

REPUBLIC FIRST BANCORP INC
Form S-1/A
June 18, 2010

As filed with the Securities and Exchange Commission on June 18 , 2010
Registration No. 333-166286

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

PRE-EFFECTIVE
AMENDMENT NO. 5 TO
FORM S-1
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

REPUBLIC FIRST BANCORP, INC.
(Exact name of registrant as specified in its charter)

Pennsylvania (State or other jurisdiction of incorporation or organization)	6022 (Primary Standard Industrial Classification Code Number)	23-2486815 (I.R.S. Employer Identification No.)
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50 South 16th Street, Suite 2400
Philadelphia, PA 19102
(215) 735-4422
(Address, including zip code and telephone number, including area code, of Registrant's principal executive offices)

Harry D. Madonna
President and Chief Executive Officer
50 South 16th Street, Suite 2400
Philadelphia, PA 19102
(215) 735-4422
(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies to:

Barry M. Abelson, Esq.
Donald R. Readlinger, Esq.
Pepper Hamilton LLP
3000 Two Logan Square
Eighteenth and Arch Streets
Philadelphia, PA 19103
(215) 981-4000

Lawrence R. Wiseman, Esq.
Christin R. Cerullo, Esq.
Blank Rome LLP
One Logan Square
130 North 18th Street
Philadelphia, PA 19103-6998
(215) 569-5549

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, 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.

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	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common stock (2)			\$34,500,000	\$2,459.85

(1) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended (previously paid in full).

(2) Includes shares of common stock that may be purchased by the underwriters to cover over-allotments, if any.

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.

SUBJECT TO COMPLETION, DATED JUNE 18 , 2010

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.

PRELIMINARY PROSPECTUS

Up To 15,000,000 Shares

Common Stock

We are offering up to 15,000,000 shares of our common stock, par value \$.01 per share. Our common stock is listed on the Nasdaq Global Market under the symbol "FRBK." On June 17, 2010, the last reported sale price of our common stock on the Nasdaq Global Market was \$2.41 per share. At our request, the underwriters have reserved for sale up to 30% of the shares of our common stock to be sold in the offering to certain of our directors, officers and convertible trust preferred holders.

The shares of common stock are not deposits or other obligations of any bank or savings association and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental entity.

Investing in our common stock involves significant risks. See "Risk Factors" beginning on page 6 of this prospectus.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount and commissions (1)	\$	\$
Proceeds, before expenses, to Republic First Bancorp, Inc.	\$	\$

(1)The underwriting discounts and commissions will be \$ per share. However, the underwriters have agreed that the underwriting discounts and commissions will be \$ per share for sales to certain of our officers, directors and convertible trust preferred holders. The total underwriting discounts and commissions and the total proceeds to us, before expenses, reflect the reduced discount for sales to certain of our officers, directors and convertible trust preferred holders.

The underwriters may purchase up to an additional shares of common stock within 30 days of the date of this prospectus to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock to purchasers on or about , 2010.
RBC Capital Markets

The date of this prospectus is , 2010.

TABLE OF CONTENTS

	Page
A b o u t T h i s	i
Prospectus	
S t a t e m e n t R e g a r d i n g F o r w a r d - L o o k i n g	ii
Statements	
P r o s p e c t u s	1
Summary	
Risk Factors	6
U s e O f	18
Proceeds	
Capitalization	19
M a r k e t f o r O u r C o m m o n S t o c k a n d D i v i d e n d	20
Policy	
S e l e c t e d C o n s o l i d a t e d F i n a n c i a l a n d O p e r a t i n g	21
Data	
Our Business	23
Management's Discussion and Analysis Of Financial Condition and Results Of Operations	33
Management	68
C e r t a i n R e l a t i o n s h i p s a n d R e l a t e d	82
Transactions	
S e c u r i t y O w n e r s h i p O f C e r t a i n B e n e f i c i a l O w n e r s a n d	83
Management	
D e s c r i p t i o n O f	85
Securities	
Underwriting	94
Legal Matters	96
Experts	97
W h e r e Y o u C a n F i n d M o r e	97
Information	
I n d e x T o C o n s o l i d a t e d F i n a n c i a l F-1	
Statements	

 ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus and any permitted free writing prospectuses we have authorized for use with respect to this offering. We have not, and the underwriters have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell the securities in any jurisdiction where the offer or sale is not permitted or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. You should not assume that the information in this prospectus or any permitted free writing prospectus is accurate or complete as of any date other than the dates of the applicable documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

It is important for you to read and consider all of the information contained in this prospectus before making your investment decision to purchase shares of our common stock in this offering. See "Where You Can Find More

Information” in this prospectus for instructions on how you can access additional information.

