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MSB FINANCIAL CORP.  
Form S-1  
September 13, 2006

As filed with the Securities and Exchange Commission on September 13, 2006  
Registration No. 333-\_\_\_\_\_

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM S-1  
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

MSB Financial Corp.

(Exact name of registrant as specified in charter)

|   |                   |   |
|---|-------------------|---|
| United States   | 6035              | 34-1981437                              |
| (State or other jurisdiction<br>of incorporation or organization) | (Primary SIC No.) | (I.R.S. Employer<br>Identification No.) |

1902 Long Hill Road, Millington, NJ 07946-0417  
(908) 647-4000

(Address and telephone number of principal executive offices)

Mr. Gary T. Jolliffe, President and Chief Executive Officer  
1902 Long Hill Road, Millington, NJ 07946-0417  
(908) 647-4000

(Name, address and telephone number of agent for service)

Please send copies of all communications to:

Samuel J. Malizia, Esq.  
Tiffany A. Hasselman, Esq.  
MALIZIA SPIDI & FISCH, PC  
901 New York Ave., N.W.  
Suite 210 East  
Washington, D.C. 20001  
(202) 434-4660

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:  
As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, 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(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier 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

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Act registration statement number of the earlier registration statement for the same offering. [ ]

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities To Be Registered | Amount to be Registered | Proposed Maximum Offering Price Per Unit | Proposed Maximum Aggregate Offering Price(1) | Am Regi |
|--|-------------------------|--|--|---------|
| Common Stock, \$0.10 Par Value                     | 2,529,281(2)            | \$10.00                                  | \$25,292,810                                 | \$2     |
| Interests of participants in the 401(k) Plan       | 265,811(3)              | \$10.00                                  | \$ 2,658,110                                 |         |

- (1) Estimated solely for purposes of calculating the registration fee.
- (2) Includes the maximum numbers of shares that may be sold or exchanged for shares of common stock in connection with this offering.
- (3) These shares are included in the 2,529,281 shares being registered.
- (4) The \$2,658,110 of participations to be registered are based upon the assets of the 401(k) Plan. Pursuant to Rule 457(h)(2) under the Securities Act of 1933, no additional fee is required with respect to the interests of participants of the 401(k) Plan.

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.

INTERESTS IN

MILLINGTON SAVINGS BANK SAVINGS PLAN  
 AND  
 OFFERING OF 265,811 SHARES OF  
 MSB FINANCIAL CORP.  
 COMMON STOCK (\$.10 PAR VALUE)

This prospectus supplement relates to the offer and sale to participants in the Millington Savings Bank Savings Plan of participation interests and shares of common stock of MSB Financial Corp.

The Board of Directors of Millington Savings Bank, MSB Financial Corp. and MSB Financial, MHC have adopted a plan of stock issuance ("Stock Offering"). As part of the Stock Offering, MSB Financial, MHC, a federally-chartered mutual holding company, will own 55% of the outstanding common stock of MSB Financial Corp., and MSB Financial Corp. will offer 265,811 shares of its common stock to the public. Savings Plan participants may now direct the trustee of the Savings Plan to use their current account balances to subscribe for and purchase shares of MSB Financial Corp. common stock through a \_\_\_\_\_ self-directed account. Based upon the value of the Savings Plan assets as of June 30, 2006, the trustee of the Savings Plan may purchase up to 265,811 shares of MSB Financial Corp. common stock, assuming a purchase price of \$10.00 per share. This prospectus supplement relates to the election of Savings Plan participants to direct the

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trustee of the Savings Plan to invest all or a portion of their Savings Plan accounts in MSB Financial Corp. common stock.

If you direct the trustee to invest all or a portion of your plan funds in MSB Financial Corp. common stock after the initial public offering, shares purchased for your account in open market transactions, and the price paid for such shares will be the market price at the time of the purchase, which may be more or less than the initial public offering price of \$10.00 per share.

The prospectus dated \_\_\_\_\_, 2006 of MSB Financial Corp., which we have attached to this prospectus supplement, includes detailed information regarding the Stock Offering, and the financial condition, results of operations and business of Millington. This prospectus supplement provides information regarding the Savings Plan. You should read this prospectus supplement together with the prospectus and keep both for future reference.

PLEASE REFER TO "RISK FACTORS" BEGINNING ON PAGE \_\_\_ OF THE PROSPECTUS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION, THE OFFICE OF THRIFT SUPERVISION, THE FEDERAL DEPOSIT INSURANCE CORPORATION, NOR ANY OTHER STATE OR FEDERAL AGENCY OR ANY

STATE SECURITIES COMMISSION, HAS APPROVED OR DISAPPROVED THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE NOT DEPOSITS OR ACCOUNTS AND ARE NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

This prospectus supplement may be used only in connection with offers and sales by MSB Financial Corp. of interests or shares of common stock under the Savings Plan to employees of Millington Savings Bank. No one may use this prospectus supplement to reoffer or resell interests or shares of common stock acquired through the Savings Plan.

You should rely only on the information contained in this prospectus supplement and the attached prospectus. Neither MSB Financial Corp., MSB Financial, MHC, Millington Savings Bank nor the Savings Plan have authorized anyone to provide you with information that is different.

This prospectus supplement does not constitute an offer to sell or solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in that jurisdiction. Neither the delivery of this prospectus supplement and the prospectus nor any sale of common stock shall under any circumstances imply that there has been no change in the affairs of Millington or the Savings Plan since the date of this prospectus supplement, or that the information contained in this prospectus supplement or incorporated by reference is correct as of any time after the date of this prospectus supplement.

THE DATE OF THIS PROSPECTUS SUPPLEMENT IS \_\_\_\_\_, 2006.

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### THE OFFERING

#### SECURITIES OFFERED

The securities offered in connection with this prospectus supplement are participation interests in the Savings Plan. Assuming a purchase price of \$10.00 per share, the trustee may acquire up to 265,811 shares of MSB Financial Corp. common stock. The interests offered under this prospectus supplement are conditioned on the completion of the Stock Offering of MSB Financial Corp. Certain subscription rights and purchase limitations also govern your investment in MSB Financial Corp. common stock in connection with the Stock Offering. SEE: PERSONS WHO MAY ORDER STOCK IN THE OFFERING" and "PURCHASE LIMITATIONS" in the prospectus attached to this prospectus supplement for further discussion of these subscription rights and purchase limitations.

This prospectus supplement contains information regarding the Savings Plan. The attached prospectus contains information regarding the Stock Offering and the financial condition, results of operations and business of Millington. The address of the principal executive office of Millington Savings Bank is 1902 Long Hill Road, Millington, New Jersey 07946. The telephone number of Millington Savings Bank is (908) 647-3030.

#### ELECTION TO PURCHASE MSB FINANCIAL CORP. COMMON STOCK IN THE STOCK OFFERING

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In connection with the Stock Offering of MSB Financial Corp., you may direct the trustee of the Savings Plan to transfer all or part of the funds that represent your current beneficial interest in the assets of the Savings Plan to purchase MSB Financial Corp. common stock through a \_\_\_\_\_ self-directed account. The Savings Plan trustee will subscribe for MSB Financial Corp. common stock offered for sale in connection with the Stock Offering in accordance with each participant's direction. If there is not enough common stock in the Stock Offering to fill all subscriptions, the common stock will be apportioned and the trustee for the Savings Plan may not be able to purchase all of the common stock you requested. In such a case, if you elect, the trustee will purchase shares in the open market on your behalf, after the Stock Offering, to fulfill your initial request. The trustee may make such purchases at prices higher than the initial public offering price.

All plan participants are eligible to direct a transfer of funds to MSB Financial Corp. common stock through a \_\_\_\_\_ self-directed account. However, transfer directions are subject to subscription rights and purchase priorities. Your order for shares in the Stock Offering will be filled based on your subscription rights. MSB Financial Corp. has granted rights to subscribe for shares of MSB Financial Corp. common stock to the following persons in the following order of priority: (1) persons with \$50 or more on deposit at Millington Savings Bank as of June 30, 2005 and (2) persons with \$50 or more on deposit at Millington Savings Bank as of September 30, 2006. If you fall into one of the above subscription offering categories, you have subscription rights to purchase shares of common stock in the offering and you may use funds in the Savings Plan

account to pay for your purchase of shares of MSB Financial Corp. common stock. You also will be permitted to direct ongoing purchases of the stock under the plan after the initial offering. See "Direction to Purchase Stock After the Initial Offering."

### VALUE OF PARTICIPATION INTERESTS

As of September 5, 2006, the market value of the assets of the Savings Plan equaled approximately \$2,658,110.73. The plan administrator has informed each participant of the value of his or her beneficial interest in the Savings Plan as of \_\_\_\_\_, 2006. The value of Savings Plan assets represents past contributions made to the Savings Plan on your behalf, plus or minus earnings or losses on the contributions, less previous withdrawals and loans.

### METHOD OF DIRECTING TRANSFER

The last two pages of this prospectus supplement contain a form for you to direct a transfer of current Savings Plan assets to MSB Financial Corp. common stock through an \_\_\_\_\_ self-directed account (the "Investment Form"). If you wish to transfer all, or part, in multiples of not less than 1%, of your beneficial interest in the assets of the Savings Plan to MSB Financial Corp. common stock, you should complete the Investment Form. If you do not wish to make such an election at this time, you do not need to take any action. The minimum investment in MSB Financial Corp. common stock during the initial public offering is \$250.00. There is no minimum level of investment after the initial offering for investment MSB Financial Corp. common stock through an \_\_\_\_\_ account.

### TIME FOR DIRECTING TRANSFER

You must submit your direction to transfer amounts to MSB Financial Corp. common stock in connection with the Stock Offering by the deadline of noon on \_\_\_\_\_, 2006. You should return the Investment Form to Mary Jean

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Piorkowski. After the initial offering, you will still be able to direct the investment of your account under the plan for your \_\_\_\_\_ account of MSB Financial Corp. common stock and in other investment alternatives.

### IRREVOCABILITY OF TRANSFER DIRECTION

You cannot change your direction to transfer amounts credited to your account in the Savings Plan to MSB Financial Corp. common stock prior to the completion of the Stock Offering. Following the closing of the Stock Offering and the initial purchase of shares in MSB Financial Corp. common stock, you may change your investment directions, in accordance with the terms of the Savings Plan.

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### PURCHASE PRICE OF MSB FINANCIAL CORP. COMMON STOCK

The trustee will use the funds transferred to the \_\_\_\_\_ account to purchase shares of MSB Financial Corp. common stock in the Stock Offering. The trustee will pay the same price for shares of MSB Financial Corp. common stock as all other persons who purchase shares of MSB Financial Corp. common stock in the offering. IF THERE IS NOT ENOUGH COMMON STOCK IN THE OFFERING TO FILL ALL SUBSCRIPTIONS, THE COMMON STOCK WILL BE APPORTIONED AND THE TRUSTEE FOR THE SAVINGS PLAN MAY NOT BE ABLE TO PURCHASE ALL OF THE COMMON STOCK YOU REQUESTED. IF YOU ELECT, THE TRUSTEE WILL PURCHASE SHARES ON YOUR BEHALF AFTER THE STOCK OFFERING IN THE OPEN MARKET, TO FULFILL YOUR INITIAL REQUEST. THE TRUSTEE MAY MAKE SUCH PURCHASES AT PRICES HIGHER OR LOWER THAN THE \$10.00 OFFERING PRICE.

