

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

**FORM 8-K**

**CURRENT REPORT PURSUANT TO  
SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **June 8, 2017**

**Midland States Bancorp, Inc.**  
(Exact Name of Registrant as Specified in Charter)

**Illinois**  
(State or Other Jurisdiction of  
Incorporation)

**001-35272**  
(Commission File Number)

**37-1233196**  
(IRS Employer Identification No.)

**1201 Network Centre Drive**  
**Effingham, Illinois 62401**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(217) 342-7321**

**N/A**  
(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).

Emerging growth company  x

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.  x

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**Item 2.01. Completion of Acquisition or Disposition of Assets.**

On June 9, 2017, pursuant to the Agreement and Plan of Merger, dated as of January 26, 2017 (the "Merger Agreement"), by and among Midland States Bancorp, Inc., an Illinois corporation ("Midland"), Sentinel Acquisition, LLC, a Delaware limited liability company and a wholly owned subsidiary of Midland ("Merger Sub"), and Centru Financial Corporation, a Delaware corporation ("Centru"), Centru merged with and into Merger Sub (the "Merger"), with Merger Sub surviving as a wholly owned subsidiary of Midland. As a result of the Merger, Centru's wholly owned bank subsidiary, Centru Bank, became a wholly owned subsidiary of Midland.

Subject to the terms and conditions of the Merger Agreement, and after giving effect to the elections made by Centru stockholders and the proration provisions of the Merger Agreement, at the effective time of the Merger (i) each share of Centru common stock with respect to which a valid election to receive cash consideration was made was converted into the right to receive a combination of \$14.2831 in cash and 0.3544 shares of Midland common stock, (ii) each share of Centru common stock with respect to which a valid election to receive share consideration was made was converted into the right to receive 0.7604 shares of Midland common stock, (iii) each share of Centru common stock with respect to which a valid election to receive mixed consideration was made was converted into the right to receive a combination of \$9.3625 in cash and 0.4943 shares of Midland common stock, and (iv) each share of Centru common stock with respect to which no valid election was made was converted into the right to receive 0.7604 shares of Midland common stock, in each case, with cash paid in lieu of any fractional shares. In connection with the Merger, Centru equity awards vested and were settled in cash at the effective time of the Merger based on a value of \$26.75 per share. Each share of Centru's Series B Preferred Stock was converted into the right to receive a share of a newly created series of Series G Preferred Stock of Midland (the "Series G Preferred Stock"), and each share of Centru's Series D Preferred Stock was converted into the right to receive a share of a newly created series of Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred

Stock, Series H of Midland (the “Series H Preferred Stock”). In the aggregate, Midland paid approximately \$61.0 million and issued 3,219,238 shares of Midland common stock, 181 shares of Series G Preferred Stock and 2,635.5462 shares of Series H Preferred Stock in respect of the outstanding shares of Centruē capital stock.

The foregoing description of the Merger and the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which was filed as Exhibit 2.1 to Midland’s Current Report on Form 8-K filed on January 26, 2017, and is incorporated by reference herein.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

In connection with the Merger, pursuant to a First Supplemental Indenture, dated as of June 9, 2017, by and among Midland, Centruē, and U.S. Bank National Association (the “Trustee”), as trustee, Midland assumed Centruē’s rights, duties, and obligations under the Indenture, dated as of April 22, 2004, by and between Centruē and the Trustee, under which Centruē had issued approximately \$10.3 million aggregate principal amount of its Floating Rate Junior Subordinated Deferrable Interest Debentures due 2034.

**Item 3.03. Material Modification to Rights of Security Holders.**

In connection with the Merger, on June 8, 2017, Midland filed a statement of resolution establishing series with the Illinois Secretary of State (the “Illinois Secretary”), establishing the rights, preferences, privileges, qualifications, restrictions and limitations of the Series G Preferred Stock and the Series H Preferred Stock.

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The Series G Preferred Stock ranks, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding-up, (1) on a parity with the Series H Preferred Stock, and (2) senior to Midland’s common stock and any other securities issued by Midland (collectively, the “Series G Junior Securities”).

Under the terms of the Series G Preferred Stock, if Midland has not paid or declared and set aside for payment full dividends on the Series G Preferred Stock for all past dividend periods and the then current dividend period, it may not declare or pay dividends on, other than dividends payable solely in Midland’s common stock, or redeem, purchase or acquire, its common stock or other Series G Junior Securities without the approval of the holders of a majority of the outstanding shares of Series G Preferred Stock.

