN CENTER BANK

President

TOWN CENTER BANCORP, INC.

Its Organizer

FIRST INTERIM BANK

One of Its Organizers