### DIRECTION TO PURCHASE THE STOCK AFTER THE STOCK OFFERING

Following completion of the stock offering, you will be permitted to direct that a certain percentage of your interest in the trust fund (up to 100%) be transferred to the \_\_\_\_\_ self-directed account and invested in MSB Financial Corp. common stock, or to the other investment funds available under the plan. Alternatively, you may direct that a certain percentage of your interest in the \_\_\_\_\_ account be transferred to the trust fund to be invested in the other investment funds available in accordance with the terms of the plan. You can direct future contributions made to the plan by you or on your behalf to be invested in the \_\_\_\_\_ account. Following your initial election, the allocation of your interest in the Employer Stock Fund may be changed by calling 800-249-6269 or Internet at [www.eretirement.aul.com](http://www.eretirement.aul.com).

### NATURE OF A PARTICIPANT'S INTEREST IN MSB FINANCIAL CORP. COMMON STOCK

The \_\_\_\_\_ trustee will hold MSB Financial Corp. common stock in your name on behalf of the Savings Plan. The trustee will credit shares of common stock acquired at your direction to your account under the Savings Plan. Therefore, the investment designations of other Savings Plan participants should not affect earnings on your Savings Plan account.

Your account assets directed for investment in the \_\_\_\_\_ account after the initial offering shall be invested by the trustee to purchase shares of MSB Financial Corp. common stock in open market transactions. The price paid by the trustee for shares of the MSB Financial Corp. common stock in the initial offering, or otherwise, will not exceed "adequate consideration" as defined in Section 3(18) of the Employee Retirement Income Security Act of 1974, as amended, or "ERISA".

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### VOTING AND TENDER RIGHTS OF MSB FINANCIAL CORP. COMMON STOCK

You will exercise voting and tender rights attributable to MSB Financial Corp. common stock. With respect to each matter as to which holders of MSB Financial Corp. common stock have a right to vote, you will have voting instruction rights that reflect the number of shares of MSB Financial Corp. common stock you have.

### DESCRIPTION OF THE SAVINGS PLAN

#### INTRODUCTION

Effective January 1, 1997, Millington Savings Bank adopted the Millington Savings Bank Savings Plan. Millington Savings Bank amended and restated the plan as the Millington Savings Bank Savings Plan effective as of January 1, 1997. Millington Savings Bank amended and restated the plan in its entirety effective as of August 1, 2005.

Millington Savings Bank intends for the Savings Plan to comply, in form and in operation, with all applicable provisions of the Internal Revenue Code and ERISA. Millington Savings Bank may change the Savings Plan from time to time in the future to ensure continued compliance with these laws. Millington Savings Bank may also amend the Savings Plan from time to time in the future to add, modify, or eliminate certain features of the plan, as it sees fit. Federal law provides you with various rights and protections as a participant in the Savings Plan, which is governed by ERISA. However, the Pension Benefit Guaranty Corporation does not guarantee your benefits under the Savings Plan.

REFERENCE TO FULL TEXT OF THE PLAN. The following portions of this prospectus supplement summarize the material provisions of the Savings Plan. Millington Savings Bank qualifies this summary in its entirety by reference to the full text of the Savings Plan, as amended. You may obtain copies of the full Savings Plan document, and any amendments to the plan, by sending a request to Mary Jean Piorkowski at Millington Savings Bank. You should carefully read the entire Savings Plan document, as amended, to understand your rights and obligations under the plan.

#### ELIGIBILITY AND PARTICIPATION

Salaried employees who have attained age 21 and have completed one year of service may participate in the Savings Plan as of the first day of the calendar quarter after they have completed such requirement.

As of September 6, 2006, 36 of the 36 employees of Millington Savings Bank participated in the Savings Plan.

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#### CONTRIBUTIONS UNDER THE SAVINGS PLAN

EMPLOYEE BEFORE-TAX CONTRIBUTIONS. Subject to certain IRS limitations, the Savings Plan permits each participant to make before-tax contributions to the Savings Plan each payroll period of between 1% and 80% of the participant's salary. Participants may change their rate of before-tax contributions by submitting a form prior to each calendar quarter.

MILLINGTON SAVINGS BANK MATCHING CONTRIBUTIONS. The Savings Plan provides that Millington Savings Bank will make matching contributions on behalf of each

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participant equal to 50% of the participant's compensation, up to a maximum of 6.0% of compensation. Millington Savings Bank makes matching contributions only for those participants who make before-tax contributions to the Savings Plan. If a participant stops making before-tax contributions to the Savings Plan, Millington Savings Bank will cease its matching contributions on the participant's behalf.

**ROLLOVER CONTRIBUTIONS.** Millington Savings Bank allows employees who receive a distribution from a previous employer's tax-qualified employee benefit plan to deposit that distribution into a Rollover Contribution account under the Savings Plan, provided the rollover contribution satisfies IRS requirements.

### LIMITATIONS ON CONTRIBUTIONS

**LIMITATION ON EMPLOYEE SALARY DEFERRALS.** Although the Savings Plan permits you to defer up to 80% of your compensation, by law your total deferrals under the Savings Plan, together with similar plans, may not exceed \$15,000 for 2006. Employees who are age 50 and over may also make additional, "catch-up" contributions to the plan, up to a maximum of \$5,000 for 2006. The Internal Revenue Service periodically increases these limitations. A participant who exceeds these limitations must include any excess deferrals in gross income for federal income tax purposes in the year of deferral. In addition, the participant must pay federal income taxes on any excess deferrals when distributed by the Savings Plan to the participant, unless the plan distributes the excess deferrals and any related income no later than the first April 15th following the close of the taxable year in which the participant made the excess deferrals. Any income on excess deferrals distributed before such date is treated, for federal income tax purposes, as earned and received by the participant in the taxable year of the distribution.

**LIMITATION ON ANNUAL ADDITIONS AND BENEFITS.** As required by the Internal Revenue Code, the Savings Plan provides that the total amount of contributions and forfeitures (annual additions) credited to a participant during any year under all defined contribution plans of Millington Savings Bank (including the Savings Plan and the proposed Millington Employee Stock Ownership Plan) may not exceed the lesser of 100% of the participant's annual compensation or \$44,000 for 2006.

**LIMITATION ON PLAN CONTRIBUTIONS FOR HIGHLY COMPENSATED EMPLOYEES.** Special provisions of the Internal Revenue Code limit the amount of before-tax and matching contributions that may be made to the Savings Plan in any year

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on behalf of highly compensated employees, in relation to the amount of before-tax and matching contributions made by or on behalf of all other employees eligible to participate in the Savings Plan. If before-tax and matching contributions exceed these limitations, the plan must adjust the contribution levels for highly compensated employees.

In general, a highly compensated employee includes any employee who (1) was a five percent owner of the sponsoring employer at any time during the year or the preceding year, or (2) had compensation for the preceding year in excess of \$100,000 and, if the sponsoring employer so elects, was in the top 20% of employees by compensation for such year. The preceding dollar amount applies for 2006, and may be adjusted periodically by the IRS.

**TOP-HEAVY PLAN REQUIREMENTS.** If the Savings Plan is a Top-Heavy Plan for any calendar year, Millington Savings Bank may be required to make certain minimum contributions to the Savings Plan on behalf of non-key employees. In general, the Savings Plan will be treated as a "Top-Heavy Plan" for any calendar year if,



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as of the last day of the preceding calendar year, the aggregate balance of the accounts of Key Employees exceeds 60% of the aggregate balance of the accounts of all employees under the plan. A Key Employee is generally any employee who, at any time during the calendar year or any of the four preceding years, is:

- (1) an officer of Millington Savings Bank whose annual compensation exceeds \$140,000;
- (2) a 5% owner of the employer, meaning an employee who owns more than 5% of the outstanding stock of MSB Financial Corp., or who owns stock that possesses more than 5% of the total combined voting power of all stock of MSB Financial Corp.; or
- (3) a 1% owner of the employer, meaning an employee who owns more than 1% of the outstanding stock of MSB Financial Corp., or who owns stock that possesses more than 1% of the total combined voting power of all stock of MSB Financial Corp., AND whose annual compensation exceeds \$150,000.

The foregoing dollar amounts are for 2006.

### INVESTMENT OF CONTRIBUTIONS

A trust holds all amounts credited to participants' accounts under the Savings Plan. Through a group annuity contract issued to the Trust by American United Life Insurance Company, the Plan offers the following investment options:

Russell Lifepoints Conservative Strategy Fund seeks high levels of current income and, secondarily, capital appreciation. The fund is a fund of funds that invests in other Russell funds. It pursues its investment objectives by investing in these underlying Russell funds: Diversified Equity Fund, Quantitative Equity Fund, International Securities Fund, Real Estate Securities Fund, Short-term Bond Fund and Emerging Markets Fund.

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Russell Lifepoints Moderate Strategy Fund seeks long-term capital appreciation and high levels of current income. The fund is a fund of funds that invests in other Russell funds. It pursues its investment objectives by investing in these underlying Russell funds: Diversified Equity Fund, Quantitative Equity Fund, International Securities Fund, Short-term Bond Fund, Real Estate Securities Fund, and Emerging Markets Fund.

Russell Lifepoints Balanced Strategy Fund seeks moderate levels of current income and long-term capital appreciation. The fund is a fund of funds that invests in other Russell funds. It pursues its investment objectives by investing in these underlying Russell funds: Diversified Equity Fund, Special Growth Fund, Quantitative Equity Fund, International Securities Fund, Diversified Bond Fund, MultiStrategy Bond Fund, Real Estate Securities Fund, and the Emerging Markets Fund.

Russell LifePoints Growth Strategy Fund seeks long-term capital appreciation. The fund is a fund of funds that invests in other Russell funds. It pursues its investment objectives by investing in these underlying Russell funds: Diversified Equity Fund, Special Growth Fund, Quantitative Equity Fund, International Securities Fund, Real Estate Securities Fund, and the Emerging Markets Funds.

Russell Lifepoints Equity Growth Strategy Fund seeks long-term capital appreciation. The fund is a fund of funds that invests in other Russell funds. It pursues its investment objectives by investing in these underlying funds:

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Russell Diversified Equity fund, Special Growth Fund, Quantitative Equity Fund, International Securities Fund, Real Estate Securities Fund, and the Emerging Markets Fund.

AmCent Inflation Adjusted Bond Fund seeks total return. The fund normally invests 80% of assets in inflation-adjusted securities that are backed by the full faith and credit of the U.S. government. These issues are indexed or otherwise structured by the U.S. Treasury to provide protection against inflation. It may invest up to 20% of assets in securities that are not inflation-adjusted and are issued by U.S. government agencies and government-sponsored organizations. The fund maintains no maturity or duration restrictions.

PIMCO High Yield Fund seeks to achieve its investment objective by investing under normal circumstances, a majority of its assets in a diversified portfolio of high yield securities rated below investment grade but rated at least B by Moody's or S&P, or, if unrated, determined by PIMCO to be of comparable quality. The remainder of the Fund's assets may be invested in investment grade fixed income instruments. The average portfolio duration of this Fund normally varies within a two- to six-year time frame based on PIMCO's forecast for interest rates. The Fund may invest a portion of its assets in euro-denominated securities of foreign issuers.

