

SEACOAST BANKING CORP OF FLORIDA

Form S-1/A

August 04, 2009

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As filed with the Securities and Exchange Commission on August 3, 2009

Registration No. 333-160133

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Pre-Effective Amendment No. 1

to

Form S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Seacoast Banking Corporation of Florida

(Exact name of registrant as specified in its charter)

Florida

*(State or other jurisdiction of
incorporation or organization)*

6022

*(Primary Standard Industrial
Classification Code Number)*

59-2260678

*(I.R.S. Employer
Identification Number)*

Seacoast Banking Corporation of Florida

815 Colorado Avenue

Stuart, Florida 34994

(772) 287-4000

*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

Dennis S. Hudson, III

Chief Executive Officer

Seacoast Banking Corporation of Florida

815 Colorado Avenue

Stuart, Florida 34994

(772) 287-4000

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

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, please 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 effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 (Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Aggregate Offering Price per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, par value \$0.10 per share	39,675,000	\$2.11	\$83,714,250	\$4,671.26

(1) Includes 5,175,000 shares which the underwriters have the right to purchase to cover over-allotments, if any.

(2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act of 1933.

(3) \$55.80 of such fee was previously paid and the remaining \$4,615.46 of this fee is being paid herewith.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting

pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 3, 2009

PROSPECTUS

34,500,000 Shares

Common Stock

We are offering shares of our common stock, par value \$0.10 per share. Our common stock is listed on The Nasdaq Global Select Market under the symbol SBCF. On August 3, 2009, the last reported sale price of our common stock on The Nasdaq Global Select Market was \$2.12 per share.

You should read this prospectus carefully before you invest. Investing in our common stock involves a high degree of risk. See the section entitled Risk Factors, beginning on page 7 of this prospectus for certain risks and uncertainties you should consider.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds to Seacoast Banking Corporation of Florida (before expenses)	\$	\$

We have granted the underwriters an option to purchase up to an additional 5,175,000 shares of our common stock at the public offering price, less underwriting discounts and commissions, within 30 days from the date of this prospectus to cover over-allotments, if any.

Our shares of common stock are unsecured and are not deposits and are not insured or guaranteed by the FDIC or any other governmental agency.

None of the Securities and Exchange Commission, any state securities commission, nor any other governmental agency has approved or disapproved of these securities or determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock through the facilities of The Depository Trust Company, against payment on or about , 2009.

Sandler O'Neill + Partners, L.P. Fox-Pitt Kelton Cochran Caronia Waller

The date of this prospectus is _____, 2009

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SPECIAL CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements made herein or incorporated by reference under the captions Management's Discussion and Analysis of Financial Condition and Results of Operations, Risk Factors and elsewhere are forward-looking statements within the meaning and protections of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast Banking Corporation of Florida to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as may, will, anticipate, assume, should, indicate, would, believe, contemplate, expect, estimate, continue, plan, point to, project, could, similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation:

the effects of future economic, business and market conditions and changes, domestic and foreign, including seasonality;

governmental monetary and fiscal policies;

legislative and regulatory changes, including changes in banking, securities and tax laws and regulations and their application by our regulators, and changes in the scope and cost of FDIC insurance and other coverages;

changes in accounting policies, rules and practices;

the risks of changes in interest rates on the levels, composition and costs of deposits, loan demand, and the values and liquidity of loan collateral, securities, and interest sensitive assets and liabilities;

changes in borrowers' credit risks and payment behaviors;

changes in the availability and cost of credit and capital in the financial markets;

changes in the prices, values and sales volumes of residential and commercial real estate;

the effects of competition from a wide variety of local, regional, national and other providers of financial, investment and insurance services;

the failure of assumptions and estimates underlying the establishment of reserves for possible loan losses and other estimates;

the risks of mergers, acquisitions and divestitures, including, without limitation, the related time and costs of implementing such transactions, integrating operations as part of these transactions and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions;

changes in technology or products that may be more difficult, costly, or less effective than anticipated;

the effects of war or other conflicts, acts of terrorism or other catastrophic events, including hurricanes, that may affect general economic conditions generally and in our markets;

the failure of assumptions and estimates, differences in and changes to, economic, business market and credit conditions, including changes in borrowers' credit risks and payment behaviors from those used in our loan portfolio stress tests;

the risks that our deferred tax assets could be reduced if estimates of future taxable income from our operations and tax planning strategies are less than currently estimated, and sales of our capital stock in

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this offering and/or other sales of our capital stock could trigger a reduction in the amount of net operating losses carryforwards that we may be able to utilize for income tax purposes.

other factors and risks described under "Risk Factors" herein.

All written or oral forward-looking statements that are made by or are attributable to us are expressly qualified in their entirety by this cautionary notice. We have no obligation and do not undertake to update, revise or correct any of the forward-looking statements after the date of this prospectus, or after the respective dates on which such statements otherwise are made.

ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus and in the documents incorporated by reference herein. We have not, and the underwriters have not, authorized any other person to provide you with different information. We are not, and the underwriters are not, making an offer to sell our common stock in any jurisdiction in which the offer or sale is not permitted.

Neither we, the underwriters, nor any of our officers, directors, agents or representatives make any representation to you about the legality of an investment in our common stock. You should not interpret the contents of this prospectus to be legal, business, investment or tax advice. You should consult with your own advisors for that type of advice and consult with them about the legal, tax, business, financial and other issues that you should consider before investing in our common stock.

This prospectus does not offer to sell, or ask for offers to buy, any shares of our common stock in any state or jurisdiction where it would not be lawful or where the person making the offer is not qualified to do so.

No action is being taken in any jurisdictions outside the United States to permit a public offering of the common stock or possession or distribution of this prospectus in those jurisdictions. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about, and to observe, any restrictions that apply in those jurisdictions to this offering or the distribution of this prospectus.

Unless the context indicates otherwise, all references in this prospectus to "Seacoast," "we," "us," "our company" and "our" to Seacoast Banking Corporation of Florida and its combined subsidiaries. References to "Seacoast National" are to Seacoast National Bank, our principal bank subsidiary.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly, and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at www.sec.gov and on the investor relations page of our website at www.seacoastbanking.net. Information on our web site is not part of this prospectus. You may also read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. You can also obtain copies of the documents upon the payment of a duplicating fee to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC like us. Our SEC filings are also available to the public from the SEC's website at <http://www.sec.gov>.

This prospectus omits some information contained in the registration statement in accordance with SEC rules and regulations. You should review the information and exhibits included in the registration statement for further

information about us and the securities we are offering. Statements in this prospectus concerning any document we filed as an exhibit to the registration statement or that we otherwise filed with the SEC are not intended to be comprehensive and are qualified by reference to these filings. You should review the complete document to evaluate these statements.

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The SEC allows us to incorporate by reference information we file with it, which means that we can disclose important information to you by referring you to other documents. The information incorporated by reference is considered to be a part of this prospectus. Information contained in this prospectus supersedes information incorporated by reference that we have filed with the SEC prior to the date of this prospectus.

We incorporate by reference the following documents listed below, except to the extent that any information contained in such filings is deemed furnished in accordance with SEC rules:

Our Annual Report on Form 10-K/A, as amended, for the year ended December 31, 2008;

Our Definitive Proxy Statement on Schedule 14A, filed with the SEC on April 27, 2009;

Our Quarterly Reports on Form 10-Q, as amended, for the quarters ended March 31, 2009 and June 30, 2009; and

Our Current Reports on Form 8-K filed with the SEC on January 5, 2009, May 22, 2009, June 23, 2009, July 6, 2009 and July 20, 2009.

These documents contain important information about us, our business and our financial condition. You may request a copy of these filings, at no cost, by writing or telephoning us at:

Seacoast Banking Corporation of Florida
P.O. Box 9012
Stuart, Florida 34995
Telephone: (772) 287-4000
Facsimile: (772) 288-6012

We maintain an Internet website at www.seacoastbanking.com where the incorporated reports listed above can be accessed. Neither this website nor the information on this website is included or incorporated in, or is a part of, this prospectus.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and may not contain all of the information that may be important to you. You should read this entire prospectus carefully, including the information set forth in Risk Factors before making an investment decision.

Seacoast Banking Corporation of Florida

We are the second largest publicly traded Florida domiciled bank measured by total deposits. At June 30, 2009, Seacoast National had 40 banking offices in 14 counties in Florida. Our core markets, which consist of Martin, Palm Beach, St. Lucie and Indian River counties have projected population growth of 14.4% versus 6.3% nationwide.

As of June 30, 2009, we had total consolidated assets of approximately \$2.1 billion, total deposits of approximately \$1.8 billion, total consolidated liabilities, including deposits, of approximately \$2.0 billion and consolidated shareholders' equity of approximately \$148.6 million. We have a history of strong performance and returns having realized a return on average assets of greater than 1% and a return on average equity of greater than 12% in 8 of the last 10 years.

We offer a full array of deposit accounts and retail banking services, engage in consumer and commercial lending and provide a wide variety of trust and asset management services. We have built our franchise upon relationship banking and a strong core deposit base. Our strategy has focused on transaction accounts and certificates of deposit with customers who maintain transaction accounts with us. During the quarter ended June 30, 2009, we had \$281.7 million of average non-interest bearing demand deposits, and \$808.4 million of lower cost interest bearing savings, NOW and money market deposit accounts. Our cost of deposits is lower than many of our peers, and we have a strong net interest margin relative to our peers.