Unless the context requires otherwise, or unless otherwise noted, all references to the “Company,” “we,” “our,” or “us” refer collectively to Republic First Bancorp, Inc. and its consolidated subsidiary, and all references to the “Bank” or “Republic” refer to our wholly-owned subsidiary, Republic First Bank.

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this prospectus and any prospectus supplement are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, which we refer to as the Securities Act. All statements other than statements of historical facts contained in this prospectus and any prospectus supplement, including statements regarding our plans, objectives, goals, strategies, future events, capital expenditures, future results, our competitive strengths, our business strategy and the trends in our industry are forward-looking statements. The words “believe,” “may,” “could,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “expect,” “likely,” “probably,” “suggest,” “goal,” “potential” and similar expressions, as they relate to us, are intended to identify forward-looking statements. All statements, other than statements of historical fact, included in this prospectus and any prospectus supplement regarding our financial position, business strategy and plans or objectives for future operations are forward-looking statements.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected in the forward-looking statements. For example, and in addition to the “Risk Factors” discussed elsewhere in this prospectus, risks and uncertainties can arise with changes in:

• general economic conditions, including current turmoil in the financial markets and the efforts of government agencies to stabilize the financial system;

- the adequacy of our allowance for loan losses and our methodology for determining such allowance;
- adverse changes in our loan portfolio and credit risk-related losses and expenses;

• concentrations within our loan portfolio, including our exposure to commercial real estate loans, and to our primary service area;

- changes in interest rates;
- business conditions in the financial services industry, including competitive pressure among financial services companies, new service and product offerings by competitors, price pressures, and similar items;
 - deposit flows;
 - loan demand;
- the regulatory environment, including evolving banking industry standards, changes in legislation or regulation;
 - our securities portfolio and the valuation of our securities;
- accounting principles, policies and guidelines as well as estimates and assumptions used in the preparation of our financial statements;
 - rapidly changing technology;
 - litigation liabilities, including costs, expenses, settlements and judgments; and
- other economic, competitive, governmental, regulatory and technological factors affecting our operations, pricing, products and services.

Readers are cautioned not to place undue reliance on any forward-looking statement, which reflects management's analysis only as of the date of the statement. Except as required by applicable law or regulation, we do not undertake, and specifically disclaim any obligation to update or revise any forward-looking statements to reflect any changed assumptions, any unanticipated events or any changes in the future.

ii

In addition, you should refer to the “Risk Factors” section of this prospectus beginning on page 6 for a discussion of factors that may cause our actual results to differ materially from those which may be inferred from our forward-looking statements. As a result of these factors, the forward-looking statements in this prospectus and any prospectus supplement will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, if at all. Accordingly, you should not place undue reliance on these forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or the persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements.

PROSPECTUS SUMMARY

The following summary highlights selected information contained in this prospectus. Because it is a summary, it does not contain all the information you should consider before investing in our common stock. Before making any investment decision, you should read the entire prospectus carefully, including the “Risk Factors” section of this prospectus beginning on page 6, and the financial statements and notes to the financial statements beginning on page F-1.

The Company

Republic First Bancorp, Inc. is a corporation incorporated under the laws of the Commonwealth of Pennsylvania, and a registered bank holding company. We offer a variety of retail and commercial banking services to individuals and businesses throughout the Greater Philadelphia and Southern New Jersey area through our wholly-owned subsidiary, Republic First Bank. As of March 31, 2010, we had approximately \$968 million in total assets, \$679 million in loans, \$846 million in deposits and \$65 million in equity capital. We currently have eleven store locations in Philadelphia, Montgomery and Delaware Counties in Pennsylvania, and one in Camden County, New Jersey, and plan to open additional stores in 2010 and beyond.

