

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

CNB FINANCIAL CORP /NY/

CIK: **883756** | IRS No.: **223203747** | State of Incorporation: **NY** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-23730** | Film No.: **99709479**
SIC: **6022** State commercial banks

Mailing Address
24 CHURCH STREET
CANAJOHARIE NY 13317

Business Address
24 CHURCH ST
CANAJOHARIE NY 13317
5186734221

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 27, 1999

CNB FINANCIAL CORP.

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction of incorporation)

000-23730

(Commission File Number)

22-3203747

(I.R.S. Employer Identification No.)

24 Church Street, Canajoharie, New York

(Address of principal executive offices)

13317

(Zip Code)

Registrant's telephone number, including area code: (518) 673-3243

(NOT APPLICABLE)

(Former name or former address, if changed since last report)

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Item 2. Acquisition or Disposition of Assets.

On August 27, 1999, Central National Bank, Canajoharie, ("CNB"), a national banking association headquartered in Canajoharie, New York, and the principal banking subsidiary of CNB Financial Corp. ("Registrant"), completed its acquisition of five bank branches and related deposits from Astoria Federal Savings and Loan Association ("Astoria Federal"), a wholly-owned subsidiary of Astoria Financial Corporation. The five branches (the "Branches") are located in central New York State, in the communities of Oneonta (3), Cooperstown and Norwich.

The transaction was effected pursuant to a Purchase and Assumption Agreement, dated as of April 8, 1999, and amended as of June 24, 1999 (the "Agreement"). Under the terms of the Agreement, CNB purchased from Astoria Federal approximately \$2.9 million in Branch-related assets, including the personal property of the Branches and Astoria Federal's real property interests in the Branches (four owned and one leased). Also in the transaction, CNB acquired from Astoria Federal approximately \$168 thousand of deposit-related loans. CNB assumed from Astoria Federal at closing all customer deposit liabilities maintained at the Branches, totaling approximately \$155.7 million, and certain other liabilities relating to the Branches. CNB paid to Astoria Federal a premium of 12.1% on the deposits transferred. In consideration for its assumption of the deposits and other liabilities, CNB received the assets set forth above and a total net cash payment equal to approximately \$133.9 million.

The amount of consideration paid by CNB in the transaction was determined by arms-length negotiation between the parties and was based upon, among other factors, the market value of the real property and the book value of other assets being transferred and the liabilities assumed.

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The following table provides information on the deposit liabilities assumed:

	Balance	Weighted Average Rate
Demand Deposits	\$ 2,525	----%
NOW and Money Market Accounts	24,530	2.30
Savings	25,155	2.89
Time Deposits of \$100,000 or More	8,865	5.23

Other Time Deposits	94,643	5.23
Total Deposit Liabilities Assumed	\$155,718	4.30%

Copies of the Purchase and Assumption Agreement, dated as of April 8, 1999, and the Amendment thereto, dated as of June 24, 1999, are included with the Current Report on Form 8-K filed by Registrant on June 25, 1999.

Item 7. Financial Statements and Exhibits

Attached hereto as Exhibit 99.1 and incorporated herein by reference is an unaudited pro forma consolidated balance sheet of Registrant giving effect to the acquisition of assets and assumption of liabilities by Registrant's subsidiary, CNB, as though the transaction had occurred on June 30, 1999. The unaudited pro forma consolidated balance sheet also gives effect to the previously reported August 4, 1999 issuance of \$18 million in Registrant's guaranteed preferred beneficial interests in Registrant's junior subordinated debentures. The proceeds of the issuance were primarily used to contribute additional capital to CNB to maintain CNB's well-capitalized classification for regulatory purposes.

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Exhibit No.

