

CENTRUE FINANCIAL CORP

Form S-4

January 26, 2005

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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
Fax: (312) 984-3150**

**Theodore L. Eissfeldt, Esq.
Joseph B. Hemker, Esq.
Timothy E. Kraepel, Esq.**

**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.

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(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.

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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 Centruet 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 [] J.

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.

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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.

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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 Centrue 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

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SUMMARY

*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 Centrue 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.*

General

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.

The Companies

(pages and)

Centrue Financial Corporation

310 South Schuyler Avenue
P.O. Box 552
Kankakee, Illinois 60901-0552
(815) 937-4440

Centrue Financial, a Delaware corporation, is a financial holding company with a subsidiary bank, Centrue Bank, headquartered in Kankakee, Illinois, which is 60 miles south of downtown Chicago. Centrue Bank operates 19 locations in eight counties ranging from northeast Illinois to the metropolitan St. Louis area. At September 30, 2004, Centrue Financial reported, on a consolidated basis, total assets of over \$600 million and shareholders' equity of \$43 million.

Community Acquisition LLC is an Illinois limited liability company and a wholly-owned subsidiary of Centrue Financial. Community Acquisition LLC was formed solely for the purpose of completing the merger and has not had any operations to date other than those incidental to the merger agreement.

Illinois Community Bancorp, Inc.

1300 North Keller Drive
Effingham, Illinois 62401
(217) 347-7127

Illinois Community, an Illinois corporation, is a bank holding company with a subsidiary bank, Illinois Community Bank, headquartered in Effingham, Illinois.

Special Meeting

(pages and)

A special meeting of Illinois Community shareholders will be held on [], 2005, at []:00 [] a.m., local time, at []. At the special meeting, shareholders will be asked:

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.

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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

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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 Centrue Financial. The surviving entity will immediately liquidate, leaving Centrue 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 Centrue 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 Centrue 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 Centrue Financial common stock that will be issued for each share of Illinois Community common stock will be equal to that number of shares of Centrue 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 Centrue Financial common stock. The average price of Centrue Financial common stock is calculated as the unweighted average of the high and low sale prices of a share of Centrue 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 Centrue 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 Centrue 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 Centrue Financial common stock, Centrue 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 Centrue 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 Centrue 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 Centrue Financial common stock, Centrue 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 Centrue Financial common stock to determine the effect of changes in the market price on the exchange ratio.

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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

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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.

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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.

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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.

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

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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.

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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 Centrue 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 Centrue 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. Centrue 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.

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RISK FACTORS

By voting in favor of the merger, Illinois Community shareholders will be choosing to invest in Centrue Financial's common stock to the extent they receive Centrue 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 Centrue 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 Centrue Financial common stock, cash or a combination of Centrue 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 Centrue Financial common stock during the 10 trading day measurement period ending on the third day prior to completion of the merger. The price of Centrue 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 Centrue 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 Centrue 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 Centrue Financial's business, operations and prospects, and regulatory considerations. Many of these factors are beyond Centrue 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 Centrue Financial common stock that you will receive in the merger. Moreover, the market value of Centrue 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 Centrue 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 Centrue 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 Centrue 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 Centrue 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.

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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.

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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.

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To determine if a quorum is present, Illinois Community intends to count the following:

shares of Illinois Community common stock present at the special meeting either in person or by proxy; and

shares of Illinois Community common stock for which it has received signed proxies, but with respect to which holders of shares have abstained on any matter.

Approval of the merger agreement requires the affirmative vote of the holders of at least two-thirds of the outstanding shares of Illinois Community common stock.

Brokers who hold shares in street name for customers who are the beneficial owners of such shares may not give a proxy to vote those shares without specific instructions from their customers. Any abstention, non-voting share or broker non-vote will have the same effect as a vote against the approval of the merger agreement.

Properly executed proxies that Illinois Community receives before the vote at the special meeting that are not revoked will be voted in accordance with the instructions indicated on the proxies. If no instructions are indicated, these proxies will be voted **FOR** the proposal to approve the merger agreement and the transactions it contemplates, and, **FOR** any resolution to adjourn the special meeting, if necessary, to solicit additional proxies, and the proxy holder may vote the proxy in its discretion as to any other matter that may properly come before the special meeting.

An Illinois Community shareholder who has given a proxy solicited by the Illinois Community board may revoke it at any time prior to its exercise at the special meeting by:

giving written notice of revocation to the secretary of Illinois Community;

properly submitting to Illinois Community a duly executed proxy bearing a later date; or

attending the special meeting and voting in person.

All written notices of revocation and other communications with respect to revocation of proxies should be sent to: Illinois Community Bancorp, Inc., 1300 North Keller Drive, Effingham, Illinois 62401, Attention: Roger D. Dotson, President.

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. These individuals have agreed to vote their shares in favor of approving the merger agreement and the transactions it contemplates. However, because they hold only 31.9% of the voting power, approval of the merger agreement and the merger is not assured.

Solicitation of Proxies

Directors, officers and employees of Illinois Community may solicit proxies by regular or electronic mail, in person or by telephone or facsimile. They will receive no additional compensation for these services. Illinois Community may make arrangements with brokerage firms and other custodians, nominees and fiduciaries, if any, for the forwarding of solicitation materials to the beneficial owners of Illinois Community common stock held of record by such persons. Illinois Community will reimburse any brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses incurred by them for their services. Illinois Community will bear all expenses associated with the printing and mailing of this proxy statement-prospectus to its shareholders, as provided in the merger agreement. *See* Description of Transaction Expenses.

Authority to Adjourn Special Meeting to Solicit Additional Proxies

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.

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Dissenters' Rights

Under Illinois law, you are entitled to exercise dissenters' rights and obtain a cash payment for your shares as a result of Centrue Financial's acquisition of Illinois Community, provided that you comply with the provisions of Sections 11.65 and 11.70 of the Illinois Business Corporation Act, or the IBCA. A copy of those sections are attached as Appendix B and incorporated in this proxy statement-prospectus by reference. If you comply with the provisions of Section 11.70 of the IBCA, then upon consummation of the merger, you are entitled to receive payment in cash from Centrue Financial for the fair value of your shares, with accrued interest. The term "fair value" means the value of the shares immediately before the closing of the merger excluding any appreciation or depreciation in anticipation of the merger, unless the exclusion would be inequitable. If Centrue Financial and you cannot agree on the fair value of your shares or the accrued interest, then the IBCA provides for a judicial determination of these amounts. The value determined by an Illinois court may be more or less than the value you are entitled to receive under the merger agreement. **If you desire to exercise dissenters' rights, you should refer to the statute in its entirety and should consult with legal counsel before taking any action to ensure that you comply strictly with the applicable statutory provisions.**

In summary, to exercise dissenters' rights, you must do all of the following:

before the vote on the merger is taken, deliver to Illinois Community a written demand for payment of your shares;

not vote in favor of the merger; note, however, that a vote, in person or by proxy, against approval of the merger agreement will not constitute a written demand for appraisal; and

continue to hold your shares of Illinois Community common stock through the effective time of the merger.