The Series H Preferred Stock ranks, with respect to the payment of dividends and distributions upon liquidation, dissolution or winding-up, (1) on a parity with the Series G Preferred Stock and each class or series of stock Midland may issue in the future the terms of which do not expressly provide that such class or series will rank senior or junior to the Series H Preferred Stock as to dividend rights and rights on liquidation, dissolution or winding-up of Midland, and (2) senior to Midland’s common stock and each other class or series of stock Midland may issue in the future the terms of which expressly provide that it ranks junior to the Series H Preferred Stock as to dividend rights and rights on liquidation, dissolution or winding-up of Midland (collectively, the “Series H Junior Securities”).

Under the terms of the Series H Preferred Stock, with certain limited exceptions, if Midland has not declared and paid full quarterly dividends on the Series H Preferred Stock for a particular dividend period, it may not declare or pay dividends, other than dividends payable solely in Midland’s common stock, on its common stock, Series G Preferred Stock or other Series H Junior Securities during the period from the last day of such dividend period until the last day of the third dividend period immediately following such dividend period.

The foregoing descriptions of the terms of the Series G Preferred Stock and the Series H Preferred Stock are qualified in their entirety by reference to the full text of the applicable statement of resolution, which are filed herewith as Exhibits 3.1 and 3.2, respectively, and incorporated herein by reference.

**Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

The information set forth under Item 3.03 is incorporated by reference herein. Descriptions of the terms of the Series G Preferred Stock and the Series H Preferred Stock are contained in the sections captioned “Description of Midland Capital Stock—Series G Preferred Stock” and “Description of Midland Capital Stock—Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H” in Midland’s Registration Statement on Form S-4 (File No. 333-216708) filed on April 25, 2017, and are incorporated by reference herein.

The foregoing descriptions of the terms of the Series G Preferred Stock and the Series H Preferred Stock are qualified in their entirety by reference to the full text of the applicable statement of resolution, which are filed herewith as Exhibits 3.1 and 3.2, respectively, and incorporated herein by reference.

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**Item 5.07. Submission of Matters to a Vote of Security Holders.**

A special meeting of shareholders (the “Special Meeting”) of Midland was held on June 8, 2017. Two proposals were presented to the shareholders. The results of the shareholder vote on the proposals were as follows:

To approve the issuance of shares of Midland common stock in connection with the Merger (the “Midland Share Issuance Proposal”):

Number of Shares Voted For	Number of Shares Voted Against	Abstentions	Broker Non-Votes
11,322,354	4,511	11,819	0

To approve one or more adjournments of the Special Meeting, if necessary or appropriate, including to permit further solicitation if an insufficient number of votes are cast to approve the Midland Share Issuance Proposal:

Number of Shares Voted For	Number of Shares Voted Against	Abstentions	Broker Non-Votes
10,925,214	396,732	16,738	0

**Item 7.01. Regulation FD Disclosure.**

On June 12, 2017, Midland issued a press release announcing the completion of the Merger. A copy of the press release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

The information furnished pursuant to this Item and the related exhibit shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

**(a) Financial Statements of Business Acquired.**

As permitted by Item 9.01(a)(4) of Form 8-K, Midland intends to file the historical financial statements required by Item 9.01(a) of Form 8-K as an amendment to this Current Report on Form 8-K not later than 71 days after the date this Current Report on Form 8-K is required to be filed.

**(b) Pro Forma Financial Information.**

As permitted by Item 9.01(b)(2) of Form 8-K, Midland intends to file the pro forma financial information required by Item 9.01(b) of Form 8-K as an amendment to this Current Report on Form 8-K not later than 71 days after the date this Current Report on Form 8-K is required to be filed.

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**(d) Exhibits.**

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of January 26, 2017, among Midland States Bancorp, Inc., Sentinel Acquisition, LLC and Centru Financial Corporation (incorporated by reference to Exhibit 2.1 to Midland States Bancorp, Inc.’s Current Report on Form 8-K filed on January 26, 2017)*
3.1	Statement of Resolution Establishing Series of Series G Preferred Stock of Midland States Bancorp, Inc.
3.2	Statement of Resolution Establishing Series of Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H of Midland States Bancorp, Inc.
	<i>Instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission upon request.</i>
99.1	Press Release, dated June 12, 2017

\* Certain schedules to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K and Midland agrees to furnish supplementally to the Securities and Exchange Commission a copy of any omitted schedule upon request.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 12, 2017

MIDLAND STATES BANCORP, INC.