Beginning in 2005, our primary objective had been to be an alternative to the large banks for commercial banking services in the Greater Philadelphia and Southern New Jersey area. Since the second quarter of 2008, we began to redirect our strategic efforts toward retail banking and creating a major regional retail and commercial bank with a distinct brand, by focusing on innovation, customer satisfaction, brand building and shareholder value creation. To achieve this transformation, the Bank hired a number of former senior Commerce Bank employees: Andrew Logue, President and Chief Operating Officer; Rhonda Costello, Chief Retail Officer; Jay Neilon, Chief Credit Officer and Frank Cavallaro, Chief Financial Officer. With this management team in place and additional new employees for support, we believe Republic First Bank has the foundation and commitment to become a leading financial institution in the Philadelphia metropolitan area.

Additionally, the Bank hired two experienced and former Commerce Bank regional market managers, Stephen McWilliams and Robert Worley. Messrs. McWilliams and Worley focus on our commercial lending initiatives and lead the Bank’s lending efforts in the Greater Philadelphia and Southern New Jersey area. They in turn have hired a number of experienced lenders with the same focus and the Bank is beginning to see the results of these teams in many new opportunities for loan and deposit relationships.

In November 2008, we entered into a merger agreement with Metro Bancorp, Inc., then known as Pennsylvania Commerce Bancorp, Inc., which we had hoped would accelerate our strategic plans. Because of uncertainties over regulatory approvals, however, we did not complete that merger. With the termination of the Metro agreement in March 2010, we have re-focused our strategic plans to develop our franchise as an independent institution. We believe we have a strong management team and adequate capital resources and liquidity to deal with current economic conditions and plan for the future. In connection with the change in strategy to internally grow our brand, we are in the process of rebranding our stores to begin operating under the name, “Republic Bank,” the name under which the Bank was incorporated and under which it did business from 1988 until 1996.

During 2009, we renovated, refurbished and remodeled most of our existing stores, including significant capital improvements, as part of our ongoing efforts to adopt a more retail customer focus and attract additional retail business. We have plans to expand customer services hours, relocate certain existing stores, enhance our banking systems to better serve the retail customer and expand our retail product offerings.

The success of these efforts is already being observed in the growth of our core deposits, which we define as total deposits less public and brokered certificates of deposit. Core deposits have grown by \$217 million, or 43%, for the twelve month period ended December 31, 2009 compared to the same period in 2008. This growth has allowed us to reduce Federal Home Loan Bank advances and short-term borrowings by \$77 million, or 75%, from December 31, 2008, to \$25 million at March 31, 2009, and also reduce brokered deposits by \$116.1 million, or 85%, over the same period. We believe core deposits are the best measure of the deposit gathering strength of our branch network and the success of our strategic effort to transform our banking model.

On the lending side, we historically focused efforts on business banking and commercial lending transactions, in particular commercial real estate loans. We have begun to restructure our loan portfolio and deemphasize commercial real estate loans. To further these efforts, during 2009, we undertook detailed reviews of our more significant credit relationships with an emphasis on reducing exposure, enhanced our allowance for loan loss methodology, and committed to originate fewer commercial real estate loans in order to reduce credit concentrations in that loan category. As a result of these initiatives, our commercial real estate portfolio has decreased by \$88.6 million, or 15%, during the twelve month period ended December 31, 2009. This reduction together with deposit growth has reduced the loan to deposit ratio to 77% at December 31, 2009 compared to 105% at December 31, 2008. This will afford the Bank the opportunity to initiate more commercial and industrial and consumer lending.

We continue to believe that an attractive niche exists serving small to medium-sized business customers not adequately served by our larger competitors, and we will continue to seek opportunities to build commercial relationships to complement our retail strategy. We believe small to medium-sized businesses will respond very positively to the attentive and highly personalized service we provide.

We are subject to federal and state laws and regulations governing virtually all aspects of our activities, including our lines of business, capital, liquidity, investments, payment of dividends, and others. These laws and regulations and the costs of compliance can have a significant impact on our business, financial condition, and results of operations.