Your failure to vote against the proposal to approve the merger agreement will not constitute a waiver of your dissenters' rights under the IBCA. Also, a vote against approval of the merger agreement will not by itself be sufficient to satisfy your obligations if you are seeking an appraisal. You must follow the procedures set forth in Section 11.70 of the IBCA to obtain dissenters' rights.

Each outstanding share of Illinois Community common stock for which a legally sufficient demand in accordance with Section 11.70 of the IBCA has been made and that was not voted in favor of approval of the merger will, after the effective time of the merger, represent only the rights of a dissenting shareholder under the IBCA. This includes the right to obtain payment for the fair value of those shares as provided under the IBCA.

If you make a legally sufficient demand, within 10 days after the effective date of the merger or 30 days after you have delivered your written demand for payment, whichever is later, Centrue Financial will send to you a statement setting forth its opinion as to the fair value of your shares, as well as certain financial statements and a commitment to pay to you the estimated fair value for your shares. If you do not agree with the opinion of Centrue Financial as to the estimated fair value of the shares, then within 30 days of your receipt of Centrue Financial's valuation statement, you must notify Centrue Financial of your estimated fair value of your shares and demand the difference between your estimated fair value and the amount of the proposed payment by Centrue Financial.

If within 60 days from delivery of Centrue Financial's notice to the dissenting shareholders you and Centrue Financial have not agreed in writing to the fair value of your shares, Centrue Financial either will pay the difference in value demanded by you, or file a petition in the circuit court requesting the court to determine the fair value of the shares. Centrue Financial will be required to then make all dissenters to the merger a party to this proceeding. If Centrue Financial does not commence the action, you are permitted by law to commence an action.

In a proceeding brought by Centrue Financial to determine value, the court will determine the costs of the proceeding, including the reasonable compensation of expenses of the appraisers appointed by the court and excluding fees and expenses of counsel and experts for the respective parties. If the fair value of the shares as determined by the court materially exceeds the price that Centrue Financial estimated to be the fair value

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of the shares or if no estimate was given, then all or any part of the costs may be assessed against Centrue Financial. If the amount that any dissenter estimated to be the fair value of the shares materially exceeds the fair value of the shares as determined by the court, then all or any part of the costs may be assessed against that dissenter. The costs may also be awarded to the dissenter if the court finds that Centrue Financial did not substantially comply with the procedure to dissent in the statute. In addition, costs can be assessed against either party if the court finds that that party acted arbitrarily or not in good faith with respect to the dissenter's rights.

A share for which you have properly exercised your dissenter's rights and followed the correct procedures in the IBCA will not be converted into, or represent, a right to receive Centrue Financial common stock and/or cash as provided under the merger agreement. None of these dissenting shares after the effective time of the merger will be entitled to vote for any purpose or receive any dividends or other distributions. If, however, you, as the holder of the shares fail to properly perfect, effectively withdraw, waive or lose or otherwise become ineligible to exercise dissenter's rights under the IBCA, then at that time the shares held by you will be converted into Centrue Financial common stock, cash or a combination of both as provided in the merger agreement.

Recommendation of Illinois Community's Board

Illinois Community's board of directors has unanimously approved the merger agreement and the transactions it contemplates and believes that the proposal to approve the merger agreement and the transactions it contemplates are in the best interests of Illinois Community and its shareholders. Illinois Community's board of directors unanimously recommends that Illinois Community's shareholders vote FOR approval of the merger agreement and the transactions it contemplates and FOR any resolution to adjourn the special meeting, if necessary, to solicit additional proxies. See Description of Transaction Illinois Community's Reasons for the Merger and Board Recommendation.

DESCRIPTION OF TRANSACTION

The following information describes material aspects of the merger and related transactions. This description does not provide a complete description of all the terms and conditions of the merger agreement. It is qualified in its entirety by the Appendices to this document, including the merger agreement, which is attached as Appendix A to this proxy statement-prospectus and which is incorporated into this proxy statement-prospectus by reference. We urge you to read the Appendices in their entirety.

General

The merger agreement provides for the acquisition by merger of Illinois Community by Centrue Financial. At the time the merger becomes effective, each share of Illinois Community common stock then issued and outstanding will be converted into and exchanged for the right to receive shares of Centrue Financial common stock, cash or a combination of both, as described below.

Merger Consideration

General. Under the merger agreement, Illinois Community shareholders will have the right to receive for each share of Illinois Community common stock that they own \$7.33 payable either in cash or shares of Centrue Financial common stock. The number of shares of Centrue Financial common stock to be issued will be based on an exchange ratio that varies with Centrue Financial's average trading price shortly before the merger. This exchange ratio will be a number, rounded to the nearest one-thousandth of a share, equal to the quotient of:

\$7.33, divided by

the unweighted average of the high and low sale prices of Centrue 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.

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Value of Merger Consideration. As stated, Illinois Community shareholders will be entitled to receive consideration of \$7.33 per share. Based on the maximum of 452,310 shares of Illinois Community common stock that may be outstanding at the effective time, the total consideration paid by Centrue Financial will be valued at approximately \$3,315,430.

Because the merger agreement requires that 50% of the total outstanding shares of Illinois Community common stock be converted into the right to receive cash consideration, Centrue Financial expects to pay a total of \$1,657,716.15 in cash to Illinois Community shareholders at the effective time of the merger ($452,310 * 0.50 = 226,155$; $226,155 * \$7.33 = \$1,657,716.15$).

For the consideration paid in the form of stock, the number of shares that Centrue Financial will issue, and the trading price of those shares, will fluctuate between the date of this document, the date on which the merger is completed and after the merger. Because of these fluctuations, and because the determination period that will be used for the calculation of the exchange ratio, as described above, has not yet occurred, the actual exchange ratio cannot be determined at this time. However, the following examples describe 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 Centrue 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 Centrue 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 Centrue Financial common stock, Centrue 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 Centrue 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 Centrue 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 Centrue Financial common stock, Centrue Financial would issue [] shares of its common stock in the merger ($452,310 * 0.50 = 226,155$; $226,155 * [] = []$).*

Share prices cannot be accurately predicted. The following table illustrates the effective exchange ratio as a function of several possible average closing prices, in each case calculated based on a per share purchase price of \$7.33:

Price of Centrue Financial Stock	Number of Centrue Financial Shares to be Received for Each Illinois Community Share
\$27.00	0.271
\$27.25	0.269
\$27.50	0.267
\$27.75	0.264
\$28.00	0.262
\$28.25	0.259
\$28.50	0.257
\$28.75	0.255
\$29.00	0.253
\$29.25	0.251

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

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Centrue Financial will not issue any fractional shares in the merger. Instead, for each fractional share that would otherwise be issued, Centrue Financial will pay cash in an amount determined by multiplying this fraction by the closing price of Centrue Financial common stock as reported on the American Stock Exchange on the effective date of the merger.