By: /s/ Douglas J. Tucker  
Name: Douglas J. Tucker  
Title: Senior Vice President and Corporate Counsel

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**EXHIBIT INDEX**

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**STATEMENT OF RESOLUTION ESTABLISHING SERIES  
OF  
SERIES G PREFERRED STOCK  
OF  
MIDLAND STATES BANCORP, INC.**

Pursuant to and in accordance with Section 6.10 of the Illinois Business Corporation Act of 1983, the undersigned corporation made the following statement:

**ARTICLE 1**

The name of the corporation is Midland States Bancorp, Inc. (the "Company").

**ARTICLE 2**

That pursuant to the authority vested in the board of directors of the Company (the "Board") in accordance with the provisions of the Articles of Incorporation of the Company (the "Articles"), the Board on January 26, 2017, adopted the following resolution creating a series of 209 shares of preferred stock designated as "Series G Preferred Stock":

**RESOLVED**, that pursuant to the authority vested in the Board in accordance with the provisions of the Articles, a series of preferred stock of the Company is hereby created, such series to be known as Series G Preferred Stock, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights of the shares of such series, and the qualifications, limitations and restrictions thereof are as follows:

1. **DESIGNATION AND AMOUNT.** The Board has designated 209 shares of the Company's authorized and unissued preferred stock as "Series G Preferred Stock," has authorized such shares for issuance (the "Series G Preferred Stock") and has determined that no further shares of Series G Preferred Stock shall be issued.

2. **DIVIDENDS.**

(a) The holders of record of the then outstanding shares of Series G Preferred Stock shall be entitled to receive when, as and if declared by the Board out of any funds legally available therefor, cumulative dividends at the annual rate of \$60.00 per share payable in four equal cash payments on the 20th day (or if not a business day, as defined below, on the next business day thereafter) of April, July, October and January commencing on the first of such date after the issuance of the Series G Preferred Stock, provided, however, that any such quarterly cash payment shall be prorated with respect to any shares of Series G Preferred Stock that were outstanding less than the total number of days in the calendar quarter immediately preceding any such payment date. The amount of any such prorated cash payment shall be computed on the basis of the actual number of days in any calendar quarter during which such shares of Series G Preferred Stock were outstanding. Each such dividend shall be payable to holders of record as they appear on the stock books of the Company on such record dates, not less than 10 and not more than 60 days preceding the dividend payment date, as shall be fixed by the Board. No dividends, other than those payable solely in the Company's common stock, \$0.01 par value ("Common Stock"), shall be paid during any fiscal year of the Company with respect to shares of Common Stock or any other security issued by the Company other than Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H (the "Series H Preferred Stock") until dividends in the total amount of \$60.00 per share on Series G Preferred Stock shall have been paid. Such dividends shall accrue on each share of Series G Preferred Stock from the date of issuance and from day to day thereafter, whether or not earned or declared. Notwithstanding the foregoing, such dividends shall be cumulative so that if such dividends in respect of any previous or current annual dividend period, at the annual rate specified above, shall not have been paid or declared and a sum sufficient for the payment thereof set apart, the deficiency for any prior year and the amount owed in the current year shall first be fully paid before any dividend or other distribution shall be paid on or declared and set apart for the shares of Common Stock. A "business day" shall be deemed to be any day when trading of securities occurs on the New York Stock Exchange.

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(b) Unless full dividends on Series G Preferred Stock for all past dividend periods and the then current dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart: (i) no dividend whatsoever whether in cash, securities or other property (other than a dividend payable solely in shares of Common Stock) shall be paid or declared and set aside for payment, and no distribution shall be made, on any shares of Common Stock or other class of preferred stock authorized after the date hereof except for the Series H Preferred Stock; and (ii) no shares of Common Stock or other class of preferred stock authorized after the date hereof except the Series H Preferred Stock shall be purchased, redeemed or otherwise acquired by the Company and no funds shall be paid into or set aside or made available for a sinking fund for the purchase, redemption or other acquisition thereof without the approval of the holders of at least a majority of the then outstanding shares of Series G Preferred Stock.