Allianz OpCap Value Fund seeks to achieve its investment objective by normally investing a majority of its assets in common stocks of companies with market capitalizations of more than \$5 million at the time of investment and below-average valuations whose business fundamentals are expected to improve. To achieve income, the Fund invests a portion of its assets in income-producing (e.g., dividend-paying) common stocks.

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Neuberger Berman Partners Fund seeks growth of capital. To pursue this goal, the Fund invests mainly in common stocks of mid- to large capitalization companies. The fund seeks to reduce risk by diversifying among many companies and industries. The manager looks for well-managed companies whose stock prices are undervalued.

SSgA S&P 500 Flagship Fund purchases each security in the same capitalization weight as it appears in the S&P 500 Index. Replication results in low turnover, accurate tracking and low costs. SSgA's approach is to buy and hold securities, trading only when there is a change to the composition of the S&P 500 Index or when cash flow activity occurs. To provide 100% equity exposure, this Fund maintains a small (generally less than 5%) position in unleveraged S&P 500 stock index futures contracts. Futures enable better tracking of S&P 500 Index returns and allow for greater liquidity.

T. Rowe Price Growth Stock Fund invests primarily in common stocks of well-established growth companies. The fund manager focuses on companies having one or more of the following characteristics: 1) Superior growth in earnings and cash flow, 2) Ability to sustain earnings momentum even during economic slowdowns and/or 3) Occupy a lucrative niche in the economy and is able to expand even during times of slow economic growth.

Lord Abbett Mid-Cap Value Fund seeks capital appreciation through investments, primarily in equity securities, which the Advisor believes to be undervalued in the marketplace. To pursue this goal, the Fund normally invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of mid-sized companies, those with a market capitalization of roughly \$500 million to \$10 billion, at the time of purchase. Equity securities

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in which the Fund may invest include common stocks, convertible bonds, convertible preferred stocks, warrants and similar instruments. In selecting investments, the Fund, using a value approach, tries to identify stocks of companies that have the potential for significant market appreciation, due to growing recognition of improvement in their financial results, or increasing anticipation of such improvement.

Dreyfus Premier Structured Midcap Fund seeks long-term capital growth. To pursue this goal, the fund normally invests at least 80% of its assets in the stocks of companies included in the S&P 400 Midcap Index or the Russell Midcap Index at the time of purchase. The Fund's stock investments may include common stocks, preferred stocks and convertible securities of U.S. and foreign issuers, including those purchased in initial public offerings.

SSgA S&P MidCap 400 Index Strategy Fund uses a replication process. Each security is purchased for the Strategy in the same capitalization weight as it appears in the S&P MidCap 400 Index. Replication results in low turnover, accurate tracking and low costs. The approach is to buy and hold securities, trading only when there is a change to the composition of the Index or when there is a change to the composition of the Index or when cash flow activity occurs in the Strategy. To provide 100% equity exposure, the Strategy maintains a small (generally less than 5%) position in unleveraged S&P MidCap 400 stock index futures contracts.

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AmCent Vista Fund seeks long-term capital growth. The fund invests primarily in companies that management believes will increase in value over time. This strategy looks for companies with earnings and revenues that are growing at an accelerating pace. It normally invests in companies that are medium-sized and smaller at the time of purchase, although it may purchase companies of any size. The fund typically invests in common stocks. It may also purchase domestic and foreign preferred stocks, non-leveraged stock index futures contracts and options, notes, bonds and debt securities. It will generally limit the purchase of debt securities to investment-grade obligations, except for convertible debt securities, which may be rated below investment grade.

Dreyfus Premier Small Cap Value Fund seeks investment returns (consisting of capital appreciation and income) that are consistently superior to the Russell 2000 Value Index. To pursue its goal, the Fund normally invests at least 80% of its assets in stocks of small U.S. companies. The adviser uses a disciplined process that combines computer modeling techniques, fundamental analysis and risk management to select undervalued stocks for the Fund. The portfolio is constructed so that its sector weightings and risk characteristics and similar to those of the Russell 2000 Value.

Lord Abbett Small-Cap Blend Fund seeks long term growth of capital by investing primarily in stocks of small companies. The Fund normally invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of small companies. A small company is defined as a company having a market capitalization at the time purchase that falls within the market capitalization range of companies in the Russell 2000 Index, a widely used benchmark for a small-cap stock performance.

SSgA Russell 2000 Index Strategy Fund employs a replication approach to construct a fund whose returns closely track those of the Russell 2000 Index. Replication results in low turnover, accurate tracking and low costs. The strategy employed is to buy and hold securities, trading only when there is a change to the composition of the Index or when cash flow activity occurs in the Strategy. To provide 100% exposure to the equity market and increase tracking

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accuracy, the Strategy may hold Russell 2000 Index futures contracts in lieu of cash (no more than 5% of the holdings are futures).

Fidelity Advisor Small Cap Fund normally invests primarily in common stocks. The Fund normally invests at least 80% of assets in securities of companies with small market capitalizations (those with market capitalizations similar to companies in the Russell 2000 Index or the Standard & Poor's SmallCap 600 Index). The Fund invests in either "growth stocks or "value" Stocks or both. The Fund invests in domestic and foreign issuers.

SSgA MSCI EAFE Index Strategy Fund consists of almost 1,000 stocks in 21 countries outside of North and South America, and represents approximately 85% of the total market capitalization in those countries. The SSgA Daily MSCI EAFE Index Strategy Fund invests in three country/regional funds, which together make up the MSCI EAE Index. Those funds include Europe, Japan, and Pacific Basin ex-Japan. This approach allows investors to gain daily exposure to EAFE as a whole or any combination of the three component parts.

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Templeton Growth Fund, under normal market conditions, invests mainly in the equity securities of companies located anywhere in the world, including emerging markets. In addition to the fund's main investments, depending upon current market conditions, the Fund may invest up to 25% of its total assets in debt securities, and the fund may use various derivative strategies seeking to protect its assets.

American Century Real Estate management team invests in common stocks of real estate investment trusts (REITs), which own income-producing properties such as offices, industrial properties, shopping centers regional malls, outlet centers, apartments, manufactured homes, lodging/resorts, self storage, and diversified properties.

AUL Fixed Interest Account is an interest-earning investment option, backed by AUL's general account assets. AUL guarantees that interest will be credited at the higher of the rate guaranteed in the group annuity contract and the current rate declared by it. AUL may change the initial interest rate for future contributions. New contributions are guaranteed to earn the applicable initial interest rate for at least a one-year time period from the date contributions are made. Changes in the initial interest rate or in the interest rate for prior contributions will also be effective for at least one year. In no event will the interest rate ever be below the rate guaranteed in the group annuity contract. AUL bears the investment risk for the AUL Fixed Interest Account values and for paying interest.

The annual percentage return (net of fees) for the prior three years on the funds offered as investment choices under the Savings Plan was:

|                                 | 2005 | 2004  |
|---------------------------------|------|-------|
| Russell Lifepoints Conservative | 2.33 | 3.93  |
| Russell Lifepoints Moderate     | 4.03 | 7.12  |
| Russell Lifepoints Balanced     | 6.32 | 10.94 |

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|   |       |       |
|---|-------|-------|
| Russell Lifepoints Growth Strategy        | 7.85  | 13.32 |
| Russell Lifepoints Equity Growth Strategy | 9.53  | 15.70 |
| AmCent Inflation Adjusted Bond            | 1.86  | 7.41  |
| PIMCO High Yield                          | 1.97  | 8.57  |
| Allianz OpCap Value                       | 2.27  | 16.69 |
| Neuberger Berman Partners                 | 17.33 | 18.39 |
| SSgA S&P 500Flagship                      | 4.07  | 9.99  |
| T. Rowe Price Growth Stock                | 5.81  | 9.47  |
| Lord Abbett Mid-Cap Value                 | 7.82  | 23.69 |
| Dreyfus Premier Structured Midcap         | 9.55  | 18.84 |
| SSgA S&P MidCap 400 Index Strategy        | 11.70 | 15.36 |
| AmCent Vista                              | 8.36  | 15.25 |
| Dreyfus Premier Small Cap Value           | 2.55  | 24.80 |
| Lord Abbett Small-Cap Blend               | 12.61 | 20.36 |
| SSgA Russell 2000 Index Strategy          | 3.99  | 17.28 |
| Fidelity Advisor Small Cap                | 7.00  | 23.24 |
| SSgA MSCI EAFE Index Strategy             | 12.64 | 19.18 |
| Templeton Growth                          | 7.69  | 16.47 |
| AmCent Real Estate                        | 15.47 | 34.93 |
| AUL Fixed Interest Account                | 3.30  | 3.30  |

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The Savings Plan now offers MSB Financial Corp. common stock as an additional choice to the investment alternatives described above through an \_\_\_\_\_ self-directed account. Participants in the Savings Plan may direct the trustee to invest all or a portion of their Savings Plan account balances in MSB Financial Corp. common stock through the \_\_\_\_\_ self-directed account.

The MSB Financial Corp. common stock will receive dividends.

As of the date of this prospectus supplement, no shares of MSB Financial Corp. common stock have been issued or are outstanding, and there is no established market for MSB Financial Corp. common stock. Accordingly, there is no record of the historical performance of the MSB Financial Corp. common stock. Performance of the MSB Financial Corp. common stock depends on a number of factors, including the financial condition and profitability of Millington and general stock market conditions.

Once you have submitted your Investment Form, you may not make any

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transfers until after the completion of the Stock Offering. After the Stock Offering, you may change your investment directions in accordance with the terms of the Savings Plan by calling (800) 249-6269 or Internet at [retirement.aul.com](http://retirement.aul.com).

### BENEFITS UNDER THE SAVINGS PLAN

VESTING. All participants are 100% vested in their contribution accounts under the Savings Plan and in any income earned on their investments. This means that participants have a non-forfeitable right to their contributions and any earnings on those amounts at all times. You vest in our matching contributions according to the following schedule:

#### Vesting Schedule

| Period of Service<br>Recognized for vesting purposes:<br>----- | Percent<br>vested:<br>----- |
|--|-----------------------------|
| Less than 2 years  | 0%                          |
| 2 year but less than 3   | 20%                         |
| 3 years but less than 4  | 40%                         |
| 4 years but less than 5  | 60%                         |
| 5 years but less than 6  | 80%                         |
| 6 years or more  | 100%                        |

### WITHDRAWALS AND DISTRIBUTIONS FROM THE SAVINGS PLAN

WITHDRAWALS BEFORE TERMINATION OF EMPLOYMENT. You may receive in-service distributions from the Savings Plan under limited circumstances in the form of non-hardship withdrawals after age 65 and hardship withdrawals and loans.

Participants age 65 or over may withdraw the net value of their accounts.

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In order to qualify for a hardship withdrawal, you must have an immediate and substantial need to meet certain expenses and have no other reasonably available resources to meet the financial need. If you qualify for a hardship distribution, the trustee will make the distribution proportionately from the investment funds in which you have invested your account balances.