Election of Merger Consideration. Illinois Community shareholders may elect to receive their share of the merger consideration entirely in Centrue Financial common stock, entirely in cash or in a combination of Centrue Financial common stock and cash. However, all shareholder elections are subject to the requirement that, on an aggregate basis, 50% of Illinois Community shares outstanding at the effective time up to the merger must be converted into the right to receive Centrue Financial common stock and the remaining 50% of Illinois Community shares outstanding at the effective time of the merger must be converted into the right to receive cash. This requirement exists to preserve the expected federal income tax treatment of the merger.

If you do not make any election, you will receive consideration in the form of either cash or Centrue Financial common stock in proportions necessary to satisfy the total consideration requirement as described below.

If after taking into account all valid elections more than 50% of the total outstanding shares of Illinois Community common stock would be converted into cash, including appraisal shares, then any Illinois Community shareholders who elected to receive any portion of the merger consideration in cash and any Illinois Community shareholders who did not make an election will be subject to a proration process that will result in the holder receiving additional shares of Centrue Financial common stock in lieu of some cash. This proration will result in a final prorated number of shares of Centrue Financial common stock being issued for 50% of the total outstanding shares of Illinois Community common stock.

Similarly, if after taking into account all valid elections more than 50% of the total outstanding shares of Illinois Community common stock would be converted into Centrue Financial common stock, then all Illinois Community shareholders who did not make an election will be entitled to receive only cash, and any Illinois Community shareholders who elected to receive any portion of the merger consideration in Centrue Financial common stock will, if necessary, be subject to a proration process that will result in the holder receiving more cash in lieu of some Centrue Financial common stock. This proration will result in a final prorated amount of cash being paid for 50% of the total outstanding shares of Illinois Community common stock.

We are not making any recommendation as to whether Illinois Community shareholders should elect to receive only Centrue Financial common stock, only cash or a combination of both. We are also not making any recommendation as to whether Illinois Community shareholders should elect to receive a specific ratio of cash and Centrue Financial common stock. Each Illinois Community shareholder must make his or her own decision with respect to the election to receive Centrue Financial common stock, cash or a combination of both for their shares of Illinois Community stock.

Election Procedures; Surrender of Stock Certificates

Shortly after the merger, an election form will be mailed to every Illinois Community shareholder. Illinois Community shareholders can use this election form to elect the proportion of shares of Centrue Financial common stock and cash that they would like to receive in exchange for their shares of Illinois Community common stock. Illinois Community shareholders do not need to make an election. If no election is made, a Illinois Community shareholder will receive cash or Centrue Financial common stock in such amounts that will enable us to satisfy the requirement that 50% of Illinois Community shares be converted into Centrue Financial common stock and 50% of Illinois Community shares, including shares with respect to which shareholders have asserted their dissenters' rights under the IBCA, be converted into cash.

To make an effective election, you must submit a properly completed election form to LaSalle Bank, National Association, which will act as the exchange agent, on or before the election deadline of 5:00 p.m., Kankakee, Illinois time, on [], 2005. You may change your election at any time prior to the election deadline by written notice accompanied by a properly completed and signed revised election form received by

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the exchange agent prior to the election deadline. All elections will be revoked automatically if the merger is not approved or the merger agreement is otherwise terminated.

With the election forms, all Illinois Community shareholders will also receive a letter of transmittal, together with a return envelope. The letter of transmittal will include instructions for the surrender and exchange of certificates representing Illinois Community common stock for the merger consideration. A letter of transmittal will be deemed properly completed only if signed and accompanied by stock certificates representing all shares of Illinois Community common stock or an appropriate guarantee of delivery of the certificates.

Until you surrender your Illinois Community stock certificates for exchange after completion of the merger, you will not be paid dividends or other distributions declared after the merger with respect to any Centrue Financial common stock into which your Illinois Community shares have been converted. When Illinois Community stock certificates are surrendered, Centrue Financial will pay to the surrendering holder any of his or her respective unpaid dividends or other distributions, without interest. After the completion of the merger, no further transfers of Illinois Community common stock will be permitted. Illinois Community stock certificates presented for transfer after the completion of the merger will be canceled and exchanged for the merger consideration.

No fractional shares of Centrue Financial common stock will be issued to any holder of Illinois Community common stock upon completion of the merger. For each fractional share that would otherwise be issued, Centrue Financial will pay cash in an amount determined by multiplying this fraction by the closing price of Centrue Financial common stock as reported on the American Stock Exchange on the effective date of the merger. No interest will be paid or accrued on cash payable to holders of Illinois Community common stock in lieu of fractional shares. No shareholder of Illinois Community will be entitled to dividends, voting rights or any other rights as a shareholder of Centrue Financial in respect of any fractional shares.

None of Centrue Financial, Illinois Community or any other person will be liable to any former holder of Illinois Community common stock for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

If a certificate for Illinois Community common stock has been lost, stolen or destroyed, the exchange agent will issue the consideration properly payable under the merger agreement upon compliance by the holder of Illinois Community common stock with the conditions reasonably imposed by the exchange agent. These conditions will include a requirement that the shareholder provide a lost instruments indemnity bond in form, substance and amount reasonably satisfactory to the exchange agent and Centrue Financial.

Effective Time of the Merger

Subject to the conditions to each party's obligations to complete the merger, the merger will become effective when articles of merger reflecting the merger are filed with the Secretary of State of the State of Illinois. Unless we agree otherwise, each party will use reasonable efforts to cause the merger to become effective 10 business days after the end of the month in which both of the following conditions are satisfied:

the receipt of all required regulatory approvals and the expiration of all statutory waiting periods relating to the approvals; and

the satisfaction or waiver of all of the conditions to closing set forth in the merger agreement.

We anticipate that the merger will become effective in the second quarter of 2005, however, delays could occur.

We cannot assure you that the necessary shareholder and regulatory approvals of the merger will be obtained or that other conditions precedent to the merger can or will be satisfied. Either party's board of directors may terminate the merger agreement if the merger is not completed by June 30, 2005, unless it is not completed because of the failure by the party seeking termination to comply fully with its obligations under the merger agreement. *See* Conditions to Completion of the Merger and Termination and Termination Fees.

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United States Federal Income Tax Consequences of the Merger

The following is a summary of the material United States federal income tax consequences of the merger generally applicable to Illinois Community shareholders. This discussion assumes you hold your shares of Illinois Community common stock as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended, or the Code, and does not address all aspects of United States federal income taxation that may be relevant to you in light of your particular circumstances or if you are subject to special rules, such as rules relating to:

shareholders who are not citizens or residents of the United States;

financial institutions;

tax-exempt organizations;

insurance companies;

dealers in securities or currencies;

traders in securities that elect to use a mark-to-market method of accounting;

shareholders who acquired their shares of Illinois Community common stock pursuant to the exercise of employee stock options or otherwise acquired shares as compensation; and

shareholders who hold their shares of Illinois Community common stock as part of a hedge, straddle or other risk reduction, constructive sale or conversion transaction.

In addition, this summary does not address any state, local or foreign tax consequences of the merger that may apply. The following discussion is based on the Code, existing and proposed regulations promulgated under the Code, published Internal Revenue Service rulings and court decisions, all as in effect as of the date of this document, and all of which are subject to change, possibly with retroactive effect. Any such change could affect the continuing validity of this discussion.