(c) The Company shall not permit any subsidiary of the Company to purchase or otherwise acquire for consideration any shares of stock of the Company unless the Company could, under Section 2(b), purchase or otherwise acquire such shares at such time and such manner.

3. **REDEMPTION.**

(a) Each issued and outstanding share of Series G Preferred Stock may be redeemed at the option of the holder or his or her estate for cash as set forth below at any time at a price of \$1,000 per share, plus any accrued but unpaid dividends thereon whether or not declared, through the Redemption Date, as defined below (collectively, the "Redemption Price").

(b) Before any holder of shares of Series G Preferred Stock shall be entitled to redeem any such shares for cash, he shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent of Series G Preferred Stock or Common Stock, with a written notice that he elects to redeem the same and shall state therein the number of shares of Series G Preferred Stock being redeemed for cash and the name or names to whom such payment shall be made. The date the Company receives such surrendered certificates and written notice shall be deemed to be the Redemption Date. Thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof, and each surrendered certificate shall be cancelled and retired.

(c) If on the Redemption Date the Redemption Price is paid, then the dividends with respect to the shares of Series G Preferred Stock redeemed shall cease to accrue after the Redemption Date.

(d) Notwithstanding anything contained in this Section 3 to the contrary, the Company shall not be obligated to redeem for cash any shares of Series G Preferred Stock if such redemption would cause the Company to be in violation of any statute, rule, order, regulation or agreement to which the Company is a party relating to minimum capital requirements. The Company shall use its best efforts promptly to remedy any such violation if the same has the effect of preventing the redemption of any shares of Series G Preferred Stock, and shall promptly complete the redemption of shares after such violation has been cured.

#### 4. VOTING RIGHTS.

(a) The holders of each share of Series G Preferred Stock shall not be entitled to vote, except: (i) as required by law; and (ii) to approve the authorization or issuance of any shares of any class or series of stock which ranks senior or on a parity with, the Series G Preferred Stock in respect of dividends and distributions upon the dissolution, liquidation or winding up of the Company.

(b) Notwithstanding anything contained herein to the contrary, the holders of Series G Preferred Stock shall vote as a separate class when required by law and to approve the matters set forth in Section 4(a)(ii). In such circumstances, the affirmative vote of the holders of a majority (or such greater percentage as may be required by law or the Company's articles of incorporation or bylaws) of the voting rights provided in this Section for the Series G Preferred Stock, voting separately as a class, shall be necessary to approve such proposed action by the holders of Series G Preferred Stock.

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5. **LIQUIDATION.** Upon the dissolution, liquidation or winding up of the Company, whether voluntary or involuntary, the holders of shares of Series G Preferred Stock shall be entitled to receive out of the assets of the Company available for distribution to shareholders, the amount of \$1,000 per share, plus any dividends whether or not declared or due which have accrued thereon through the date of such distribution, but which remain unpaid, before any payment or distribution shall be made on shares of Common Stock or any other securities issued by the Company, except that holders of shares of Series G Preferred Stock shall share pro rata in any such payment or distribution with the holders of Series H Preferred Stock. In the event the assets of the Company available for distribution to the holders of shares of Series G Preferred Stock upon any dissolution, liquidation or winding up of the Company shall be insufficient to pay in full all amounts to which such holders are entitled pursuant to this Section 5, then all of the assets of the Company to be distributed shall be distributed ratably to the holders of Series G Preferred Stock and Series H Preferred Stock. After the payment to the holders of the shares of Series G Preferred Stock of the full amounts provided for in this Section 5, the holders of shares of Series G Preferred Stock as such shall have no right or claim to any of the remaining assets of the Company.

**FURTHER RESOLVED**, that the statements contained in the foregoing resolutions creating and designating the said issue of Series G Preferred Stock and fixing the number, powers, preferences and relative, optional, participating, and other special rights and the qualifications, limitations, restrictions, and other distinguishing characteristics thereof shall, upon the effective date of said series, be deemed to be included in and be a part of the articles of incorporation, as amended, of the Company pursuant to the provisions of the Illinois Business Corporation Act.