DISTRIBUTION UPON RETIREMENT OR DISABILITY. The standard form of benefit upon retirement or disability is a lump sum payment. However, if the value of a participant's accounts under the Savings Plan exceeds \$5,000, the participant may elect to defer the lump sum payment until after retirement. However, the IRS requires that participants receive at least a portion of their plan accounts by the April 1st of the calendar year following the calendar year in which they retire (or terminate service due to a disability) or the calendar year in which they reach age 70 1/2. Participants may also choose to roll over all or a portion of their plan accounts to an Individual Retirement Account (IRA), or to another employer's qualified plan, if the other employer's plan permits rollover contributions. If your Savings Plan accounts total \$1,000 or less, you will receive a lump sum payment as soon as administratively possible after your termination of employment. For amounts over \$1,000 and up to \$5,000, if you fail to either receive the distribution directly or have it rolled over to an IRA, then the distribution will be paid in a direct rollover to an IRA established by Millington Savings Bank.

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DISTRIBUTION UPON DEATH. A participant's designated beneficiary will receive the full value of a participant's accounts under the Savings Plan upon the participant's death. If the participant did not make a valid election regarding the form of payment prior to death, the beneficiary will receive a lump sum payment as soon as administratively possible. If the participant made a valid payment election, or was otherwise scheduled to receive a deferred lump sum payment, the beneficiary will generally receive a lump sum payment on the date elected by the participant. Under certain circumstances, however, payment may be made on an earlier date.

DISTRIBUTION UPON TERMINATION FOR ANY OTHER REASON. If your Savings Plan accounts total \$1,000 or less, you will receive a lump sum payment as soon as administratively possible after your termination of employment. If the value of your Savings Plan accounts exceeds \$5,000, you will receive a lump sum payment on your normal retirement date. However, after completion of the proper paperwork, you may elect to receive the value of your vested Savings Plan accounts in a lump sum payment prior to your normal retirement date. You may also request that the trustee transfer the value of your accounts to an IRA or to another employer's qualified plan, if the other employer's plan permits rollover contributions. For amounts over \$1,000 and up to \$5,000, if you fail to either receive the distribution directly or have it rolled over to an IRA, then the distribution will be paid in a direct rollover to an IRA established by Millington Savings Bank.

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NONALIENATION OF BENEFITS. Except with respect to federal income tax withholding, and as provided for under a qualified domestic relations order, benefits payable under the Savings Plan will not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any rights to benefits payable under the Savings Plan will be void.

APPLICABLE FEDERAL TAX LAW REQUIRES THE SAVINGS PLAN TO IMPOSE SUBSTANTIAL RESTRICTIONS ON YOUR RIGHT TO WITHDRAW AMOUNTS HELD UNDER THE PLAN BEFORE YOUR TERMINATION OF EMPLOYMENT WITH MILLINGTON SAVINGS BANK. FEDERAL LAW MAY ALSO IMPOSE AN EXCISE TAX ON WITHDRAWALS FROM THE SAVINGS PLAN BEFORE YOU ATTAIN 59 1/2 YEARS OF AGE, REGARDLESS OF WHETHER THE WITHDRAWAL OCCURS DURING YOUR EMPLOYMENT WITH MILLINGTON SAVINGS BANK OR AFTER TERMINATION OF EMPLOYMENT.

### ADMINISTRATION OF THE SAVINGS PLAN

#### TRUSTEE

The trustee of the Savings Plan is the named fiduciary of the Savings Plan for purposes of ERISA. The board of directors of Millington Savings Bank appoints the trustee to serve at its pleasure. The board of directors has appointed Gary T. Jolliffe, Albert N. Olsen and Fred Rossi as trustee of the Savings Plan.

The trustee receives, holds and invests the contributions to the Savings Plan in trust and distributes them to participants and beneficiaries in accordance with the terms of the Savings Plan and the directions of the plan administrator. The trustee is responsible for the investment of the trust assets.

#### REPORTS TO SAVINGS PLAN PARTICIPANTS

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The plan administrator furnishes participants quarterly statements that show the balance in their accounts as of the statement date, contributions made to their accounts during that period and any additional adjustments required to reflect earnings or losses.

### PLAN ADMINISTRATOR

Millington Savings Bank currently acts as plan administrator for the Savings Plan. The plan administrator handles the following administrative functions: interpreting the provisions of the plan, prescribing procedures for filing applications for benefits, preparing and distributing information explaining the plan, maintaining plan records, books of account and all other data necessary for the proper administration of the plan, preparing and filing all returns and reports required by the U.S. Department of Labor and the IRS and making all required disclosures to participants, beneficiaries and others under ERISA.

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### AMENDMENT AND TERMINATION

Millington Savings Bank expects to continue the Savings Plan indefinitely. Nevertheless, Millington Savings Bank may terminate the Savings Plan at any time. If Millington Savings Bank terminates the Savings Plan in whole or in part, all affected participants become fully vested in their accounts, regardless of other provisions of the Savings Plan. Millington Savings Bank reserves the right to make, from time to time, changes which do not cause any part of the trust to be used for, or diverted to, any purpose other than the exclusive benefit of participants or their beneficiaries. Millington Savings Bank may amend the plan, however, as necessary or desirable, in order to comply with ERISA or the Internal Revenue Code.

### MERGER, CONSOLIDATION OR TRANSFER

If the Savings Plan merges or consolidates with another plan or transfers the trust assets to another plan, and either the Savings Plan or the other plan is subsequently terminated, the Savings Plan requires that you receive a benefit immediately after the merger, consolidation or transfer that would equal or exceed the benefit you would have been entitled to receive immediately before the merger, consolidation or transfer, if the Savings Plan had terminated at that time.

### FEDERAL INCOME TAX CONSEQUENCES

The following summarizes only briefly the material federal income tax aspects of the Savings Plan. You should not rely on this summary as a complete or definitive description of the material federal income tax consequences of the Savings Plan. Statutory provisions change, as do their interpretations, and their application may vary in individual circumstances. Finally, applicable state and local income tax laws may have different tax consequences than the federal income tax laws. SAVINGS PLAN PARTICIPANTS SHOULD CONSULT A TAX ADVISOR WITH RESPECT TO ANY TRANSACTION INVOLVING THE SAVINGS PLAN, INCLUDING ANY DISTRIBUTION FROM THE SAVINGS PLAN.

As a "tax-qualified retirement plan," the Internal Revenue Code affords the Savings Plan certain tax advantages, including the following:

- (1) The sponsoring employer may take an immediate tax deduction for the amount



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contributed to the plan each year;

- (2) participants pay no current income tax on amounts contributed by the employer on their behalf; and
- (3) earnings of the plan are tax-deferred, thereby permitting the tax-free accumulation of income and gains on investments.

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Millington Savings Bank administers the Savings Plan to comply with the requirements of the Internal Revenue Code as of the applicable effective date of any change in the law. If Millington Savings Bank should receive an adverse determination letter from the IRS regarding the Savings Plan's tax exempt status, all participants would generally recognize income equal to their vested interests in the Savings Plan, the participants would not be permitted to transfer amounts distributed from the Savings Plan to an IRA or to another qualified retirement plan, and Millington Savings Bank would be denied certain tax deductions taken in connection with the Savings Plan.

LUMP SUM DISTRIBUTION. A distribution from the Savings Plan to a participant or the beneficiary of a participant qualifies as a lump sum distribution if it is made within one taxable year, on account of the participant's death, disability or separation from service, or after the participant attains age 59 1/2; and consists of the balance credited to the participant under this plan and all other profit sharing plans, if any, maintained by Millington Savings Bank. The portion of any lump sum distribution included in taxable income for federal income tax purposes consists of the entire amount of the lump sum distribution, less the amount of after-tax contributions, if any, made to any other profit-sharing plans maintained by Millington Savings Bank, if the distribution includes those amounts.

MSB FINANCIAL CORP. COMMON STOCK INCLUDED IN LUMP SUM DISTRIBUTION. If a lump sum distribution includes MSB Financial Corp. common stock, the distribution generally is taxed in the manner described above. The total taxable amount is reduced, however, by the amount of any net unrealized appreciation on MSB Financial Corp. common stock; that is, the excess of the value of MSB Financial Corp. common stock at the time of the distribution over the cost or other basis of the securities to the trust. The tax basis of MSB Financial Corp. common stock, for purposes of computing gain or loss on a subsequent sale, equals the value of MSB Financial Corp. common stock at the time of distribution, less the amount of net unrealized appreciation. Any gain on a subsequent sale or other taxable disposition of MSB Financial Corp. common stock, to the extent of the net unrealized appreciation at the time of distribution, is long-term capital gain, regardless of how long you hold the MSB Financial Corp. common stock, or the "holding period." Any gain on a subsequent sale or other taxable disposition of MSB Financial Corp. common stock that exceeds the amount of net unrealized appreciation upon distribution is considered long-term capital gain, regardless of the holding period. Any gain on a subsequent sale or other taxable disposition of MSB Financial Corp. common stock that exceeds the amount of net unrealized appreciation at the time of distribution is considered either short-term or long-term capital gain, depending upon the length of the holding period. The recipient of a distribution may elect to include the amount of any net unrealized appreciation in the total taxable amount of the distribution, to the extent allowed under IRS regulations.

WE HAVE PROVIDED YOU WITH A BRIEF DESCRIPTION OF THE MATERIAL FEDERAL INCOME TAX ASPECTS OF THE SAVINGS PLAN THAT ARE GENERALLY APPLICABLE UNDER THE INTERNAL REVENUE CODE. WE DO NOT INTEND THIS DESCRIPTION TO BE A COMPLETE OR DEFINITIVE DESCRIPTION OF THE FEDERAL INCOME TAX CONSEQUENCES OF

PARTICIPATING IN OR RECEIVING DISTRIBUTIONS FROM THE SAVINGS PLAN. ACCORDINGLY, YOU SHOULD CONSULT A TAX ADVISOR CONCERNING THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF PARTICIPATING IN AND RECEIVING DISTRIBUTIONS FROM THE SAVINGS PLAN.

#### RESTRICTIONS ON RESALE

Any "affiliate" of MSB Financial Corp. under Rules 144 and 405 of the Securities Act of 1933, as amended, who receives a distribution of common stock under the Savings Plan, may reoffer or resell such shares only under a registration statement filed under the Securities Act of 1933, as amended, assuming the availability of a registration statement, or under Rule 144 or some other exemption from these registration requirements. An "affiliate" of MSB Financial Corp. is someone who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, MSB Financial Corp. Generally, a director, principal officer or major shareholder of a corporation is deemed to be an "affiliate" of that corporation.

Any person who may be an "affiliate" of MSB Financial Corp. may wish to consult with counsel before transferring any common stock they own. In addition, participants should consult with counsel regarding the applicability to them of Section 16 of the Securities Exchange Act of 1934, as amended, which may restrict the sale of MSB Financial Corp. common stock acquired under the Savings Plan or other sales of MSB Financial Corp. common stock.