Tax Consequences of the Merger Generally. It is intended that the merger of Illinois Community with and into Community Acquisition LLC will be treated as a reorganization within the meaning of Section 368(a) of the Code. Centrue Financial's and Illinois Community's obligations to complete the merger are conditioned on, among other things, their receipt of an opinion from Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP dated as of the date of the registration statement filed with the Securities and Exchange Commission in connection with the merger and updated through the effective date, to the effect that:

the merger will constitute a reorganization within the meaning of Section 368(a) of the Code;

no gain or loss will be recognized by Centrue Financial as a result of the merger pursuant to Section 1032 of the Code;

no gain or loss will be recognized by Illinois Community as a result of the merger pursuant to Section 361 of the Code; and

no gain or loss will be recognized by holders of Illinois Community common stock upon their receipt of Centrue Financial common stock, except that gain, if any, will be recognized to the extent of any cash received.

The opinion of Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP will be based upon existing law, assumes the absence of changes in existing facts, relies upon customary assumptions and representations contained in certificates executed by officers of Centrue Financial and Illinois Community. The opinion neither binds the Internal Revenue Service nor precludes it from adopting a contrary position, and it is possible that the Internal Revenue Service may successfully assert a contrary position in litigation or other proceedings. Neither Centrue Financial nor Illinois Community intends to obtain a ruling from the Internal Revenue Service with respect to the tax consequences of the merger.

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The following discussion assumes that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

Illinois Community Shareholders Who Receive Only Centrue Financial Common Stock. If you are a holder of Illinois Community common stock and you receive only Centrue Financial common stock (plus any cash in lieu of a fractional share of Centrue Financial common stock) in exchange for your Illinois Community common stock in the merger, you will not recognize any gain or loss for federal income tax purposes with respect to such exchange, except with respect to any cash received in lieu of a fractional share, as discussed below.

Illinois Community Shareholders Who Receive Both Centrue Financial Common Stock and Cash. If you are a holder of Illinois Community common stock and you receive both Centrue Financial common stock and cash (other than cash received in lieu of a fractional share of Centrue Financial common stock) in exchange for your Illinois Community common stock in the merger, you will recognize gain, but not loss, in an amount equal to the lesser of:

(a) the excess, if any, of:

(1) the sum of the fair market value (at the effective time of the merger) of the Centrue Financial common stock plus the amount of cash received; over

(2) your aggregate tax basis in the shares of Illinois Community common stock exchanged in the merger; and

(b) the amount of cash that you receive in exchange for your Illinois Community common stock.

Any such gain will be treated as capital gain unless the receipt of the cash has the effect of a distribution of a dividend for federal income tax purposes, in which case the gain will be treated as ordinary dividend income to the extent of your ratable share of Illinois Community's accumulated earnings and profits. Any capital gain will be long-term capital gain if, as of the date of the merger, your holding period in your Illinois Community common stock is greater than one year.

The stock redemption provisions of Section 302 of the Code apply in determining whether cash received by you in exchange for your Illinois Community common stock has the effect of a distribution of a dividend under Section 356(a)(2) of the Code, which we refer to as a hypothetical redemption analysis. Under the hypothetical redemption analysis, you will be treated as if that portion of your Illinois Community common stock that you exchange for cash in the merger will instead be exchanged for Centrue Financial common stock (which we call the hypothetical shares) followed immediately by a redemption of the hypothetical shares by Centrue Financial for cash. Under the principles of Section 302 of the Code, you will recognize capital gain rather than dividend income with respect to the cash received if the hypothetical redemption is not essentially equivalent to a dividend or is substantially disproportionate with respect to you. In applying the principles of Section 302 of the Code, the constructive ownership rules of Section 318 of the Code will apply in comparing your ownership interest in Centrue Financial both immediately after the merger (but before the hypothetical redemption) and after the hypothetical redemption.

If you are a holder of Illinois Community common stock, whether the hypothetical redemption by Centrue Financial of the hypothetical shares for cash is not essentially equivalent to a dividend will depend on your particular circumstances. However, the hypothetical redemption must, in any event, result in a meaningful reduction in your percentage ownership of Centrue Financial common stock. In determining whether the hypothetical redemption by Centrue Financial results in a meaningful reduction in your percentage ownership of Centrue Financial common stock and, therefore, does not have the effect of a distribution of a dividend, you should compare your interest in Centrue Financial (including interests owned actually, hypothetically, and constructively) immediately after the merger (but before the hypothetical redemption) to your interest after the hypothetical redemption. The Internal Revenue Service has indicated in Revenue Ruling 76-385 that a shareholder in a publicly-held corporation whose relative stock interest in the corporation is minimal and who exercises no control over corporate affairs is generally treated as having had a meaningful reduction in his or her stock after a redemption transaction if his or her percentage stock

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ownership in the corporation has been reduced to any extent, taking into account the shareholder's actual and constructive ownership before and after the hypothetical redemption.

If you are a holder of Illinois Community common stock, the hypothetical redemption transaction would be substantially disproportionate and, therefore, would not have the effect of a distribution of a dividend if you own less than 50 percent of the voting power of the outstanding Centrue Financial common stock and the percentage of Centrue Financial common stock actually and constructively owned by you immediately after the hypothetical redemption is less than 80 percent of the percentage of Centrue Financial common stock actually, hypothetically and constructively owned by you immediately before the hypothetical redemption. Nevertheless, you should consult your own tax advisor about the possibility that all or a portion of any cash received in exchange for Illinois Community common stock will be treated as a dividend.

Tax Basis and Holding Period. The aggregate tax basis of any Centrue Financial common stock you receive as a result of the merger will be the same as your aggregate tax basis in Illinois Community common stock you surrender in exchange for the Centrue Financial common stock, decreased by the amount of cash received in the merger, and increased by the amount of income or gain recognized in the merger. Your holding period for the Centrue Financial common stock you receive as a result of the exchange will include the period during which you held Illinois Community common stock you surrender in the merger.

Cash Received in Lieu of Fractional Shares. If you receive cash in the merger instead of a fractional share of Centrue Financial common stock, you will be treated as having received the fractional share pursuant to the merger and then as having exchanged the fractional share for cash in a redemption of the fractional share by Centrue Financial. Assuming that immediately after the merger you hold a minimal interest in Centrue Financial, you exercise no control over Centrue Financial and, as a result of the deemed redemption and after giving effect to certain constructive ownership rules, you experience an actual reduction in your interest in Centrue Financial, you will generally recognize capital gain or loss on the deemed redemption in an amount equal to the difference between the amount of cash received and your adjusted tax basis allocable to such fractional share. This capital gain or loss will be long-term capital gain or loss if, as of the effective date of the merger, you held your shares of Illinois Community common stock for more than one year. Long-term capital gain of a non-corporate United States shareholder is generally subject to a maximum federal tax rate of 15%. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting. Unless you provide a taxpayer identification number (social security number or employer identification number) and certify, among other things, that such number is correct, or you provide proof of an applicable exemption from backup withholding, the exchange agent will be required to withhold 28% of any cash payable to you in connection with the merger. Any amount so withheld under the backup withholding rules is not an additional tax and will be allowed as a refund or credit against your United States federal income tax liability, provided that you furnish the required information to the Internal Revenue Service. You should complete and sign the substitute Form W-9 the will be included as part of the transmittal letter that accompanies the election form to provide the information and certification necessary to avoid backup withholding, unless an applicable exception exists and is established in a manner that is satisfactory to the exchange agent.