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**STATEMENT OF RESOLUTION ESTABLISHING SERIES  
OF  
FIXED RATE NON-VOTING PERPETUAL NON-CUMULATIVE PREFERRED STOCK, SERIES H  
OF  
MIDLAND STATES BANCORP, INC.**

Pursuant to and in accordance with Section 6.10 of the Illinois Business Corporation Act of 1983, the undersigned corporation made the following statement:

**ARTICLE 1**

The name of the corporation is Midland States Bancorp, Inc. (the "Issuer").

**ARTICLE 2**

That pursuant to the authority vested in the board of directors of the Issuer (the "Board of Directors") in accordance with the provisions of the Articles of Incorporation of the Issuer (the "Articles"), the Board of Directors on January 26, 2017, adopted the following resolution creating a series of 2,636 shares of preferred stock designated as "Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H":

**RESOLVED**, that pursuant to the authority vested in the Board of Directors in accordance with the provisions of the Articles, a series of preferred stock of the Issuer is hereby created, such series to be known as Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights of the shares of such series, and the qualifications, limitations and restrictions thereof are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of preferred stock of the Issuer a series of preferred stock designated as the "Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H" (the "Designated Preferred Stock"). The authorized number of shares of Designated Preferred Stock shall be 2,636.

Part 2. Standard Provisions. The Standard Provisions contained in Schedule A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this Statement of Resolution Establishing Series to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in this Statement of Resolution Establishing Series (including the Standard Provisions in Schedule A hereto) as defined below:

- (a) "Common Stock" means the common stock, par value \$0.01 per share, of the Issuer.
- (b) "Dividend Payment Date" means March 31, June 30, September 30 and December 31 of each year, commencing on the first such date after the Original Issue Date.
- (c) "Junior Stock" means the Common Stock, and any other class or series of stock of the Issuer the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer.
- (d) "Liquidation Amount" means \$1,000 per share of Designated Preferred Stock.
- (e) "Original Issue Date" means the date on which shares of Designated Preferred Stock are first issued.
- (f) "Parity Stock" means any class or series of stock of the Issuer (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or

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winding up of the Issuer (in each case without regard to whether dividends accrue cumulatively or non-cumulatively). Without limiting the foregoing, Parity Stock shall include the Issuer's Fixed Rate Preferred Stock, Series G.

Part 4. Certain Voting Matters. Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.

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**Schedule A**

STANDARD PROVISIONS

Section 1. General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Statement of Resolution Establishing Series. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Issuer.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

- (a) “Applicable Dividend Rate” means 12.500% per annum.
- (b) “Appropriate Federal Banking Agency” means the “appropriate Federal banking agency” with respect to the Issuer as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.
- (c) “Business Day” means any day except Saturday, Sunday and any day on which banking institutions in the State of Illinois generally are authorized or required by law or other governmental actions to close.
- (d) “Bylaws” means the bylaws of the Issuer, as they may be amended from time to time.
- (e) “Charter” means the Issuer’s certificate or articles of incorporation, articles of association, or similar organizational document.
- (f) “Dividend Period” means the period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date.
- (g) “Dividend Record Date” has the meaning set forth in Section 3(b).
- (h) “Liquidation Preference” has the meaning set forth in Section 4(a).
- (i) “Preferred Director” has the meaning set forth in Section 7(b).
- (l) “Preferred Stock” means any and all series of preferred stock of the Issuer, including the Designated Preferred Stock.
- (j) “Standard Provisions” mean these Standard Provisions that form a part of the Statement of Resolution Establishing Series relating to the Designated Preferred Stock.
- (k) “Statement of Resolution Establishing Series” means the Statement of Resolution Establishing Series or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.
- (l) “Voting Parity Stock” means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Sections 7(a) and 7(b) of these Standard Provisions that form a part of the Statement of Resolution Establishing Series, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends.

- (a) Rate. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of

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the Board of Directors, but only out of assets legally available therefor, non-cumulative cash dividends with respect to each Dividend Period, an amount equal to one-fourth (1/4) of the Applicable Dividend Rate on the Liquidation Amount per share of Designated Preferred Stock, and no more, payable in arrears on each Dividend Payment Date.

- (b) Dividend Payment Dates. In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. For the avoidance of doubt, “payable in arrears” means that, with respect to any particular Dividend Period, dividends begin accruing on the first day of such Dividend Period and are payable on the first day of the next Dividend Period.

