

**FOR IMMEDIATE RELEASE**  
**August 29, 2017**

**KINDERHOOK BANK CORP. AND PATRIOT FEDERAL BANK  
ANNOUNCE SHAREHOLDER APPROVAL OF PROPOSED MERGER**

Kinderhook Bank Corp. (“KBC”) (OTCQB: NUBK), the parent bank holding company of The National Union Bank of Kinderhook (“Kinderhook Bank”), and Patriot Federal Bank (“Patriot”) jointly announced that Patriot shareholders have approved the proposed merger of Patriot with and into Kinderhook Bank at the meeting of Patriot shareholders held today with 99.99% of the shares present voting in favor and 76.52% of issued and outstanding shares represented at the meeting. No vote by the shareholders of KBC is required and KBC, as the sole shareholder of Kinderhook Bank, has already approved the proposed merger. As previously announced, all required regulatory approvals have also been received. Subject to the satisfaction of the remaining closing conditions, the merger is expected to close in the fourth quarter of 2017.

The combined organization will operate as “Kinderhook Bank” with eleven offices across five counties and, based on financial results as of June 30, 2017, will have approximately \$609 million in total assets, \$453 million in total loans, and \$539 million in total deposits.

The shareholders of Patriot overwhelmingly approved the merger with Kinderhook Bank. Kathleen J. Wolfe, President and Chief Executive Officer of Patriot, stated, “We are excited about the potential benefits of the merger for customers and the communities we serve as well as for our employees. We are pleased that the value being created for our shareholders has been enthusiastically embraced by our shareholders.”

“We are pleased to see that our future shareholders from Patriot share our excitement with respect to the benefits of the merger and we look forward to welcoming them to KBC upon the consummation of the merger next quarter. We believe that the combination of our organizations will create a better bank for our customers and the communities we serve,” commented John A. Balli, President and Chief Executive Officer of KBC and Kinderhook Bank.

Pursuant to the terms of the merger agreement, Patriot would merge with and into Kinderhook Bank and Patriot shareholders would receive 0.300 shares of KBC common stock for each share of Patriot common stock. Upon closing, Patriot shareholders will own approximately 29% of the stock in the combined company, on a fully-diluted basis.

Patriot, headquartered in Canajoharie, New York, is a federally-chartered savings association organized in 2005. It serves customers in Montgomery and Fulton counties, New York, from offices in Amsterdam, Canajoharie and Johnstown, all of which will remain open after the merger and operate as Kinderhook Bank branches. Kinderhook Bank is a 164-year-old independent community bank with offices in Albany, Chatham, Delmar, East Greenbush, Greenport, Kinderhook, Latham and Valatie, New York.

Endicott Financial Advisors LLC served as financial advisor to KBC and Kinderhook Bank and rendered a fairness opinion in connection with the transaction. Cranmore, FitzGerald & Meaney served as legal counsel to KBC and Kinderhook Bank. The Bank Advisory Group served as financial advisor to Patriot and rendered a fairness opinion. Hunton & Williams LLP served as legal counsel to Patriot.

### **About Kinderhook Bank Corp. and The National Union Bank of Kinderhook**

Kinderhook Bank Corp. is the parent company of The National Union Bank of Kinderhook, a national bank established in 1853 to serve the banking needs of customers throughout Columbia County and has expanded into Albany and Rensselaer counties in New York State. Kinderhook Bank is the sole bank headquartered in Columbia County with branch locations in Albany, Chatham, Delmar, East Greenbush, Greenport, Kinderhook, Latham and Valatie, New York. As of June 30, 2017, The National Union Bank of Kinderhook had total assets of approximately \$464 million; total loans of approximately \$334 million; total deposits of approximately \$415 million; and total capital of approximately \$45 million.

### **About Patriot Federal Bank**

Patriot is a federally chartered savings association, which has served the banking needs of customers in Montgomery and Fulton County, New York since its organization in 2005 with three (3) offices in Amsterdam, Canajoharie and Johnstown. Patriot offers a variety of savings and checking products as well as commercial, residential and consumer lending. As of June 30, 2017, Patriot had total assets of \$145 million; loans of \$119 million; deposits of \$124 million; and total capital of approximately \$12.8 million.

### **Forward-Looking Statements**

Any forward-looking statements regarding the proposed Agreement and Plan of Merger among Kinderhook Bank Corp., The National Union Bank of Kinderhook and Patriot Federal Bank involve uncertainties. Those uncertainties include, but are not limited to: legislation or changes in regulatory requirements, shareholder actions, technical or systems issues affecting dates of consummation or conversion, and the potential for costs, difficulties, or economic conditions that are less favorable than expected.

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