- 2.1 Purchase and Assumption Agreement dated as of April 8, 1999 between Central National Bank and Astoria Federal Savings and Loan Association, relating to the Astoria branches, incorporated by reference from Exhibit 2.1 of the Current Report of Form 8-K filed by Registrant on June 25, 1999.
- 2.2 Amendment to Purchase and Assumption Agreement dated as of June 24, 1999 between Central National Bank and Astoria Federal Savings and Loan Association, relating to the Astoria branches, incorporated by reference from Exhibit 2.2 of the Current Report of Form 8-K filed by Registrant on June 25, 1999.
- 99.1 Unaudited Pro Forma Consolidated Balance Sheet. Filed herewith.

SIGNATURES

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

CNB FINANCIAL CORP.

By: /s/ Peter J. Corso

Date: September 10, 1999

Peter J. Corso
Chief Financial Officer
(Duly Authorized Representative)

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EXHIBIT INDEX

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- 99.1 Unaudited Pro Forma Consolidated Balance Sheet.

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Exhibit 99.1

<TABLE>
<CAPTION>

	CNB Financial Corporation	Capital Securities Issuance	Assets Acquired & Liabilities Assumed	Deposit Premium	Pro Forma CNB Financial Corporation
	-----	-----	-----	-----	-----
<S>	<C>	(1)	(2)	(3)	<C>
Cash and due from banks	\$ 19,266	\$ -	\$ 651	\$ -	\$ 19,917
Federal funds sold	-	17,150	100,093	(18,938)	98,305
Securities available for sale, at fair value	310,751				310,751
Net loans receivable	395,322		168		395,490
Accrued interest receivable	5,508				5,508
Premises and equipment, net	9,602		2,900		12,502
Other real estate owned and repossessed assets	1,272				1,272
Goodwill	-			18,938	18,938
Other assets	3,666	850			4,516
	-----	-----	-----	-----	-----
Total assets	\$ 745,387	\$ 18,000	\$ 103,812	\$ -	\$ 867,199
	=====	=====	=====	=====	=====
Liabilities and Stockholder's Equity					
Liabilities:					
Deposits	\$ 607,766	\$ -	\$ 155,718		763,484
Fed funds purch & sec sold under agreements to repurchase	63,393		(52,700)		10,693
Demand notes issued to U.S. Treasury	511				511
Long-term debt	6,286				6,286
Other liabilities	8,930		794		9,724
	-----	-----	-----	-----	-----
Total liabilities	686,886	-	103,812	-	790,698
	-----	-----	-----	-----	-----
Guaranteed preferred beneficial interests in Registrant's junior subordinated debentures					
	-	18,000			18,000
Stockholder's Equity:					
Common stock	9,761	-			9,761
Additional paid-in capital	6,197				6,197
Retained earnings	46,668				46,668
Accumulated other comprehensive (loss)	(110)				(110)
Treasury stock	(4,015)				(4,015)
	-----	-----	-----	-----	-----
Total stockholders' equity	58,501	-	-	-	58,501
	-----	-----	-----	-----	-----
Total liabilities and stockholders' equity	\$ 745,387	\$ 18,000	\$ 103,812	\$ -	\$ 867,199
	=====	=====	=====	=====	=====

</TABLE>

Notes to Unaudited Pro Forma Consolidated Balance Sheet

- Represents issuance of \$18 million in Registrant's guaranteed preferred beneficial interests in Registrant's junior subordinated debentures, which were issued August 4, 1999. The offering costs of approximately \$850 thousand will be included in other assets and amortized over the thirty year term of the issue. The net proceeds of the issue is shown as Federal funds sold in the unaudited pro forma balance sheet.
- Represents the assets acquired and liabilities assumed in the acquisition. The net cash received in the settlement of the transaction is shown as a payment on Federal funds purchased outstanding at June 30, 1999 of \$52,700. The remaining proceeds of \$100,093 is shown as Federal funds sold in the unaudited pro forma balance sheet.
- Represents the tax deductible deposit premium of 12.1% of deposit liabilities assumed, including accrued interest payable, calculated on the amount of deposits, including accrued interest payable, outstanding on August 27, 1999. The deposit premium will be amortized over a fifteen year period on a straight-line basis.