Dividends that are payable on Designated Preferred Stock in respect of any Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months, and actual days elapsed over a 30-day month.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Issuer on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a “Dividend Record Date”). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Statement of Resolution Establishing Series).

- (c) Non-Cumulative. Dividends on shares of Designated Preferred Stock shall be non-cumulative. If the Board of Directors or any duly authorized committee of the Board of Directors does not declare a dividend on the Designated Preferred Stock in respect of any Dividend Period, the holders of Designated Preferred Stock shall have no right to receive any dividend for such Dividend Period, and the Issuer shall have no obligation to pay a dividend for such Dividend Period, whether or not dividends are declared for any subsequent Dividend Period with respect to the Designated Preferred Stock.

- (d) Priority of Dividends.

- (i) Subject to Section 3(d)(ii) and any restrictions imposed by the Appropriate Federal Banking Agency or, if applicable, the Issuer’s state bank supervisor (as defined in Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. § 1813(q))), so long as any share of Designated



Preferred Stock remains outstanding, the Issuer may declare and pay dividends on the Common Stock, any other shares of Junior Stock, or Parity Stock, in each case only if full dividends on all outstanding shares of Designated Preferred Stock for the most recently completed Dividend Period have been or are contemporaneously declared and paid.

(ii) If a dividend is not declared and paid in full on the Designated Preferred Stock in respect of any Dividend Period, then from the last day of such Dividend Period until the last day of the third Dividend Period immediately following it, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock; *provided, however*, that in any such Dividend Period in which a dividend is declared and paid on the Designated Preferred Stock, dividends may be paid on Parity Stock to the extent necessary to avoid any material breach of a covenant by which the Issuer is bound.

(iii) Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common Stock and other Junior

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Stock, from time to time out of any funds legally available for such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

#### Section 4. Liquidation Rights,

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Issuer, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Issuer or proceeds thereof (whether capital or surplus) available for distribution to shareholders of the Issuer, subject to the rights of any creditors of the Issuer, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Issuer ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any declared and unpaid dividends for prior Dividend Periods on each such share (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Issuer or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution has been paid in full, the holders of other stock of the Issuer shall be entitled to receive all remaining assets of the Issuer (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Issuer with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Issuer, shall not constitute a liquidation, dissolution or winding up of the Issuer.

#### Section 5. Redemption

(a) Optional Redemption. The Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, if then required under applicable law, may redeem, in whole or in part, at any time and from time to time, on or after July 29, 2019, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to:

- (i) the Liquidation Amount per share;
- (ii) the per-share amount of any declared but unpaid dividends for prior Dividend Periods; and
- (iii) the per-share amount of any accrued but unpaid dividends for the then current Dividend Period at the Applicable Dividend Rate to, but excluding, the date fixed for redemption.

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Issuer or its agent. Any declared but unpaid dividends payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

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(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Issuer. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the

proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (i) the redemption date; (ii) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (iii) the redemption price; and (iv) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption have been deposited by the Issuer, in trust for the *pro rata* benefit of the holders of the shares called for redemption, with a bank or trust company having a capital and surplus of at least \$500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Issuer, after which time the holders of the shares so called for redemption shall look only to the Issuer for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Issuer shall revert to authorized but unissued shares of Preferred Stock (*provided* that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Preferred Stock Directors. Whenever, at any time or times, dividends payable on the shares of Designated Preferred Stock have not been declared and paid in full within 5 Business Days after each Dividend

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Payment Date for an aggregate of eight quarterly Dividend Periods or more, whether or not consecutive, the authorized number of directors of the Issuer shall automatically be increased by two and the holders of the Designated Preferred Stock shall have the right, with holders of shares of any one or more other classes or series of Voting Parity Stock outstanding at the time, voting together as a class, to elect two directors (hereinafter the "Preferred Directors" and each a "Preferred Director") to fill such newly created directorships at the Issuer's next annual meeting of shareholders (or, if the next annual meeting is not yet scheduled or is scheduled to occur more than 30 days later, the President of the Issuer shall promptly call a special meeting for that purpose) and at each subsequent annual meeting of shareholders until full dividends have been paid on the Designated Preferred Stock for at least four consecutive Dividend Periods, at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; *provided* that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Issuer to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Issuer may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any termination of the right of the holders of shares of Designated Preferred Stock and Voting Parity Stock as a class to vote for directors as provided above, the Preferred Directors shall cease to be qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders of a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class together with the holders of shares of Voting Parity Stock, to the extent the voting rights of such holders described above are then exercisable. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the remaining Preferred Director may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(c) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of shareholders required by law or by the Charter, the vote or consent of the holders of the majority of the outstanding shares of Designated Preferred Stock at the time outstanding, voting as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Statement of Resolution Establishing Series for the Designated Preferred Stock or the Charter to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Issuer ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Issuer;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Statement of Resolution Establishing Series for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(c)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock; or