Our principal executive offices are located at Two Liberty Place, 50 South 16th Street, Suite 2400, Philadelphia, PA 19102. Our telephone number is (215) 735-4422 and our website address is www.rfbkonline.com. Information included or referred to on our website is not a part of this prospectus.

Service Area/Market Overview

Our primary service area consists of Greater Philadelphia and Southern New Jersey, and we currently have eleven store locations in Philadelphia, Montgomery and Delaware Counties in Pennsylvania, and one in Camden County, New Jersey, to serve this area. Our commercial lending activities extend beyond our primary service area, to include other counties in Pennsylvania and New Jersey, as well as parts of Delaware, Maryland, New York and other out-of-market opportunities.

We will carefully evaluate growth opportunities throughout 2010, as we believe the national and local economies will begin to recover. We have applied for regulatory approval to open one new store in 2010 in Haddonfield, New Jersey, taken substantive steps toward operating two additional stores in Cherry Hill and Turnersville, New Jersey and anticipate pursuing additional de novo branching opportunities in our primary service area in 2010 and beyond. The opening of these stores is subject to regulatory approval.

Competition

We face substantial competition from other financial institutions in our service area. Competitors include Wells Fargo, Citizens, PNC, Sovereign, TD Bank and Bank of America, as well as local commercial banks. In addition, we compete directly with savings banks, savings and loan associations, finance companies, credit unions, factors, mortgage brokers, insurance companies, securities brokerage firms, mutual funds, money market funds, private lenders and other institutions for deposits, commercial loans, mortgages and consumer loans, as well as other services. Competition among financial institutions is based upon a number of factors, including the quality of services rendered, interest rates offered on deposit accounts, interest rates charged on loans and other credit services, service charges, the convenience of banking facilities, locations and hours of operation and, in the case of loans to larger commercial borrowers, applicable lending limits. Many of the financial institutions with which we compete have greater financial resources than we do, and offer a wider range of deposit and lending products.

Credit Risk and Asset Quality

As a commercial lender, we are subject to credit risk and recent economic and financial conditions have adversely effected our borrowers and our business. To manage this challenging environment, we have adopted a more conservative loan classification system, enhanced our allowance for loan loss methodology, and undertaken a comprehensive review of our loan portfolio. Although we follow established underwriting policies, and monitor loans through our loan review program, we remain subject to credit risk. Although the majority of our loan portfolio is collateralized with real estate or other collateral, a portion of the loan portfolio is unsecured.

We have been impacted by the challenging conditions in the economy and financial markets. Since mid-2008, like many other commercial lenders, we have experienced significant charge-offs, provisions for loan losses, and increased non-performing loans and other real estate owned, and continue to manage a significant amount of non-performing assets. We do, however, believe that the markets that we serve and the local economy are showing signs of stabilizing and during 2009 we instituted a vigilant credit administration process in which we reviewed over 40% of our loan portfolio and will continue to review our loan portfolio on a quarterly basis in order to closely monitor our borrowers.

Products and Services

We offer a range of competitively priced banking products and services, including consumer and commercial deposit accounts, including checking accounts, interest-bearing demand accounts, money market accounts, certificates of deposit, savings accounts, sweep accounts, lockbox services and individual retirement accounts (and other traditional banking services), secured and unsecured commercial loans, real estate loans, construction and land development loans, automobile loans, home improvement loans, mortgages, home equity and overdraft lines of credit, and other products. We attempt to offer a high level of personalized service to both our retail and commercial customers.

THE OFFERING

Issuer	Republic First Bancorp, Inc.
Securities offered in underwritten offering	shares of common stock (or shares if the underwriters exercise in full the over-allotment option to purchase additional shares).
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to an additional 15% of the offered amount, or shares of common stock, to cover over-allotments, if any.
Offering price	\$ per share
Common stock outstanding after the offering(1)	shares (shares if the underwriters exercise their over-allotment option in full).
Use of proceeds	We estimate that the net proceeds of this offering (after deducting offering expenses payable by us) will be approximately \$ (or \$ if the underwriters exercise their over-allotment option in full). We intend to contribute the net proceeds of this offering to our subsidiary, Republic First Bank, for its general corporate purposes.
Transfer agent and registrar	Registrar and Transfer Company
Nasdaq Global Market symbol	FRBK