We have expanded from Martin County, Florida into 13 other counties by establishing new branches, acquiring branches, acquisitions from the receiver of failed banks, and whole bank acquisitions. We have grown internally in nearby markets from Palm Beach County north to Brevard County. Our last two acquisitions, in 2005 and 2006, added 12 branches and over \$600 million of deposits. These acquisitions also brought us low cost deposits and diversified our loan and deposit sources away from coastal Florida, and into the Orlando and central Florida markets. We continuously evaluate our branch network to determine how to best serve our customers efficiently and to improve our profitability.

We have expanded our management team in recent years and have focused on credit quality and identification and resolution of assets that are or are expected to become problems. Our efforts to identify potential problems and reduce loan concentrations and risks began in 2006, and we have sold \$143.3 million of troubled loans since then at prices of 100% of their aggregate balance in 2007, at prices ranging from 30% to 100% of their aggregate balance in 2008 and at prices of 24% of their aggregate balance in 2009. We believe we began addressing these risks early and have made continuous progress in managing our credit quality. We may sell additional assets in the future, and take advantage of market opportunities to dispose of problem assets. Recently, we have emphasized cost controls, which have been increasingly important as economic growth has slowed.

We are a bank holding company registered under the Bank Holding Company Act of 1956, as amended, and our principal subsidiary is Seacoast National Bank. Seacoast National commenced its operations in 1933, and operated prior to 2006 as First National Bank & Trust Company of the Treasure Coast. In addition, Seacoast Marine Finance Division, a division of Seacoast National, has offices located in Florida and California. Our subsidiary, FNB

Brokerage Services, Inc., is a securities broker-dealer engaged in securities brokerage and annuity sales.

Our principal executive offices are located at 815 Colorado Avenue, Stuart, Florida 34994, and our telephone number at that address is (772) 287-4000. We maintain an Internet website at www.seacoastbanking.com. Neither this website nor the information on this website is included or incorporated in, or is a part of, this prospectus.

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Recent Developments

On May 19, 2009, we announced that our board of directors had suspended regular quarterly cash dividends on our outstanding common stock and preferred stock as a result of recently adopted Federal Reserve policies related to dividends and other distributions. Our board of directors also determined to defer distributions on \$52 million of outstanding trust preferred securities.

On June 18, 2009, at our annual meeting of shareholders, our shareholders approved certain amendments to our amended and restated articles of incorporation, which we refer to as our Articles of Incorporation. However, at the time of our annual meeting, the proposal to amend Article VII of our Articles of Incorporation, which required the approval of 66²/₃% of all outstanding shares of our common stock, had not received the requisite votes. We adjourned the annual meeting with respect to this proposal to solicit the remaining votes needed for approval. On July 17, 2009, we received the necessary vote of our shareholders, and amended Article VII of our Articles of Incorporation.

In conjunction with an outside consulting firm, we performed a stress test of our loan portfolio and the potential effects on our capital of increased losses and nonperforming assets. The analysis was designed to approximate the Supervisory Capital Assessment Program, or SCAP, required of the largest banks by the Federal Reserve, with specific adjustments to reflect the more highly stressed economic conditions in Florida. As provided in the SCAP methodology, a baseline scenario assumed a path for the economy that followed a consensus forecast for certain economic variables, and a more adverse scenario was utilized to project a more significant downturn. Based on the results of the stress test, and the assumptions and estimates utilized in the analysis, we believe that following the completion of this offering, our capital should be sufficient to withstand the economic challenges facing the Company if the Florida economy weakens further or is weaker than is expected currently.

Management tests goodwill for impairment on an annual basis, or more often if events or circumstances indicate there may be impairment. Management engages external valuation firms to assist in its goodwill assessments. We completed an annual test of goodwill impairment for the year ended December 31, 2008, which was updated as of March 31, 2009 due to the decline in the price of our common stock and the net loss realized in the first quarter of 2009. These tests indicated that none of our goodwill was impaired. At June 30, 2009, due to the decline in the price of our common stock and our net loss in the second quarter of 2009, we again tested for impairment of goodwill in connection with our preparation of our quarterly financial report. Our fair value of the Company was determined using the discounted cash flow and change in control valuation methods. These two methods provided a range of valuations of \$2.43 to \$7.00 per share that we used in evaluating goodwill for possible impairment. As of June 30, 2009, we determined that our carrying amount exceeds our fair value. We were unable to complete the second step analysis required to estimate the implied fair value of our goodwill by the time of filing our quarterly report. Accordingly, we have preliminarily determined that the goodwill impairment loss is equal to the full amount of our goodwill \$49.8 million. This is an estimate and we will disclose in the third quarter any adjustments to goodwill after completing the second step analysis.