Persons who are NOT deemed to be "affiliates" of MSB Financial Corp. at the time of resale may resell freely any shares of MSB Financial Corp. common stock distributed to them under the Savings Plan, either publicly or privately, without regard to the registration and prospectus delivery requirements of the Securities Act of 1933, as amended, or compliance with the restrictions and conditions contained in the exemptions available under federal law. A person deemed an "affiliate" of MSB Financial Corp. at the time of a proposed resale may publicly resell common stock only under a "reoffer" prospectus or in accordance with the restrictions and conditions contained in Rule 144 of the Securities Act of 1933, as amended, or some other exemption from registration, and may not use this prospectus in connection with any such resale. In general, Rule 144 restricts the amount of common stock which an affiliate may publicly resell in any three-month period to the greater of one percent of MSB Financial Corp. common stock then outstanding or the average weekly trading volume reported on the Nasdaq Stock Market during the four calendar weeks before the sale. Affiliates may sell only through brokers without solicitation and only at a time when MSB Financial Corp. is current in filing all required reports under the Securities Exchange Act of 1934, as amended.

#### SEC REPORTING AND SHORT-SWING PROFIT LIABILITY

Section 16 of the Securities Exchange Act of 1934, as amended, imposes reporting and liability requirements on officers, directors and persons who beneficially own more than ten percent of public companies such as MSB Financial Corp. Section

16(a) of the Securities Exchange Act of 1934, as amended, requires the filing of reports of beneficial ownership. Within ten days of becoming a person required

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to file reports under Section 16(a), such person must file a Form 3 reporting initial beneficial ownership with the Securities and Exchange Commission. Such persons must also report periodically certain changes in beneficial ownership involving the allocation or reallocation of assets held in their Savings Plan accounts, either on a Form 4 within two days after a transaction, or annually on a Form 5 within 45 days after the close of a company's fiscal year.

In addition to the reporting requirements described above, Section 16(b) of the Securities Exchange Act of 1934, as amended, provides for the recovery by MSB Financial Corp. of profits realized from the purchase and sale or sale and purchase of its common stock within any six-month period by any officer, director or person who beneficially owns more than ten percent of the common stock.

The SEC has adopted rules that exempt many transactions involving the Savings Plan from the "short-swing" profit recovery provisions of Section 16(b). The exemptions generally involve restrictions upon the timing of elections to buy or sell employer securities for the accounts of any officer, director or person who beneficially owns more than ten percent of the common stock.

Except for distributions of the common stock due to death, disability, retirement, termination of employment or under a qualified domestic relations order, persons who are subject to Section 16(b) may be required, under limited circumstances involving the purchase of common stock within six months of the distribution, to hold the shares of common stock distributed from the Savings Plan for six months after the distribution date.

LEGAL OPINION

The validity of the issuance of the common stock of MSB Financial Corp. will be passed upon by Malizia Spidi & Fisch, PC, Washington, D.C. Malizia Spidi & Fisch, PC acted as special counsel for MSB Financial Corp. in connection with the Stock Offering of MSB Financial Corp.

MILLINGTON SAVINGS BANK SAVINGS PLAN  
INVESTMENT FORM

Name of Plan: Millington Savings Bank Savings Plan  
Participant: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_

1. INSTRUCTIONS. In connection with the offering to the public of the common stock of MSB Financial Corp. (the "Stock Offering"), the Millington Savings Bank Savings Plan (the "Plan") has been amended to permit participants to direct their current account balances for their elective deferrals, employer matching contributions, employer profit sharing, Qualified Non-Elective Contribution Account, and rollovers into an \_\_\_\_\_ self-directed account to purchase MSB Financial Corp. common stock ("Common Stock"). The percentage of a participant's account transferred at the direction of the participant into the \_\_\_\_\_ self-directed account will be used to purchase shares of Common Stock.

To direct a transfer of all or a part of the funds credited to your accounts to the \_\_\_\_\_ account to purchase Common Stock, you should complete and file this form with the Human Resources Department no later than 7 days prior to the expiration date of the stock offering. A representative for the Plan Administrator will retain a copy of this form and return a copy to you. If you need any assistance in completing this form, please contact Mary Jean Piorowski at 908-647-4000. If you do not complete and return this form to the

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Human Resources Department by noon on \_\_\_\_\_, 2006, the funds credited to your accounts under the Plan will continue to be invested in accordance with your prior investment directions, or in accordance with the terms of the Plan if no investment directions have been provided.

2. INVESTMENT DIRECTIONS. I hereby authorize the Plan Administrator to direct the Trustees to invest the following percentages (in multiples of not less than 1%) of their elective deferrals, employer matching contributions, employer profit sharing, Qualified Non-Elective Contribution Account, and rollovers in the \_\_\_\_\_ account to purchase Common Stock.

|   |        |
|---|--------|
| Russell Lifepoints Conservative           | _____% |
| Russell Lifepoints Moderate               | _____% |
| Russell Lifepoints Balanced               | _____% |
| Russell Lifepoints Growth Strategy        | _____% |
| Russell Lifepoints Equity Growth Strategy | _____% |
| AmCent Inflation Adjusted Bond            | _____% |
| PIMCO High Yield                          | _____% |
| Allianz OpCap Value                       | _____% |
| Neuberger Berman Partners                 | _____% |
| SSgA S&P 500Flagship                      | _____% |
| T. Rowe Price Growth Stock                | _____% |
| Lord Abbett Mid-Cap Value                 | _____% |
| Dreyfus Premier Structured Midcap         | _____% |
| SSgA S&P MidCap 400 Index Strategy        | _____% |
| AmCent Vista                              | _____% |

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|                                  |        |
|----------------------------------|--------|
| Dreyfus Premier Small Cap Value  | _____% |
| Lord Abbett Small-Cap Blend      | _____% |
| SSgA Russell 2000 Index Strategy | _____% |
| Fidelity Advisor Small Cap       | _____% |
| SSgA MSCI EAFE Index Strategy    | _____% |
| Templeton Growth                 | _____% |
| AmCent Real Estate               | _____% |
| AUL Fixed Interest Account       | _____% |

NOTE: The total percentage of directed investments, above for each fund, may not exceed 100%.

If there is not enough Common Stock in the stock offering to fill my subscription pursuant to the investment directions above, I hereby instruct the Plan Trustee to purchase shares of Common Stock in the open market after the Stock Offering to the extent necessary to fulfill my investment directions indicated on this form. I understand that if I do not direct the Trustee by checking the box below, the excess funds will be invested in the same manner as new deposits have been directed.

Yes, I direct the Trustee to purchase stock in the open market, if necessary.

3. PURCHASER INFORMATION. The ability of participants in the Plan to purchase Common Stock in the Stock Offering and to direct their current account balances into the \_\_\_\_\_ account to purchase Common Stock is based upon the participant's subscription rights. Please indicate your status.

Check here if you had \$50.00 or more on deposit with Millington Savings

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Bank as of June 30, 2005.

[ ] Check here if you had \$50.00 or more on deposit with Millington Savings Bank as of September 30, 2006 (but not as of June 30, 2005).

4. ACKNOWLEDGMENT OF PARTICIPANT. I understand that this Investment Form shall be subject to all of the terms and conditions of the Plan. I acknowledge that I have received a copy of the Prospectus and the Prospectus Supplement.

\_\_\_\_\_  
Signature of Participant Date

ACKNOWLEDGMENT OF RECEIPT BY ADMINISTRATOR. This Investment Form was received by the Plan Administrator and will become effective on the date noted below.

By: \_\_\_\_\_ Date

THE PARTICIPATION INTERESTS REPRESENTED BY THE COMMON STOCK OFFERED HEREBY ARE NOT DEPOSIT ACCOUNTS AND ARE NOT INSURED BY THE BANK INSURANCE FUND OR THE SAVINGS ASSOCIATION INSURANCE FUND OF THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY AND ARE NOT GUARANTEED BY MSB FINANCIAL CORP., MSB FINANCIAL, MHC OR MILLINGTON SAVINGS BANK. THE COMMON STOCK IS SUBJECT TO AN INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL INVESTED.

MINIMUM STOCK PURCHASE IS \$ 250.00  
MAXIMUM STOCK PURCHASE IS \$200,000.00

PLEASE COMPLETE AND RETURN TO MARY JEAN PIORKOWSKI AT MILLINGTON SAVINGS BANK BY NOON ON \_\_\_\_\_, 2006.

PROSPECTUS

MSB FINANCIAL CORP.  
(Holding Company for Millington Savings Bank)

Up to 2,199,375 Shares of Common Stock  
(Subject to Increase to up to 2,529,281 Shares)

MSB Financial Corp. is offering for sale shares of its common stock that will represent 45% of its outstanding common stock upon completion of this offering. The remaining 55% of MSB Financial Corp.'s outstanding common stock upon completion of this offering will be held by MSB Financial, MHC, the mutual holding company parent of MSB Financial Corp. Upon completion of the offering, MSB Financial Corp. will have between 3,612,500 and 4,887,500 shares outstanding, including shares that will be held by MSB Financial, MHC. The total number of shares of MSB Financial Corp. common stock outstanding upon completion of the offering is subject to an independent appraisal that must be updated before the offering can be completed and may be increased to an adjusted maximum of 5,620,625 shares without resoliciting subscribers. The shares sold in the

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offering would, in that case, total 2,529,281 shares.

The offering is expected to expire at 12:00 noon, Eastern time, on December \_\_, 2006. We may extend this expiration date without notice to you until \_\_\_\_\_, 2007, unless the Office of Thrift Supervision approves a later date.

Keefe, Bruyette & Woods, Inc. will use its best efforts to assist us in our selling efforts, but is not required to purchase any of the common stock that is being offered for sale. Purchasers will not pay a commission to purchase shares of common stock in the offering. All shares being sold are being offered at a price of \$10.00 per share. The offering will not be completed if we do not sell a minimum of 1,625,625 shares. We have applied to have our common stock listed for trading on the Nasdaq Global Market under the symbol "MSBF."

The minimum purchase is 25 shares. Once submitted, orders are irrevocable unless the offering is terminated or extended beyond \_\_\_\_\_, 2007. If the offering is extended beyond \_\_\_\_\_, 2007, subscribers will have the right to modify or rescind their purchase orders. Funds received before completion of the offering will be held in a segregated deposit account and will earn interest at our regular passbook savings rate. If we terminate the offering, we will promptly return your funds with interest. If we extend the offering beyond \_\_\_\_\_, 2007, you will be given an opportunity to confirm, modify or rescind your order, and if an affirmative response is not received, we will promptly return your funds with interest.

This investment involves a degree of risk, including the possible loss of principal.

Please read Risk Factors beginning on page \_\_.

OFFERING SUMMARY  
Price Per Share: \$10.00

|                                       | Minimum      | Midpoint     | Maximum      |
|---------------------------------------|--------------|--------------|--------------|
|                                       | -----        | -----        | -----        |
| Number of shares.....                 | 1,625,625    | 1,912,500    | 2,199,375    |
| Gross proceeds.....                   | \$16,256,250 | \$19,125,000 | \$21,993,750 |
| Estimated offering expenses(1).....   | \$713,000    | \$740,000    | \$766,000    |
| Estimated net proceeds.....           | \$15,543,250 | \$18,385,000 | \$21,227,750 |
| Estimated net proceeds per share..... | \$9.56       | \$9.61       | \$9.66       |

-----  
(1) See Plan of Distribution and Marketing Arrangements on page \_\_ for a description of the underwriting commission paid by MSB Financial Corp. in connection with this offering.