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Issuer with another corporation or other entity, unless in each case (A) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Issuer is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (B) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and limitations and restrictions of Designated Preferred Stock immediately prior to such consummation, taken as a whole; *provided, however*, that for all purposes of this Section 7(c), any increase in the amount

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of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Issuer to other persons prior to the Original Issue Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Issuer will not be deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(d) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(c) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(e) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Record Holders. To the fullest extent permitted by applicable law, the Issuer and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Issuer nor such transfer agent shall be affected by any notice to the contrary.

Section 9. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Statement of Resolution Establishing Series, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 10. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Issuer, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 11. Replacement Certificates. The Issuer shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Issuer. The Issuer shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Issuer of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Issuer.

Section 12. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.

**FURTHER RESOLVED**, that the statements contained in the foregoing resolutions creating and designating the said issue of Fixed Rate Non-Voting Perpetual Non-Cumulative Preferred Stock, Series H and fixing the

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number, powers, preferences and relative, optional, participating, and other special rights and the qualifications, limitations, restrictions, and other distinguishing characteristics thereof shall, upon the effective date of said series, be deemed to be included in and be a part of the articles of incorporation, as amended, of Midland States Bancorp, Inc. pursuant to the provisions of the Illinois Business Corporation Act.

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**For Immediate Release**

**Midland States Bancorp, Inc. Completes the Acquisition of Centrue Financial Corporation**

Effingham, IL, June 12, 2017 — Midland States Bancorp, Inc. (NASDAQ: MSBI) (“Midland”) today announced it has completed its acquisition of Centrue Financial Corporation (NASDAQ: CFCB) (“Centrue”), the parent company of Centrue Bank. As a result of the transaction, Centrue Bank is now a wholly owned subsidiary of Midland. The transaction brings Midland’s total assets to approximately \$4.5 billion.

Leon J. Holschbach, President and Chief Executive Officer of Midland, commented, “We are very pleased to welcome Centrue’s customers, employees and shareholders to the Midland family. Centrue is a great franchise and we are very familiar with its markets. Centrue customers will also benefit from the additional products, services and lending capacity that Midland offers.

“This acquisition fits squarely into our strategic plan of making accretive acquisitions in good markets. We believe we can realize strong synergies through this transaction while also increasing our ability to grow our customer base in northern and central Illinois,” said Mr. Holschbach.

The transaction will increase the Midland branch network to approximately 50 locations across Illinois and in the St. Louis and Colorado markets. Midland also operates approximately 40 additional locations across the United States in connection with its residential mortgage, commercial FHA loan origination and commercial equipment leasing businesses.

**About Midland States Bancorp, Inc.**

Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. Following the acquisition of Centrue Financial Corporation, Midland has assets of approximately \$4.5 billion. Midland’s Wealth Management Group has assets under administration of approximately \$1.9 billion. Midland provides a full range of commercial and consumer banking products and services, merchant credit card services, trust and investment management, and insurance and financial planning services. In addition, commercial equipment leasing services are provided through Heartland Business Credit, and multi-family and healthcare facility FHA financing is provided through Love Funding, Midland’s non-bank subsidiaries. For additional information, visit Midland at [www.midlandsb.com](http://www.midlandsb.com) or follow Midland on LinkedIn at <https://www.linkedin.com/company/midland-states-bank>.

**Special Note Concerning Forward-Looking Statements**

Readers should note that this press release includes “forward-looking statements,” including but not limited to statements about the Centrue transaction. These statements are subject to many risks and uncertainties, including the possibility that any of the anticipated benefits of the transaction will not be realized within the expected time period or at all and the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events. Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “will,” “propose,” “may,” “plan,” “seek,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue,” or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

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