You will be required to retain records pertaining to the merger and will be required to file a statement with your United States federal income tax return for the taxable year in which the merger takes place that sets forth certain facts relating to the merger, including your basis in your Illinois Community common stock that you surrender in connection with the merger and the fair market value of the Centrue Financial common stock and/or cash that you receive in connection with the merger. In addition, pursuant to the American Jobs Creation Act of 2004, Centrue Financial (or, if required by to-be-published regulations, Illinois Community) will be required to provide to the Internal Revenue Service and Illinois Community shareholders information with respect to the merger, including information regarding your identity (and the identities of other Illinois Community shareholders) and the amount of cash and the fair market value of Centrue Financial common stock received by you (and by each other Illinois Community shareholder) in the merger.

The foregoing discussion is not intended to be a complete analysis or description of all potential federal income tax consequences of the merger. In addition, the discussion does not address tax consequences that

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may vary with, or are contingent on, your individual circumstances. Moreover, the discussion does not address any non-income tax or any foreign, state, or local tax consequences of the merger. Accordingly, you are strongly urged to consult with your own tax advisor to determine the particular federal, state, local and foreign income and other tax consequences to you of the merger.

Background of the Merger

In March 2001, Illinois Community's wholly owned subsidiary, Illinois Community Bank, was placed under a Cease and Desist Order by the FDIC and the Illinois Office of Banks and Real Estate (the OBRE). The primary areas of concern were Illinois Community Bank's asset quality, negative earnings and weak capital position. Also in March 2001, the Federal Reserve Bank of St. Louis issued a Cease and Desist Order against Illinois Community primarily directed at management issues and violations of Section 23A and 23B of the Federal Reserve Act. At that time, Illinois Community's board of directors decided to investigate a possible affiliation with another financial institution. As a result of these actions, Illinois Community entered into a merger agreement with Illini Corporation on November 21, 2001. Applications were filed in connection with the merger in 2002, but in 2003 the Board of Governors denied Illini Corporation's application to acquire Illinois Community, and the merger was never consummated.

During 2002, while applications were pending with the various regulatory authorities, Illinois Community went through numerous changes, including a change in management resulting from the resignation of Illinois Community's then-president and the hiring in August 2002 of Illinois Community's current president and CEO, Roger Dotson. Following Mr. Dotson's engagement as President, the board adopted a strategic plan which included the termination of the Illini Corporation merger, if deemed necessary; resolving the issues on the cease and desist order; improving credit quality and earnings; and addressing the capital deficiency.

In April 2003, Illini Corporation and Illinois Community mutually agreed to terminate their merger agreement. By June 2003, Illinois Community and Illinois Community Bank had made significant progress on their strategic plans, and by June 2004 following a joint examination by the FDIC and the Illinois Department of Financial and Professional Regulation (formerly, the OBRE), it was recommended that the Cease and Desist Order against Illinois Community Bank be lifted. The Cease and Desist Order was replaced with a Memorandum of Understanding, primarily requiring Illinois Community Bank to address the two significant issues remaining under the original Cease and Desist Order—earnings and capital.

In September 2004, the board authorized management to again begin investigating strategic alternatives, including a possible affiliation with another financial institution as a possible solution to the remaining issues under the Memorandum of Understanding. Illinois Community's President, Roger Dotson, and its Chairman conducted informal meetings with approximately fifteen banks to investigate their interest in possibly affiliating with Illinois Community and the terms upon which such affiliation would be based.

In October 2004, the Chairman and Mr. Dotson reported back to the board the results of their initial meetings and based on such meetings, narrowed the fifteen parties down to three. At the October 2004 meeting, the board authorized the Chairman and Mr. Dotson to pursue talks sequentially with the three remaining parties, based on order of preference.

The Chairman and Mr. Dotson first began negotiating with a party other than Centrue Financial. After a relatively short negotiating period, it was determined that the first party would not be able to complete the transaction it had outlined without first raising capital needed for the transaction. Based on Illinois Community's previous experience and because of its strong desire to complete a transaction without unreasonable delay, Illinois Community decided to terminate its discussions with the first party and began negotiating with Centrue Financial.

On November 4th and 5th, 2004, representatives of Centrue Financial conducted an on-site due diligence investigation of Illinois Community. Between December 6, 2004, and December 30, 2004, representatives of Centrue Financial and its legal counsel, Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP, and Illinois Community's Chairman, Mr. Dotson, and Illinois Community's legal counsel, Howard & Howard

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Attorneys P.C., conducted negotiations with respect to the terms of the merger and the form of the merger documents.

On December 21, 2004, the board of directors of Centrue Financial reviewed the terms of the proposed merger documents. After discussion with Centrue Financial's legal counsel and among members of the board, the board of directors approved the merger agreement and related documents and authorized the execution of the merger documents by Centrue Financial's officers.

On December 31, 2004, at a meeting participated in by Howard & Howard, the board of Illinois Community met to discuss the terms of the proposed merger and the proposed merger documents. At that meeting, Illinois Community's legal counsel led a discussion concerning the board's fiduciary duties and the board and counsel discussed the terms of the proposed merger documents and various employment related and other relevant matters. After a lengthy discussion of the proposed transaction and the proposed merger documents and related matters, the Illinois Community board unanimously approved the merger, adopted the merger documents and authorized its officers to execute the merger agreement and related documents on behalf of Illinois Community.

Illinois Community and Centrue Financial signed the merger agreement on December 31, 2004, and on the same date issued a joint press release announcing the execution of the merger agreement.

Centrue Financial's Reasons for the Merger

The board of directors of Centrue Financial believes that the merger presents a unique opportunity to combine two strong franchises in central and downstate Illinois, and is consistent with Centrue Financial's goal of creating the premier financial institution in central Illinois.