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The Offering

Common stock offered by us	34,500,000 shares of common stock, par value \$0.10 per share.
Common stock outstanding after the offering(1)	53,670,788 shares
Net proceeds	The net proceeds of this offering will be approximately \$ (after deducting offering expenses payable by us) based on an assumed public offering price of \$ per share, the closing price on , 2009.
Use of proceeds	We expect to use the net proceeds we receive from this offering to add capital to Seacoast National and for general corporate purposes.
Nasdaq Global Select Market Symbol	SBCF

(1) The number of shares of common stock outstanding after this offering includes 19,170,788 shares outstanding as of June 30, 2009, but does not include:

5,175,000 shares of common stock issuable pursuant to the underwriters' option to purchase additional shares;

565,529 shares reserved for issuance upon exercise of stock options with a weighted-average exercise price of \$21.24, which have been granted and remained outstanding as of June 30, 2009; and

1,179,245 shares of common stock that may be issued upon exercise of the Warrant (as defined below).

We have issued \$50 million of our Series A Preferred Stock to the United States Department of the Treasury (the Treasury) pursuant to the Troubled Asset Relief Program (TARP) Capital Purchase Program (CPP), together with the Warrant to purchase 1,179,245 shares of our common stock at an initial purchase price of \$6.36 per share. If this offering and any other qualified equity offerings that we may make prior to December 31, 2009 result in aggregate gross proceeds of at least \$50.0 million, we expect that we would request that the Treasury reduce the Warrant it holds to purchase our common stock by 50% to 589,622.5 shares.

Risk Factors

Before investing, you should carefully consider the information set forth under Risk Factors, beginning on page 7, for a discussion of the risks related to an investment in our common stock.

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You should read the summary selected consolidated financial information presented below in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and the notes to those financial statements appearing in our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2008 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, which are incorporated by reference in this prospectus.

The following tables set forth selected consolidated financial data for us at and for each of the years in the five-year period ended December 31, 2008 and at and for the six-month periods ended June 30, 2009 and 2008.

The selected statement of income data for the years ended December 31, 2008, 2007 and 2006, and the selected statement of financial condition data as of December 31, 2008 and 2007, have been derived from our audited financial statements included in our Annual Report on Form 10-K/A for the year ended December 31, 2008, which is incorporated by reference in this prospectus. The selected statement of income data for the years ended December 31, 2005 and 2004 and the summary statement of financial condition data as of December 31, 2006, 2005 and 2004 have been derived from our audited financial statements that are not included in this prospectus.

The summary financial data at and for the six months ended June 30, 2009 and 2008 have been derived from our unaudited interim financial statements included in our Quarterly Reports on Form 10-Q for the quarter ended June 30, 2009, and are incorporated by reference in this prospectus. These unaudited interim financial statements include all adjustments (consisting only of normal recurring adjustments) that we consider necessary for a fair presentation of our financial condition and results of operations as of the dates and for the periods indicated. Historical results are not necessarily indicative of future results and the results for the six months ended June 30, 2009 are not necessarily indicative of our expected results for the full year ending December 31, 2009 or any other period.

	At or for the Six Months Ended June 30,		At or for the Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004

(Dollars in thousands, except per share data)

**Selected
Financial Data:**

Assets	\$ 2,136,735	\$ 2,296,999	\$ 2,314,436	\$ 2,419,874	\$ 2,389,435	\$ 2,132,174	\$ 1,615,876
Loans, net(1)	1,540,722	1,777,090	1,647,340	1,876,487	1,718,196	1,280,989	892,949
Securities	22,299	29,913	345,901	300,729	443,941	543,024	588,017
Investment Securities Available for Sale	337,746	255,798	318,030	254,916	313,983	392,952	395,207
Goodwill and Intangibles	4,751	55,823	55,193	56,452	57,299	33,901	2,639
Deposits	1,756,422	1,890,401	1,810,441	1,987,333	1,891,018	1,784,219	1,372,466
Borrowings and Junior Subordinated Debentures	118,782	118,693	118,912	118,640	67,760	86,723	39,912
	148,555	190,182	216,001	214,381	212,425	152,720	108,212

Total Shareholders Equity								
Total Preferred Shareholders Equity	44,412	0	43,787					
Total Common Shareholders Equity	104,143	190,182	172,214	214,381	212,425	152,720	108,212	
Selected Operating Data:								
Interest Income	\$ 53,434	\$ 67,428	\$ 127,084	\$ 150,106	\$ 139,827	\$ 98,400	\$ 67,052	
Interest Expense	16,340	26,781	49,853	65,637	50,787	26,215	14,278	
Net Interest Income	37,094	40,647	77,231	84,469	89,040	72,185	52,774	
Provision for Loan Losses	37,879	47,737	88,634	12,745	3,285	1,317	1,000	
Non-interest Income (Loss)	10,470	12,359	21,920	19,862	24,103	20,645	18,506	
Securities Gains (Losses)	1,786	355						