(1) The number of shares of our common stock to be outstanding after this offering is based on shares outstanding on , 2010. Unless otherwise indicated, the number of outstanding shares of common stock presented in this prospectus excludes: shares of our common stock issuable pursuant to the exercise of the underwriters' over-allotment option; shares of our common stock issuable upon conversion, exchange or exercise in respect of outstanding options and other securities; and shares of our common stock that may be issued under our amended and restated stock option plan and restricted stock plan, referred to as our equity plan.

Risk Factors

Investing in our common stock involves risks. You should carefully consider the information under "Risk Factors" beginning on page 6 before investing in our common stock.

SUMMARY SELECTED CONSOLIDATED FINANCIAL AND OPERATING DATA

The following summary selected consolidated income statement data for the fiscal years ended December 31, 2009, 2008 and 2007 and the balance sheet data, asset quality ratios and liquidity and capital ratios for the fiscal years ended December 2009 and 2008 are derived from, and qualified by reference to, our audited consolidated financial statements and related notes appearing elsewhere in this prospectus. The following summary selected consolidated income statement data for the fiscal years ended December 31, 2006 and 2005, the balance sheet data, asset quality ratios and liquidity and capital ratios for the fiscal years ended December 2007, 2006 and 2005 and performance ratios for the fiscal years ended December 31, 2009, 2008, 2007, 2006 and 2005 are derived from our audited consolidated financial statements and related notes not appearing in this prospectus. The summary historical financial information as of and for the three months ended March 31, 2010 and 2009 is derived from, and qualified by reference to, our unaudited consolidated financial statements and related notes appearing elsewhere in this prospectus. The unaudited financial information as of and for the three months ended March 31, 2010 and 2009 has been prepared on the same basis as our audited financial statements and includes, in the opinion of management, all adjustments, consisting of only normal recurring adjustments, necessary to fairly present the data for such periods. The results of operations for the three months ended March 31, 2010 are not necessarily indicative of the results of operations to be expected for the full year or any future period. This information should be read in conjunction with our consolidated financial statements and related notes, "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in this prospectus.

	As Of or For the Three Months Ended March 31,		As Of or For the Years Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
(Dollars in thousands, except per share data)							
Balance Sheet Data							
Total assets	\$ 967,507	\$ 911,380	\$ 1,008,642	\$ 951,980	\$ 1,016,308	\$ 1,008,824	\$ 850,855
Total loans, net	665,711	741,822	680,977	774,673	813,041	784,002	670,469
Total investment securities	183,400	79,608	192,395	90,066	90,299	109,176	44,161
Total deposits	846,232	779,128	882,894	739,167	780,855	754,773	647,843
FHLB & overnight advances	25,000	25,000	25,000	102,309	133,433	159,723	123,867
Subordinated debt	22,476	22,476	22,476	22,476	11,341	6,186	6,186
Total shareholders' equity	65,182	76,487	70,264	79,327	80,467	74,734	63,677
Income Statement Data							
Total interest income	\$ 10,435	\$ 11,128	\$ 43,470	\$ 53,976	\$ 68,346	\$ 62,745	\$ 45,381
Total interest expense	3,026	4,270	16,055	25,081	38,307	28,679	16,223
Net interest income	7,409	4,270	27,415	28,895	30,039	34,066	29,158
Provision for loan loss	5,500	4,800	14,200	7,499	1,590	1,364	1,186
Non-interest income	475	652	79	1,242	3,073	3,640	3,614

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Non-interest expenses	8,405	8,485	30,959	23,887	21,364	21,017	18,207
Income (loss) before provision (benefit) for income taxes	(6,021)	(5,775)	(17,665)	(1,249)	10,158	15,325	13,379
Provision (benefit) for income taxes	(2,159)	(2,015)	(6,223)	(777)	3,273	5,207	4,486
Net income (loss)	(3,862)	(3,760)	(11,442)	(472)	6,885	10,118	8,893
Per Share Data							
Basic earnings per share							