These securities are not deposits or savings accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission, the Office of Thrift Supervision, nor any state securities regulator has approved or disapproved these securities or determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

For assistance, please contact our Stock Information Center at (\_\_\_\_) \_\_\_\_-\_\_\_\_

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Keefe, Bruyette & Woods

The date of this prospectus is November \_\_, 2006.

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SUMMARY

This summary highlights selected information from this document and may not contain all the information that is important to you. To understand this offering fully, you should read this entire document carefully, including the consolidated financial statements and the notes to the consolidated financial statements beginning on page F-1 of this document. Throughout this document, the terms "we", "us" or "our" refer to MSB Financial Corp. or Millington Savings Bank, or both, as the context indicates.

MSB Financial, MHC  
MSB Financial Corp.  
Millington Savings Bank

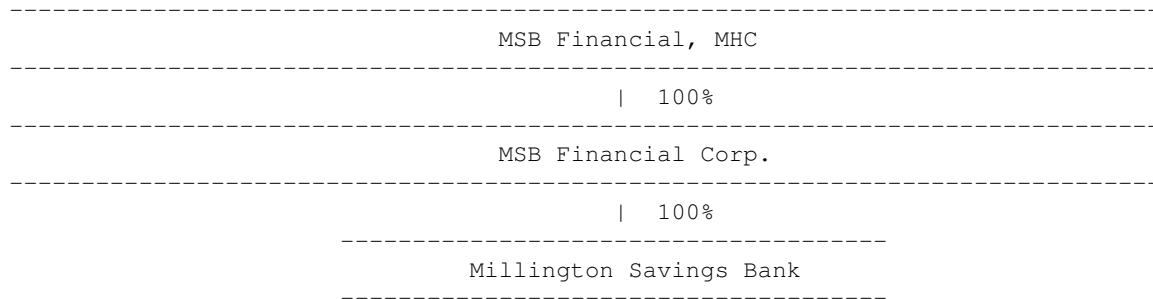
MSB Financial Corp. is a federally-chartered corporation that holds all of the capital stock of Millington Savings Bank, a state chartered savings bank founded in 1911. Currently, 100% of the outstanding stock of MSB Financial Corp. is held by MSB Financial, MHC, a federally-chartered mutual holding company.

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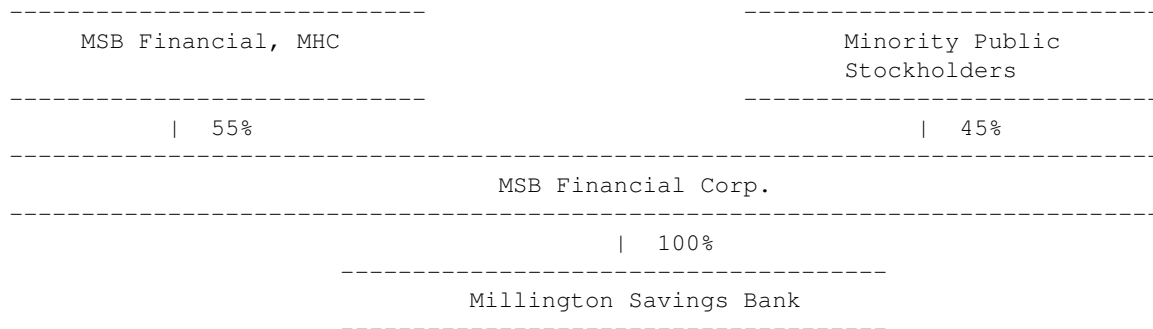
Upon completion of this offering, 55% of the outstanding stock of MSB Financial Corp. will be held by MSB Financial, MHC and 45% will be held by public stockholders.

Millington Savings Bank offers a full range of traditional deposit and lending services, including one-to-four family mortgage loans, home equity loans and lines of credit, commercial real estate loans, construction loans, commercial loans and lines of credit and consumer loans, including auto loans, personal loans and account loans. Millington Savings Bank currently operates from its main office in Morris County, New Jersey plus three branch offices located in Somerset County, New Jersey. MSB Financial Corp.'s principal executive offices are at Millington Savings Bank's main office, 1902 Long Hill Road, Millington, New Jersey 07946-0417. The phone number at that address is (908) 647-4000. Millington Savings Bank maintains a website at [www.millingtonsb.com](http://www.millingtonsb.com).

This chart shows our current corporate structure (before this offering).



This chart shows our new corporate structure (after this offering).



### Purpose of the Offering

The primary reason for our decision to sell stock is to increase our capital to support future growth and enable us to continue to be a well-capitalized institution. We opened our first branch office in 1998. Total



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assets have grown by \$101.3 million since June 30, 2002 to reach \$270.2 million at June 30, 2006, a 60% increase. We currently operate from our main office and three branch offices. A new branch office is underway and expected to open in late 2007.

Selling stock will also mean that Millington Savings Bank's depositors, employees, management and directors will have an opportunity to acquire an equity ownership interest in us and thereby obtain an economic interest in our future operations. In addition, we intend to utilize stock benefit plans as a means of attracting and retaining qualified and experienced officers, directors and employees.

### Use of Proceeds

Millington Savings Bank will receive 50% of the net proceeds from the offering as a capital contribution and will use those proceeds for general business purposes. In particular, the Bank intends to reduce its borrowings. The Bank has had strong loan originations in recent years and has used Federal Home Loan Bank borrowings to supplement deposits as a funding source for its lending activities. Between June 30, 2002 and June 30, 2006, total loans grew by \$99.7 million to \$224.4 million, an 80% increase, while deposits grew by \$40.8 million to \$194.8 million, a 26.5% increase. Borrowings at June 30, 2006 totaled \$54.2 million and included \$18.5 million and \$23.0 million of overnight line of credit and 30 day borrowings, respectively, which may be reduced without incurring prepayment penalties. We had no borrowings at June 30, 2002 or 2003.

The offering proceeds may also be used to finance the possible acquisition of other financial institutions or branches, if appropriate opportunities arise. We do not, however, have any current understandings, agreements or arrangements in connection with branching or acquisitions, other than the already in progress new branch office in Bernardsville, New Jersey which is expected to open in late 2007.

We will lend a portion of the offering proceeds to Millington Savings Bank's employee stock ownership plan to enable the plan to buy up to 8% of the shares sold in the offering. The balance of the offering proceeds will be retained by MSB Financial Corp. and deposited with or loaned to Millington Savings Bank, providing the Bank with funds to support the Bank's lending activities. This will enable the Bank to reduce its outstanding Federal Home Loan Bank borrowings. MSB Financial Corp. may also use the offering proceeds it retains for general corporate purposes, including repurchasing shares of its common stock, paying cash dividends or supporting acquisitions of other financial institutions, branches or financial services companies.

### Conduct of the Offering

We have granted rights to subscribe for shares of MSB Financial Corp. common stock in the following order of priority:

- o Priority 1 - depositors of Millington Savings Bank at the close of business on June 30, 2005 with deposits of at least \$50.00.
- o Priority 2 - the employee stock ownership plan of Millington Savings Bank.
- o Priority 3 - depositors of Millington Savings Bank at the close of business on September 30, 2006 with deposits of at least \$50.00.

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Please note: Subscription rights are not transferable, and persons with subscription rights may not subscribe for shares for the benefit of any other person. If you violate this prohibition, you may lose your rights to purchase shares and may face criminal prosecution and/or other sanctions.

If we receive subscriptions for a number of shares that exceeds the maximum of the offering range, we may be unable to fill, or may only partially fill, your order. Shares will be allocated in order of the priorities shown above pursuant to a formula outlined in the plan of stock issuance adopted by our board of directors.

We are offering for sale a minimum of 1,625,625 shares and a maximum of 2,199,375 shares. The independent appraisal that we used to set the number of shares being offered must be updated before we can complete the stock offering, and this could result the number of shares being increased to up to an adjusted maximum of 2,529,281 shares. We may sell that number of shares without any notice to you. If the updated independent appraisal is higher than the adjusted maximum, we will be required to return all subscribers' funds to them with interest.

If we sell between the maximum and the adjusted maximum number of shares, Millington Savings Bank's employee stock ownership plan will have the first priority right to purchase the additional shares to the extent that its subscription has not previously been filled. Any shares remaining will be allocated in the order of the priorities described above. See The Stock Offering - Subscription Offering and Subscription Rights for a description of the allocation procedure.

We may offer shares not sold in the subscription offering to the general public in a community offering. In the community offering, we will give a preference first to natural persons who reside in Morris and Somerset Counties, New Jersey (the counties in which Millington Savings Bank has offices), and second to other residents of New Jersey, and to the general public after that. This part of the offering may commence concurrently with the subscription offering or any time thereafter and may terminate at any time without notice but no later than \_\_\_\_\_, 2007, unless extended.

Shares not sold in the subscription or community offering may be offered for sale in a syndicated community offering, which would be an offering to the general public on a best efforts basis managed by Keefe, Bruyette & Woods. This part of the offering may terminate at any time without notice but no later than \_\_\_\_\_, 2007, unless extended.

We have the right to reject any orders for stock received in the community offering and syndicated community offering.

#### Deadline for Ordering Stock

The subscription offering will expire at 12:00 noon, Eastern time, on December \_\_, 2006. We may extend this expiration date without notice to you for up to 45 days, until \_\_\_\_\_, 2007. Once submitted, your order is irrevocable unless the offering is extended beyond \_\_\_\_\_, 2007. We may request permission from the Office of Thrift Supervision to extend the offering beyond \_\_\_\_\_, 2007, but in no event may the offering be extended beyond \_\_\_\_\_, 2008. If the offering is extended beyond \_\_\_\_\_, 2007, we will notify each subscriber and subscribers will have the right to confirm, modify or rescind their subscriptions. If an affirmative response is not received, a subscriber's subscription will be canceled and funds will be returned with interest.

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We may cancel the offering at any time prior to completion. If we do, orders for common stock already submitted will be canceled and subscribers' funds will be returned with interest.

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### Purchase Limitations

Limitations on the purchase of stock in the offering have been set by the plan of stock issuance adopted by our Board of Directors. These limitations include the following:

- o The minimum purchase is 25 shares.
- o The maximum number of shares of stock that any individual (or individuals through a single account) may purchase is 20,000 shares.
- o The maximum number of shares of stock that any individual may purchase together with any associate or group of persons acting in concert is 25,000 shares.

If determined to be necessary or desirable by the Board of Directors, the plan may be amended by a two-thirds vote of the full Board, with the concurrence of the Office of Thrift Supervision. Thus, we may increase or decrease the purchase limitations. In the event the maximum purchase limitation is increased, persons who subscribed for the maximum will be notified and permitted to increase their subscription.

### Procedure for Ordering Stock

If you want to place an order for shares in the offering, you must complete an original stock order form and send it to us together with full payment. You must sign the certification that is on the reverse side of the stock order form. We must receive your stock order form before the end of the subscription offering or the end of the community offering, as appropriate. Once we receive your order, you cannot cancel or change it without our consent. We may, in our sole discretion, reject orders received in the community offering or syndicated community offering either in whole or in part. If your order is rejected in part, you cannot cancel the remainder of your order.

To ensure that we properly identify your subscription rights, you must provide on your stock order form all of the information requested for each of your deposit accounts as of the eligibility dates (June 30, 2005 and September 30, 2006). If you fail to do so, your subscription may be reduced or rejected if the offering is oversubscribed.