In reaching its decision to approve the merger agreement and the merger, the board of directors of Centrue Financial consulted with Centrue Financial's management as well as with its legal counsel, and considered a variety of factors, including the following:

information with respect to the businesses, earnings, operations, financial condition, prospects, capital levels and asset quality of Centrue Financial and Illinois Community, both individually and as combined; in particular, the board of directors of Centrue Financial focused on the strategic fit of the business lines and the operating philosophies of the two institutions;

the consistency of the merger with Centrue Financial's long-term business strategy of pursuing growth opportunities in central and downstate Illinois, particularly the fact that Illinois Community is an excellent bridge between Centrue Financial's existing Champaign-Urbana and Metro East St. Louis regions;

the advantages of a combination with an institution, such as Illinois Community, that has opportunities for increased efficiencies and significant cost savings from a combination with Centrue Financial, resulting in increased profitability of the combined entity over time;

the current and prospective economic and competitive environments facing Centrue Financial and other financial institutions characterized by intensifying competition from both banks and nonbank financial services organizations, the increasing necessity for strong fee-based income producing components within a bank holding company and the growing costs associated with regulatory compliance in the banking industry;

the belief that, following the merger, the combined company would be well positioned to continue to grow through possible future acquisitions or expansion;

the belief that the merger would result in shareholders of Centrue Financial holding stock in a high quality combined company that should benefit shareholders through enhanced operating efficiencies and better penetration of commercial and consumer banking markets throughout central and downstate Illinois;

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the scale, scope, strength and diversity of operations, product lines and delivery systems that could be achieved by combining Centrue Financial and Illinois Community;

the complementary nature of the businesses of Centrue Financial and Illinois Community, which both have a strong community banking orientation;

the belief that, while no assurances could be given, the business and financial advantages contemplated in connection with the merger were likely to be achieved within a reasonable time frame; and

the likelihood that the merger will be approved by the appropriate regulatory authorities without undue conditions or delay (*see* Regulatory Approvals).

The foregoing discussion of the information and factors considered by the board of directors of Centrue Financial is not intended to be exhaustive, but includes all material factors considered by the board of directors of Centrue Financial. In reaching its determination to approve the merger, the board of directors of Centrue Financial did not assign any relative or specific weights to the foregoing factors, and individual directors may have given differing weights to different factors.

Illinois Community s Reasons for the Merger and Board Recommendation

The Illinois Community board believes that the merger is fair to, and in the best interests of, Illinois Community and the Illinois Community shareholders. Accordingly, the Illinois Community board has unanimously approved the merger agreement and unanimously recommends that the Illinois Community shareholders vote FOR the adoption of the merger agreement.

The Illinois Community board believes that the merger presents a unique opportunity to aid in the creation of one of central Illinois premier community banking franchises.

In reaching its decision to approve the merger agreement, the Illinois Community board consulted with Illinois Community s management, as well as with its legal advisors, and considered a variety of factors, including the following:

the attractive price that Centrue Financial agreed to pay to shareholders of Illinois Community in the merger;

the value to be received by Illinois Community shareholders in the merger as compared to the shareholder value projected for Illinois Community as an independent entity;

Centrue Financial s historically strong capital position and expressed commitment to improving and maintaining good asset quality;

the prospect that the merger will be approved by the appropriate regulatory authorities without undue burden and in a timely manner (*see* Regulatory Approvals);

the increased liquidity of Centrue Financial stock to be received by Illinois Community shareholders in the merger;

the complementary nature and similarities in the markets served by Centrue Financial and Illinois Community and the opportunities for revenue enhancements offered by Centrue Financial s more extensive product offerings;

the cash and stock election provision of the merger agreement, which would enable many Illinois Community shareholders to carry over their tax basis in the event that they received Centrue Financial common stock in the merger and defer any federal income tax liability;

the perceived depth, competence, experience, and integrity of Centrue Financial s management team;

the increasing costs of legal, regulatory compliance, and accounting costs for financial institutions and the current and prospective competitive environment facing Illinois Community; and

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the increasingly high costs of product development and technology for Illinois Community and the banking industry in general.

The foregoing discussion of the information and factors considered by the Illinois Community board is not intended to be exhaustive, but includes all material factors considered by the Illinois Community board. In reaching its determination to approve and recommend the merger, the Illinois Community board did not assign any relative or specific weights to the foregoing factors, and individual directors may have given differing weights to different factors. The Illinois Community board is unanimous in its recommendation that Illinois Community shareholders vote for approval and adoption of the merger agreement.

Representations and Warranties

In the merger agreement, Illinois Community made numerous representations and warranties to Centru Financial relating to, among other things, the following:

incorporation, good standing, corporate power and similar corporate matters, both as to Illinois Community and its subsidiaries;

authorization, execution, delivery and performance and the enforceability of the merger agreement and the absence of violations;

conflicts under charter documents, required consents or approvals and violations of agreements or laws;

capitalization of Illinois Community and its subsidiaries;

the accuracy and completeness of its financial statements and reports;

its ownership of its property and the sufficiency of its assets;

its loan portfolio and the adequacy of its allowance for loan and lease losses;

the absence of certain material adverse events, changes, effects, defaults or undisclosed liabilities;

the due filing of tax returns and payment of taxes;

its employee benefit plans and compliance with federal employee benefit laws;

compliance with laws, including environmental laws;

the absence of material litigation;

the absence of material changes since December 31, 2003;

the absence of defaults under material contracts;

the amount and adequacy of insurance; and

the accuracy of documents filed with regulatory agencies.

Centru Financial also made numerous representations and warranties to Illinois Community relating to, among other things, the following:

incorporation, good standing, corporate power and similar corporate matters;

authorization, execution, delivery and performance and the enforceability of the merger agreement and the absence of violations;

conflicts under charter documents, required consents or approvals and violations of agreements or laws;

capitalization of Centrue Financial and its subsidiaries;

the accuracy and completeness of its financial statements and reports;

the absence of certain material adverse events, changes or undisclosed liabilities;

compliance with laws;

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the absence of material litigation; and

its ability to fund the transaction.

The foregoing is an outline of the types of representations and warranties made by Centrue Financial and Illinois Community contained in the merger agreement, a copy of which is included at Appendix A. You should carefully review the entire agreement and in particular Articles 4 and 5, containing the detailed representations and warranties of the parties.

Conduct of Business Pending the Merger and Certain Covenants

Under the merger agreement, Illinois Community has agreed to certain restrictions on its activities until the merger is completed or the merger agreement is terminated. In general, Illinois Community and Illinois Community Bank are required to conduct their operations in the ordinary course of business. The following is a summary of the more significant restrictions and obligations imposed upon Illinois Community and Illinois Community Bank. Subject to the exceptions set forth in the merger agreement, Illinois Community must:

not issue any additional shares of stock;

confer with Centrue Financial on material operational matters;

make loans only in accordance with sound credit practices and on arms-length terms;

not enter into any new client or new lending relationships in excess of \$50,000, without the prior written consent of Centrue Financial;

other than incident to a reasonable loan restructuring or without the prior written consent of Centrue Financial, not extend additional credit to borrowers or certain affiliates of borrowers, if the indebtedness of such borrower or affiliates of borrowers constitutes a non-performing loan, or against any part of such indebtedness any Illinois Community subsidiary has established loss reserves or any part of which has been charged-off by any Illinois Community subsidiary;

cause its allowance for loan and lease losses to be adequate in all material respects and charge off certain uncollectible loans or leases and place on non-accrual any loans or leases that are past due greater than 90 days;

not buy or sell any securities held for investment;

report periodically to Centrue Financial concerning the status of its financial operations and finances;

file on a timely basis all required regulatory filings; and

not take any action that would cause a breach of any of its representation and warranties.

Illinois Community has also agreed that it will not encourage any third-party proposals to acquire Illinois Community and will not participate in negotiations regarding a proposal to acquire Illinois Community, except that Illinois Community may provide information and negotiate with a third party if Illinois Community's board of directors determines that failure to do so would be inconsistent with its fiduciary duties. Illinois Community is required under the merger agreement to provide Centrue Financial notice of any proposal it receives to acquire Illinois Community.