You may pay for shares in the subscription offering or the community offering in any of the following ways:

- o In cash, if delivered in person. If you choose to pay by cash, you must deliver the stock order and certification form and payment in person to any branch office of Millington Savings Bank and it will be exchanged for a bank check or money order. Please do not send cash in the mail.
- o By check or money order made payable to MSB Financial Corp.,

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- o By authorizing withdrawal from an account at Millington Savings Bank. To use funds in a Millington Savings Bank IRA account, you must transfer your account to an unaffiliated institution or broker. Please contact the stock information center as soon as possible for assistance.

We will pay interest on your subscription funds at our regular passbook rate from the date we receive your funds until the offering is completed or terminated. Funds received in the subscription offering will be held in a segregated deposit account at Millington Savings Bank established to hold funds received as payment for shares. We may, at our discretion, determine during the offering period that it is in the best interest of Millington Savings Bank to hold subscription funds in an escrow account at another insured financial institution instead of at Millington Savings Bank.

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All funds authorized for withdrawal from deposit accounts with us, including certificates of deposit, will continue to earn interest at the applicable account or certificate of deposit rate until the offering is completed or terminated. However, if, as a result of a withdrawal from a certificate of deposit, the balance falls below the minimum balance requirement, the remaining funds will be transferred to a savings account and will earn interest at our regular passbook savings rate. There will be no early withdrawal penalty for withdrawals from certificates of deposit used to pay for stock.

### Proposed Stock Purchases by Management

Our directors and executive officers and their associates have indicated that they intend to purchase approximately 132,000 shares of common stock in the offering. If 1,912,500 shares are sold (the midpoint of the offering range), their anticipated purchases would represent 3.1% of the total shares outstanding after the offering, including shares issued to MSB Financial, MHC.

### Our Estimated Pro Forma Value

The independent appraisal by RP Financial, LC, dated as of September 1, 2006 established the estimated pro forma market value of MSB Financial Corp. This appraisal was based on our financial condition and results of operations and considered the effect of the additional capital to be raised in the stock offering as well as the effect of the stock benefit plans we expect to implement.

RP Financial has estimated that as of September 1, 2006, the pro forma market value of MSB Financial Corp. ranged from a minimum of \$38.3 million to a maximum of \$51.8 million. This valuation is based on the full pro forma market value of MSB Financial Corp. as though 100% of the stock was being sold to the public. The Board of Directors considered our present level of capital and our business plans and determined that shares representing 45% of the full valuation should be offered for sale.

Peer Group Analysis. The appraisal incorporated an analysis of a peer group of 10 publicly traded mutual holding companies that RP Financial deemed comparable to us. The companies in the peer group range in asset size from \$100 million to \$500 million and have market capitalizations ranging from \$12 million

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to \$75 million. RP Financial examined how we compare to the peer group on various bases, including earnings prospects, market area, management, acquisition activity in the state of New Jersey, stock market conditions, subscription interest, liquidity and dividend policy. RP Financial also took into account that this type of offering is typically priced at a discount to publicly traded companies due to the "new issue discount," which makes an allowance for relatively high post offering equity ratios, expected low returns on equity, and uncertainty regarding the degree of success to be achieved in effectively deploying capital raised in the offering, particularly in the current interest rate environment characterized by a relatively flat yield curve.

Pricing Ratios on a Fully Converted Basis. Shown below are the average and median price to earnings multiple and price to book value ratio of the peer group companies and our price to earnings multiple and price to book value ratio at the minimum, midpoint, maximum and adjusted maximum of our pro forma market value as estimated by the appraisal. These pricing ratios are calculated on a fully- converted basis, as though we had sold the full amount (100%) of our estimated pro forma market value instead of only 45% of that value. The pricing ratios for the peer group have also been adjusted to assume that they were fully public, with all of their outstanding shares held by public stockholders.

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|   | Price-to-earnings<br>multiple<br>----- | Price-to-book<br>value ratio<br>----- |
|---|--|---------------------------------------|
| -----   |  |                                       |
| Pricing ratios for peer group<br>on a fully-converted basis<br>-----                    |  |                                       |
| Average.....  | 27.2x                                  | 92.2%                                 |
| Median.....   | 27.4x                                  | 92.2%                                 |
| Pro forma pricing ratios for MSB Financial Corp.<br>on a fully-converted basis<br>----- |  |                                       |
| Minimum.....  | 20.6                                   | 71.8                                  |
| Midpoint.....   | 23.4                                   | 76.3                                  |
| Maximum.....  | 26.0                                   | 80.0                                  |
| Maximum, as adjusted.....   | 28.8                                   | 83.4                                  |

The independent appraisal is not necessarily indicative of the post-stock offering trading value. Do not assume or expect that the valuation of MSB Financial Corp. as indicated above means that the common stock will trade at or above the \$10.00 purchase price after the stock offering is completed.

Aftermarket Performance of Other Mutual Holding Company Offerings. The following table presents information for all mutual holding companies that completed a minority stock offering during the period from January 1, 2005 through September 1, 2006. The table presents the average percentage stock price appreciation from the initial trading date to the dates presented in the table.

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This table is not intended to indicate how our stock may perform. Furthermore, this table presents only short-term price performance and may not be indicative of the longer-term stock price performance of these companies. The increase in any particular company's stock price is subject to various factors, including, but not limited to, the amount of proceeds a company raises, the company's historical and anticipated operating results, the nature and quality of the company's assets, the company's market area, and the quality of management and management's ability to deploy proceeds (such as through loans and investments, the acquisition of other financial institutions or other businesses, the payment of dividends and common stock repurchases). In addition, stock prices may be affected by general market and economic conditions, the interest rate environment, the market for financial institutions and merger or takeover transactions, the presence of professional and other investors who purchase stock on speculation, as well as other unforeseeable events not in the control of management. Before you make an investment decision, we urge you to carefully read this prospectus, including, but not limited to, the Risk Factors beginning on page \_\_\_\_.

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### MHC Offerings Between January 1, 2005 and September 1, 2006

| Transaction                      | Closing Date | Price Performance from Initial |        |         |
|----------------------------------|--------------|--------------------------------|--------|---------|
|                                  |              | 1 Day                          | 1 Week | 1 Month |
| Georgetown Bancorp, Inc.         | 01/06/05     | 2.0%                           | -0.5%  | 0.5%    |
| BV Financial, Inc.               | 01/14/05     | -6.5%                          | -5.0%  | -0.7%   |
| Home Federal Bancorp, Inc. of LA | 01/21/05     | -1.0%                          | 0.5%   | -0.8%   |
| Kearny Financial Corp.           | 02/24/05     | 13.9%                          | 15.0%  | 11.3%   |
| Kentucky First Federal Bancorp   | 03/03/05     | 7.9%                           | 12.0%  | 12.4%   |
| Prudential Bancorp, Inc.         | 03/30/05     | -1.5%                          | -6.5%  | -12.5%  |
| Brooklyn Federal Bancorp, Inc.   | 04/06/05     | -0.5%                          | -1.0%  | -5.0%   |
| FedFirst Financial Corp.         | 04/07/05     | -6.6%                          | -9.3%  | -14.5%  |
| Rockville Financial, Inc.        | 05/23/05     | 4.8%                           | 10.5%  | 20.0%   |
| North Penn Bancorp, Inc.         | 06/02/05     | 10.0%                          | 2.5%   | 1.5%    |
| Colonial Bankshares, Inc.        | 06/30/05     | 6.0%                           | 9.9%   | 7.5%    |
| Heritage Financial Group         | 06/30/05     | 7.5%                           | 7.5%   | 9.3%    |
| United Financial Bancorp, Inc.   | 07/13/05     | 17.5%                          | 16.0%  | 17.0%   |
| Ottawa Savings Bancorp, Inc.     | 07/14/05     | 4.0%                           | 5.0%   | 7.0%    |
| Wauwatosa Holdings, Inc.         | 10/05/05     | 12.5%                          | 7.3%   | 9.5%    |
| Investors Bancorp, Inc.          | 10/12/05     | 0.2%                           | 1.0%   | 5.2%    |
| Equitable Financial Corp.        | 11/09/05     | 0.0%                           | -5.0%  | -5.5%   |
| Greenville Federal Fin. Corp.    | 01/05/06     | 3.8%                           | 2.5%   | 0.0%    |
| Magyar Bancorp, Inc.             | 01/24/06     | 6.5%                           | 5.5%   | 6.0%    |
| United Community Bancorp         | 03/31/06     | 8.0%                           | 7.0%   | 5.5%    |
| Lake Shore Bancorp, Inc.         | 04/04/06     | 7.0%                           | 4.8%   | 1.5%    |
| Mutual Federal Bancorp, Inc.     | 04/06/06     | 11.3%                          | 10.0%  | 14.0%   |
| Northeast Community Bancorp Inc. | 07/06/06     | 10.0%                          | 12.8%  | 12.0%   |
| Seneca-Cayuga Bancorp Inc.       | 07/11/06     | 0.0%                           | -4.0%  | -6.0%   |
| Roma Financial Corp.             | 07/12/06     | 41.0%                          | 42.4%  | 46.6%   |
| Average                          |              | 6.3%                           | 5.6%   | 5.7%    |

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Median

6.0%

5.0%

5.5%

While stock prices of similar institutions have, on average, increased for the limited period presented, there can be no assurance that our stock price will appreciate the same amount, if at all. There also can be no assurance that our stock price will not trade below \$10.00 per share.

## Conditions to Completing the Offering

We cannot complete the offering unless:

- o we sell at least 1,625,625 shares, the minimum of the offering range; and
- o we receive the final approval of the Office of Thrift Supervision to complete the offering.

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## Market for MSB Financial Corp.'s Common Stock

We applied to have our common stock listed for trading on the Nasdaq Global Market under the symbol "MSBF." Keefe, Bruyette & Woods currently intends to become a market maker in the common stock, but it is under no obligation to do so. We cannot assure you that other market makers will be obtained or that an active and liquid trading market for the shares of common stock will develop or if developed, will be maintained. After our common stock begins trading, you may contact a stock broker to buy or sell shares.

## Dividends

We have not yet established a dividend policy, and we have not yet made plans as to the amount or timing of cash dividends that MSB Financial Corp. may pay after the offering. The timing, amount and frequency of dividends will be determined by the Board of Directors. There are also restrictions on our ability to pay dividends. See Our Policy Regarding Dividends.

If we pay dividends to stockholders of MSB Financial Corp., it is anticipated that dividends payable to MSB Financial, MHC would be waived. We must receive the non-objection of the Office of Thrift Supervision of any dividend waiver by MSB Financial, MHC. See Regulation - Regulation of MSB Financial Corp.

## Restrictions on the Acquisition of MSB Financial Corp. and Millington Savings Bank

Federal regulations, as well as provisions contained in the charter and bylaws of MSB Financial Corp. and Millington Savings Bank, restrict the ability of any person, firm or entity to acquire MSB Financial Corp., Millington Savings Bank, or their capital stock. These restrictions include the requirement that a potential acquirer of common stock obtain the prior approval of the Office of Thrift Supervision before acquiring in excess of 10% of the voting stock of MSB Financial Corp. or Millington Savings Bank. Because a majority of the shares of outstanding common stock of MSB Financial Corp. must be owned by MSB Financial, MHC, any acquisition of MSB Financial Corp. must be approved by MSB Financial, MHC, and MSB Financial, MHC would not be required to pursue or approve a sale of

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MSB Financial Corp. even if such sale were favored by a majority of MSB Financial Corp.'s public stockholders. Additionally, Office of Thrift Supervision regulations prohibit anyone from acquiring more than 10% of MSB Financial Corp.'s common stock for a period of three years following the offering, unless such prohibition is waived by the Office of Thrift Supervision. The current policy of the Office of Thrift Supervision is not to waive this prohibition.

Additionally, certain provisions within MSB Financial Corp.'s charter and bylaws limit the rights of stockholders and may deter potential takeovers or make it more difficult and expensive to pursue a change in control or takeover attempt that our Board of Directors opposes. As a result, you may not have an opportunity to participate in such a transaction, and the trading price of our stock may not rise to the level of other institutions that are more vulnerable to hostile takeovers. Such provisions include:

- o the election of directors to staggered three-year terms;
- o provisions restricting stockholders from calling special meetings of stockholders;
- o the absence of cumulative voting by stockholders in elections of directors;
- o advance notice requirements for stockholder nominations and new business; and
- o the limitation of the voting rights of a single stockholder to no more than 10% of the then-outstanding shares, including shares held by MSB Financial, MHC, for a period of five years from the date this stock offering is completed.

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### Tax Effects of the Offering

The minority stock offering will not be a taxable transaction for purposes of federal or state income taxes for MSB Financial, MHC, MSB Financial Corp., Millington Savings Bank or persons eligible to subscribe for stock in the offering. See Material Federal and State Tax Consequences of the Offering.

### Stock Benefit Plans

In order to align our employees' and directors' interests closer to our stockholders' interests, we will establish certain benefit plans that use our stock as compensation. Millington Savings Bank's employee stock ownership plan, for the benefit of employees eligible to participate in the plan, intends to purchase 8% of the shares sold in the offering. We also intend to adopt a stock option plan and a restricted stock plan for the benefit of directors and officers no sooner than six months after the offering. Officers, directors, and employees will not be required to pay cash for shares received under the employee stock ownership plan or shares received under the restricted stock plan, but will be required to pay the exercise price to exercise stock options. The exercise price for the options will be at least equal to the market price of our common stock on the date of grant. See Stock Benefit Plans for information about the material terms of these plans and the Office of Thrift Supervision regulations governing these plans.

The stock benefit plans will result in additional annual employee compensation and benefit expenses which will reduce our earnings. See Pro Forma



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Data. Additionally, the implementation of the stock option plan and restricted stock plan may dilute your ownership interest in MSB Financial Corp. if newly issued shares are used to fund stock options and awards made under the restricted stock plan instead of outstanding shares purchased in the open market by MSB Financial Corp.

The following table presents information, at the midpoint of the offering range, regarding the number of shares and options expected to be made available under the stock benefit plans. The value of the share awards is based on \$10.00 per share; however, this does not mean you should assume the stock will trade at or above \$10.00 per share. It could trade below \$10.00 per share. The value of the option grants was determined using the Black-Scholes option-pricing formula. See Pro Forma Data. Ultimately, the value of awards under the stock benefit plans will depend on the actual trading price of our stock at a particular time, which depends on numerous factors, some of which are out of our control.

|                                    | At the Midpoint of the Offering Range |                                 |  |
|------------------------------------|---------------------------------------|---------------------------------|--|
|                                    | Estimated<br>Value                    | Number<br>of Shares/<br>Options | Percentage of<br>Total Shares<br>Outstanding |
| Employee stock ownership plan..... | \$1,530,000                           | 153,000                         | 3.6%   |
| Restricted stock plan awards.....  | \$833,000                             | 83,300                          | 1.96%  |
| Stock options.....                 | \$847,577                             | 208,250                         | 4.9%   |

See Management - Stock Benefit Plans and Pro Forma Data for more information about the stock benefit plans.

### Possible Conversion of MSB Financial, MHC to Stock Form

In the future, MSB Financial, MHC may convert from the mutual holding company form of organization, wherein a majority of the outstanding stock is held by the mutual holding company, to a corporation with 100% of its shares held by public stockholders. This type of conversion transaction is commonly known as a "second-step conversion." The Board of Directors has no current plans to undertake a second-step conversion transaction.

### Risk Factors

This investment entails various risks including the possible loss of principal. You may not be able to sell the stock at or above the \$10.00 offering price. You should carefully read the information under Risk Factors beginning on page \_\_\_\_.

### Stock Information Center

For assistance, please contact the stock information center at (\_\_\_\_)

\_\_\_\_-\_\_\_\_. The stock information center's hours of operation are generally \_\_\_\_:\_\_\_\_ a.m. to\_\_\_\_:\_\_\_\_ p.m., Eastern time, Monday through Friday. The stock information center is closed on weekends and holidays.

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RISK FACTORS

In addition to the other information in this document, you should consider carefully the following risk factors in evaluating an investment in our common stock.

We realize income primarily from the difference between interest earned on loans and investments and interest paid on deposits and borrowings, and changes in interest rates may adversely affect our net interest rate spread and net interest margin, which could hurt our earnings.

We derive our income mainly from the difference or "spread" between the interest earned on loans, securities and other interest-earning assets, and interest paid on deposits, borrowings and other interest-bearing liabilities. In general, the larger the spread, the more we earn. When market rates of interest change, the interest we receive on our assets and the interest we pay on our liabilities will fluctuate. This can cause decreases in our spread and can adversely affect our income.

Several years ago market interest rates were at historically low levels. However, between June 2004 and June 2006, the U.S. Federal Reserve steadily increased its target federal funds rate, raising it 17 times, from 1.00% to 5.25%. While the federal funds rate and other short-term market interest rates, which we use as a guide to our deposit pricing, have increased, intermediate- and long-term market interest rates, which we use as a guide to our loan pricing, have not increased proportionately. This has led to a "flattening" of the market yield curve, which has even "inverted" recently as short-term rates have exceeded long-term rates over an intermediate maturity horizon. The relatively flat yield curve has hurt our net interest rate spread and net interest margin because the interest rates we pay on our deposits have repriced upwards faster than the interest rates that we earn on our loans and investments. As of June 30, 2006, we had \$76.5 million in certificates of deposit that will mature within one year. If the yield curve remains flat, these deposits are expected to reprice upwards faster than loans and investments.

Interest rates also affect how much money we lend. For example, when interest rates rise, the cost of borrowing increases and loan originations tend to decrease. In addition, changes in interest rates can affect the average life of loans and investment securities. A reduction in interest rates generally results in increased prepayments of loans and mortgage-backed securities, as borrowers refinance their debt in order to reduce their borrowing cost. This causes reinvestment risk, because we generally are not able to reinvest prepayments at rates that are comparable to the rates we earned on the prepaid loans or securities. Changes in market interest rates could also reduce the value of our financial assets. If we are unsuccessful in managing the effects of changes in interest rates, our financial condition and results of operations could suffer.

If we are not successful in our efforts to attract and retain deposits, our liquidity, growth and profitability could be hurt.

Deposits are our primary source of funds to support our lending

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activities. Our loan originations, however, have in recent years exceeded our deposits, which has resulted in a loans to deposits ratio of 115% and an increase in borrowings from \$0 at June 30, 2003 to \$54.2 million in Federal Home Loan Bank advances at June 30, 2006. Our collateralized borrowing limit with the Federal Home Loan Bank at June 30, 2006 was \$56.2 million. In addition to a limit on their availability, borrowings are generally a more expensive funding source than deposits.

We have expanded our branch network in an effort to increase our deposits, emphasizing core deposits in particular, but there is no guarantee that this strategy will succeed. At June 30, 2006, \$112.0

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million or 57.5% of our total deposits were in certificates of deposit. As of June 30, 2006, \$76.5 million of our certificates of deposit are scheduled to mature within one year. This represents 39.3% of our total deposits. Furthermore, "jumbo" certificates of \$100,000 or more are considered to be more volatile than smaller certificate accounts, and as of June 30, 2006, \$37.2 million or 19.1% of our total deposits were jumbo certificates.

The inflow of certificates of deposit and the retention of such deposits upon maturity are significantly influenced by general interest rates and money market conditions, making certificates of deposit traditionally a more volatile source of funding than core deposits. Our liquidity could be reduced if a significant amount of certificates of deposit maturing within a short period of time were not renewed. To the extent that such deposits do not remain with us, they may need to be replaced with borrowings which could increase our cost of funds and negatively impact our net interest rate spread and our financial condition.

A portion of our total loan portfolio consists of commercial real estate mortgage loans, commercial loans and construction loans. The repayment risk related to these types of loans is considered to be greater than the risk related to one- to four-family residential loans.

At June 30, 2006, our loan portfolio included \$23.6 million of commercial real estate mortgage loans, \$5.5 million of commercial loans and \$23.3 million of construction loans, in aggregate representing 23.3% of our total loan portfolio. Unlike single family or one-to-four family residential mortgage loans, which generally are made on the basis of the borrower's ability to make repayment from his or her employment and other income, and which are secured by real property with values that tend to be more easily ascertainable, commercial loans typically are made on the basis of the borrower's ability to make repayment from the cash flow of the borrowers' business, which may include rental income. The repayment of construction loans for residential and commercial land acquisition and development, including loans to builders and developers, is dependent, in part, on the success of the ultimate construction project. In addition, commercial real estate mortgages and construction loans to builders and developers generally result in larger balances to single borrowers, or related groups of borrowers, than one- to four-family loans.

In addition, the growth in these loan categories in recent years means that a large portion of this portfolio is unseasoned. Relatively new loans that are "unseasoned," are considered to pose a potentially greater repayment risk than more mature loans because they generally do not have sufficient repayment history to indicate the likelihood of repayment in accordance with their terms.

Strong competition within our market area may limit our growth and profitability.

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Competition in the banking and financial services industry in New Jersey is intense. Many of our competitors have substantially greater resources and lending limits than we do and offer services that we do not or cannot provide. Price competition for loans might result in us originating fewer loans, or earning less on our loans, and price competition for deposits might result in a decrease in our total deposits or higher rates on our deposits.

Our business is geographically concentrated in central New Jersey, and a downturn in conditions in our market area could have an adverse impact on our profitability.

A substantial amount of our loans are to individuals and businesses in central New Jersey. Any decline in the economy of this market could have an adverse impact on our earnings. Adverse economic changes may also have a negative effect on the ability of our borrowers to make timely repayments of their loans. Additionally, because we have a significant amount of real estate loans, decreases in local real estate

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values could adversely affect the value of property used as collateral. If we are required to liquidate a significant amount of collateral during a period of reduced real estate values to satisfy the debt, our earnings and capital could be adversely affected.

If we experience loan losses in excess of our allowance, our earnings will be adversely affected.

The risk of credit losses on loans varies with, among other things, general economic conditions, the type of loan being made, the creditworthiness of the borrower over the term of the loan and, in the case of a collateralized loan, the value and marketability of the collateral for the loan. Management maintains an allowance for loan losses based upon historical exp