Illinois Community has also agreed to provide Centrue Financial with certain documents before the closing date, including:

interim financial statements;

preliminary title reports and surveys for its owned real property;

if requested by Centrue Financial, a Phase 1 environmental assessment report covering its owned real property, and if necessary, a Phase 2 environmental report; and

reasonable notice of any fact or condition creating a breach of the merger agreement.

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Centrue Financial has agreed to file all applications and notices to obtain the necessary regulatory approvals for the transactions contemplated by the merger agreement. Illinois Community has agreed to cooperate with Centrue Financial in connection with obtaining the regulatory approvals. Both parties have agreed:

to use all reasonable efforts and to cooperate in the preparation and filing of all applications, notices and documents required to obtain regulatory approval and/or consents from governmental authorities for the merger and the merger agreement;

to use reasonable and diligent good faith efforts to satisfy the conditions required to consummate the merger and to complete the merger as soon as practicable;

that neither will intentionally act in a manner that would cause a breach of the merger agreement or that would cause a representation made in the merger agreement to become untrue;

to provide the other party with reasonable access to information under the condition that the information be kept confidential; and

to coordinate publicity of the transactions contemplated by the merger agreement with the media and their respective shareholders.

The foregoing is an outline of the types of covenants made by Centrue Financial and Illinois Community contained in the merger agreement, a copy of which is included at Appendix A. You should carefully review the entire agreement and in particular Articles 6, 7 and 8, containing the detailed covenants of the parties.

Conditions to Completion of the Merger

Each of Centrue Financial and Illinois Community is required to complete the merger only after the satisfaction of various conditions. Centrue Financial is only required to complete the merger if the following conditions are satisfied:

Illinois Community's representations and warranties in the merger agreement must be accurate as of the date of the merger agreement and as of the date the merger becomes effective, except for any untrue or incorrect representations and warranties that do not have a material adverse effect on Illinois Community on a consolidated basis or on Centrue Financial's rights under the merger agreement;

Illinois Community must have performed and complied with all of its covenants and obligations under the merger agreement, except where any non-performance or non-compliance would not have a material adverse effect on Illinois Community on a consolidated basis or on Centrue Financial's rights under the merger agreement;

all proceedings to be taken by Illinois Community in connection with the merger and all documents relating to these proceedings must be reasonably satisfactory in form and substance to counsel for Centrue Financial;

the merger agreement and the transactions it contemplates must have been approved by Illinois Community's shareholders;

there must not be pending any proceeding involving any challenge to, or seeking damages or other relief in connection with, the merger, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with the merger, in either case that would reasonably be expected to have a material adverse effect on Illinois Community or its shareholders or on Centrue Financial's rights under the merger agreement;

there must not have been since the date of the merger agreement any event or occurrence that would be reasonably likely to have a material adverse effect on Illinois Community or any of its subsidiaries;

all consents and approvals required in connection with the merger must have been obtained;

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the completion of the merger must not conflict with or result in a violation of any applicable laws or legal requirements;

the Securities and Exchange Commission must have declared the registration statement registering the shares of Centrue Financial common stock to be issued to Illinois Community's shareholders in the merger, of which this proxy statement-prospectus is a part, effective under the Securities Act of 1933, as amended, and referred to as the Securities Act;

the total number of shares held by Illinois Community shareholders exercising dissenters' rights must be no greater than 5% of the issued and outstanding shares of Illinois Community common stock immediately prior to the effective time;

the new employment agreement with Roger D. Dotson must be in full force and effect (*see* Interests of Certain Persons in the Merger);

Centrue Financial and Illinois Community must have received the tax opinion in the form described above from Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP;

Illinois Community must have a consolidated allowance for loan and lease losses that is adequate in all material respects to provide for probable losses, net of recoveries relating to loans previously charged off, on loans outstanding;

the outstanding capital stock of Illinois Community must consist exclusively of no more than 452,310 shares of common stock;

Centrue Financial must have received satisfactory proof that Illinois Community has paid or fully accrued all of its transaction expenses; and

the adjusted shareholders' equity of Illinois Community calculated immediately prior to the effective time must not be less than \$1,420,000.

Illinois Community is only required to complete the merger if the following conditions are satisfied:

Centrue Financial's representations and warranties in the merger agreement must be accurate as of the date of the merger agreement and as of the date the merger becomes effective, except for any untrue or incorrect representations and warranties that do not have a material adverse effect on Centrue Financial on a consolidated basis or on Illinois Community's rights under the merger agreement;

Centrue Financial must have performed and complied with all of its covenants and obligations under the merger agreement, except where any non-performance or non-compliance would not have a material adverse effect on Centrue Financial on a consolidated basis or on Illinois Community's rights under the merger agreement;

all proceedings to be taken by Centrue Financial in connection with the merger and all documents relating to these proceedings must be reasonably satisfactory in form and substance to counsel for Illinois Community;

the merger agreement and the transactions it contemplates must have been approved by Illinois Community's shareholders;

there must not be pending any proceeding involving any challenge to, or seeking damages or other relief in connection with, the merger, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with the merger, in either case that would reasonably be expected to have a material adverse effect on Centrue Financial or its shareholders or on Illinois Community's rights under the merger agreement;

there must not have been since the date of the merger agreement any event or occurrence that would be reasonably likely to have a material adverse effect on Centrue Financial on a consolidated basis;

all consents and approvals required in connection with the merger must have been obtained;

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the completion of the merger must not conflict with or result in a violation of any applicable laws or legal requirements;

the Securities and Exchange Commission must have declared the registration statement registering the shares of Centrue Financial common stock to be issued to Illinois Community's shareholders in the merger effective under the Securities Act; and

Centrue Financial and Illinois Community must have received the tax opinion in the form described above from Barack Ferrazzano Kirschbaum Perlman & Nagelberg LLP.

Neither party can be certain as to when or if all of the conditions to the merger can or will be satisfied or waived by the party permitted to do so. If the merger is not completed by June 30, 2005, the board of directors of either Centrue Financial or Illinois Community may terminate the merger agreement and abandon the merger; provided, however, that the party responsible for a condition not being met prior to June 30, 2005, may not terminate the merger agreement if the merger is not completed by that date. *See* Waiver, Amendment and Termination.

The foregoing is an outline of the types of conditions precedent to the obligations of Centrue Financial and Illinois Community contained in the merger agreement, a copy of which is included at Appendix A. You should carefully review the entire agreement and in particular Articles 9 and 10, containing the detailed conditions to each party's obligation to complete the merger.

Termination and Termination Fees

Ability to Terminate the Merger Agreement. At any time before the merger becomes effective, the boards of directors of Illinois Community and Centrue Financial may mutually agree to terminate the merger agreement. In addition, the merger agreement may be terminated as follows:

by Centrue Financial, if any of the conditions to its obligation to complete the merger, as described above, has not been satisfied or has become impossible, and Centrue Financial has not waived the condition;

by Illinois Community, if any of the conditions to its obligation to consummate the merger, as described above, has not been satisfied or has become impossible, and Illinois Community has not waived the condition;

by Centrue Financial, 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; and

by either Centrue Financial or Illinois Community, if the closing of the merger has not occurred, other than through the failure of the party seeking to terminate the merger agreement to perform any of its required obligations under the merger agreement, by June 30, 2005.

Effect of Termination. If the merger is terminated, the merger agreement will become void and have no effect, except that certain provisions of the merger agreement, including those relating to the obligation to pay expenses and maintain the confidentiality of certain information obtained in connection with the merger and the merger agreement, will survive.

Termination Fees. If either:

Centrue Financial terminates the merger agreement because (a) Illinois Community committed a breach of its covenants or agreements under the merger agreement or (b) there was a breach of Illinois Community's representations and warranties as of the date of the merger agreement, and in either case the breach was not a result of a failure by Centrue Financial to comply with its material obligations under the merger agreement and the breach has or would reasonably be expected to have a material adverse effect on either Centrue Financial or Illinois Community; or

Centrue Financial or Illinois Community terminates the merger agreement because the shareholders of Illinois Community failed to approve the merger agreement before June 30, 2005;

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then, in either case, as long as Centrue Financial is in material compliance with its material obligations under the merger agreement, Illinois Community is required to pay Centrue Financial a termination fee of \$300,000.

Alternatively, if Illinois Community terminates the merger agreement because either:

Centrue Financial committed a breach of its covenants or agreements under the merger agreement; or

there was a breach of Centrue Financial's representations and warranties as of the date of the merger agreement,

then, in either case, as long as (a) the breach was not a result of a failure by Illinois Community to comply with its material obligations under the merger agreement and (b) the breach has or would reasonably be expected to have a material adverse effect on either Centrue Financial or Illinois Community, Centrue Financial is required to pay Illinois Community a termination fee of \$300,000.

The foregoing is an outline of the termination provisions contained in the merger agreement, a copy of which is included at [Appendix A](#). You should carefully review the entire agreement and in particular Article 11, containing the detailed termination provisions.

Waiver and Amendment

To the extent permitted by law, the boards of directors of Centrue Financial and Illinois Community may agree in writing to amend the merger agreement, whether before or after Illinois Community's shareholders have approved the merger agreement. However, no amendment agreed to after the merger agreement has been approved by Illinois Community's shareholders may materially and adversely affect the rights of Illinois Community's shareholders. In addition, before or at the time the merger becomes effective, either Centrue Financial or Illinois Community or both may waive any default in the performance of any term of the merger agreement by the other or may waive or extend the time for the compliance or fulfillment by the other of any of its obligations under the merger agreement. Either of Centrue Financial or Illinois Community may also waive any of the conditions precedent to their respective obligations under the merger agreement, unless a violation of any law or governmental regulation would result. To be effective, a waiver must be in writing and signed by one of Centrue Financial's or Illinois Community's duly authorized officers.

Regulatory Approvals

It is a condition to the completion of the merger that the parties receive all necessary regulatory approvals of the merger. Neither Centrue Financial nor Illinois Community is aware of any material governmental approvals or actions that are required to complete the merger, except as described below. If any other approval or action is required, Centrue Financial will also seek this approval or action.

Federal Reserve. The merger is subject to the prior approval of the Federal Reserve under Section 3 of the Bank Holding Company Act and Sections 225.11 and 225.15 of Regulation Y of the Federal Reserve. In evaluating the merger, the Federal Reserve is required to consider, among other factors, the financial and managerial resources and future prospects of the institutions and the convenience and needs of the communities to be served. These provisions prohibit the Federal Reserve from approving the merger if:

it would result in a monopoly or be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any part of the United States; or

its effect in any section of the country could be to substantially lessen competition or to tend to create a monopoly, or if it would result in a restraint of trade in any other manner, unless the Federal Reserve should find that any anti-competitive effects are outweighed clearly by the public interest and the probable effect of the merger in meeting the convenience and needs of the communities to be served.

The merger may not be completed until 30 days following the date of the Federal Reserve approval, although the U.S. Department of Justice may reduce that period to 15 days. During this period, the U.S. Department of Justice is given the opportunity to challenge the transaction on antitrust grounds. The

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commencement of any antitrust action would stay the effectiveness of the approval of the agencies, unless a court of competent jurisdiction specifically ordered otherwise.

Illinois Department of Financial and Professional Regulation. The change of control of Illinois Community Bank is subject to the prior approval of the Illinois Department of Financial and Professional Regulation, referred to as the DFPR, under Section 8015 of the Illinois Savings Bank Act and Section 1075.1700 of the administrative rules for the Illinois Savings Bank Act. These provisions prohibit the DFPR from approving a change of control of an Illinois savings bank if:

the poor financial condition of any acquiring party may adversely affect the financial stability of the savings bank or may adversely affect the interests of its depositors, borrowers, creditors or shareholders;

the plan or proposal of the acquiring party to liquidate the savings bank, to sell its assets, to merge it with any person or to make any other major change in its business, corporate structure or management may adversely affect the financial stability of the savings bank, is not fair and reasonable to its depositors, borrowers, creditors or shareholders or is not otherwise in the public interest;

insufficient banking and business experience or a lack of competence or integrity of any acquiring party may adversely affect the savings bank or the savings bank's depositors, borrowers, creditors or shareholders;

the information provided by the application is insufficient for the DFPR to determine whether the acquisition should be approved or the DFPR is unable to verify the information provided or to examine the qualifications of the acquiring party; or

the acquisition is not otherwise in the public interest.

Management and Operations After the Merger

Immediately following the merger of Illinois Community with and into Community Acquisition LLC, Community Acquisition LLC 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. Information concerning the management of Centrue Financial is included in the documents incorporated by reference in this proxy statement-prospectus. *See* Where You Can Find More Information. For additional information regarding the interests of certain persons in the merger, *see* Interests of Certain Persons in the Merger.

Interests of Certain Persons in the Merger

General. Some members of Illinois Community's management and board of directors may be deemed to have interests in the merger that are in addition to their interests as shareholders generally. The boards of directors of each of Centrue Financial and Illinois Community were aware of these interests and considered them, together with the other matters described in this proxy statement-prospectus, in approving the merger agreement and the merger.

Employment Agreement with Roger D. Dotson. Centrue Financial's wholly-owned subsidiary, Centrue Bank, has entered into an employment agreement with Roger D. Dotson, which will become effective upon completion of the merger. This employment agreement provides for Mr. Dotson's employment following the merger as a Regional President of Centrue Bank. The agreement is for a three-year term and provides for an annual base salary of \$110,000 and a performance bonus as determined by Centrue Bank's board of directors of up to 25% of Mr. Dotson's base salary. The agreement also provides for Mr. Dotson's participation in all plans or benefits generally accorded to the senior executives to Centrue Bank, including pension, profit sharing, supplemental retirement incentive compensation and group life and health insurance, as well as other perquisites extended to similarly situated senior executives.

If Mr. Dotson's employment is terminated without cause, Centrue Bank will be obligated to make a severance payment equal to his th