

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2005-05-02** | Period of Report: **2005-04-30**
SEC Accession No. **0001019056-05-000480**

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FILER

FNB BANCORP/CA/

CIK: **1163199** | IRS No.: **922115369**

Type: **8-K** | Act: **34** | File No.: **000-49693** | Film No.: **05791491**

SIC: **6022** State commercial banks

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United States
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)

April 30, 2005

FNB BANCORP
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of incorporation)

000-49693
(Commission File Number)

92-2115369
(IRS Employer Identification No.)

975 El Camino Real, South San Francisco, California 94080
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (650) 588-6800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01 Completion of Acquisition or Disposition of Assets.

On May 2, 2005, the registrant (FNB Bancorp) announced the consummation of its all-cash acquisition of Sequoia National Bank (San Francisco, California), which was effected through a consolidation and merger transaction with its subsidiary, First National Bank of Northern California, under the terms of the Acquisition Agreement dated November 5, 2004, as amended, signed by the two banks. Pursuant to this transaction, the two banking offices of Sequoia National Bank located at 65 Post Street and 699 Portola Drive in San Francisco, California, have become branches of First National Bank of Northern California.

A copy of the Press Release issued by the registrant on May 2, 2005, is attached to this report as Exhibit 99.28 and is incorporated here by reference.

The financial statements and pro forma financial information in regard to the acquisition of Sequoia National Bank, as required by Item 2.01 of Form 8-K, will be filed with the Commission as soon as practicable hereafter by an amendment of this report.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

- | | |
|-------|---|
| 2.5 | Second Addendum to Acquisition Agreement, signed among First National Bank of Northern California, Sequoia National Bank, Hemisphere National Bank, Privee Financial Inc. and SNB Interim National Bank, made effective as of April 15, 2005. |
| 99.28 | Press Release dated May 2, 2005, announcing the closing of the acquisition of Sequoia National Bank |

SIGNATURES

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

FNB BANCORP (Registrant)

Dated: May 2, 2005.

By: /s/ JAMES B. RAMSEY

James B. Ramsey
Senior Vice President and
Chief Financial Officer

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SECOND ADDENDUM

TO

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ACQUISITION AGREEMENT

THIS SECOND ADDENDUM TO ACQUISITION AGREEMENT, dated as of April 15, 2005, ("Addendum"), is entered into by and among SEQUOIA NATIONAL BANK, a national banking association ("Sequoia"), FIRST NATIONAL BANK OF NORTHERN CALIFORNIA, a national banking association ("FNB"), HEMISPHERE NATIONAL BANK, a national banking association ("HNB"), PRIVEE FINANCIAL, INC., a Delaware corporation ("Privee"), and SNB INTERIM NATIONAL BANK, an interim national banking association ("Interim Bank").

Recitals:

- A. Sequoia, FNB, HNB and Privee have entered into a certain Acquisition Agreement, dated as of November 5, 2004, as amended by a certain First Addendum to Acquisition Agreement, dated as of December 13, 2004, (the "Agreement").
- B. The Agreement contemplates that, upon organization of the Interim Bank, the Interim Bank would become a party to the Agreement by the execution and delivery of an addendum to the Agreement, in form and substance acceptable to Sequoia, FNB, HNB, Privee and the directors and shareholders of the Interim Bank.
- C. Effective as of January 14, 2005, FNB obtained preliminary approval of the Office of the Comptroller of the Currency (the "OCC") to organize the Interim Bank; and the execution and delivery of this Addendum has been authorized and approved by the directors and shareholders of the Interim Bank.
- D. HNB and Privee have withdrawn all of their regulatory applications pending with the OCC and the Board of Governors of the Federal Reserve System and desire to be released from all of their obligations under the Agreement. Sequoia, FNB and Interim Bank desire to proceed with an alternative closing, as described in Section 5.5 of the Agreement, and are willing to release HNB and Privee from all of their obligations under the Agreement, subject to the terms of this Addendum.

NOW, THEREFORE, in consideration of the premises and the mutual

agreements contained herein and in the Agreement, the parties hereto agree as follows:

1. SNB Interim National Bank as Party. Sequoia, FNB, HNB, Privee and Interim Bank hereby agree that, effective upon the execution and delivery of this Addendum, Interim Bank shall become a party to the Agreement and shall be bound by all of the provisions thereof.

2. Alternative Closing. Sequoia, FNB, HNB, Privee and Interim Bank hereby acknowledge and agree as follows:

(a) Under Section 5.5 of the Agreement, FNB and Sequoia have agreed to consummate and close the Consolidation and the Liquidation without also closing the Stock Purchase and the Bank Merger in the event that any material condition to the Closing of the Stock Purchase and the Bank Merger is impossible to satisfy in a timely manner.

(b) Receipt by HNB and Privee of regulatory approvals (from the OCC and the Board of Governors of the Federal Reserve System, respectively) is a material condition to the Closing of the Stock Purchase and the Bank Merger and such approvals have not been obtained as of the date of this Addendum.

(c) As of the date of this Addendum, HNB and Privee shall cease to be parties to the Agreement, Articles 3 and 4 of the Agreement shall be deemed null and void and of no further force or effect, and FNB, Interim Bank and Sequoia may immediately proceed to close the Consolidation and the Liquidation, as contemplated by Section 5.5 of the Agreement.

(d) FNB, Interim Bank and Sequoia agree that, at the Closing contemplated by Section 5.5 of the Agreement, Article 2 of the Agreement (the Plan of Liquidation) shall be effected by a merger of the Consolidated Bank with and into FNB, pursuant to a merger agreement (the "Merger Agreement") to be executed between the Consolidated Bank and FNB in a form acceptable to FNB, Interim Bank, Sequoia and the OCC. The Plan of Liquidation, in the form attached to the Acquisition Agreement as Exhibit D, shall provide for a liquidation of the Consolidated Bank pursuant to the Merger Agreement (rather than by a transfer of assets and liabilities to FNB and transfer of the Sequoia national bank charter to HNB). The corporate existence (including the national bank charter) of the Consolidated Bank shall terminate upon the effectiveness of the Merger Agreement (and in accordance with its terms). Also, Section 2.5 of the Acquisition Agreement shall be deemed null and void and of no further force or effect.

(e) In consideration of the mutual benefit to be derived from a release of claims, and as a material inducement to enter into this Addendum, Sequoia, FNB and Interim Bank, on the one hand, and HNB and Privee on the other hand, for themselves as well as for any legal successors and assigns, hereby release and forever discharge each other and each of their past and present directors, officers, trustees, shareholders, agents, employees, affiliated companies, and each of their respective agents, accountants, attorneys and other legal

representatives, and their successors and assigns (collectively, their "Associated Parties") from any and all claims, demands, liabilities, damages, obligations, actions and causes of actions, whether or not known or suspected, which in the past they owned or held or presently own or hold against each other or their Associated Parties, based upon or arising out of any matter, cause, fact, thing, act or omission occurring or existing at any time through the date of this Addendum, in any way involving, related to, connected with or arising from the Agreement.

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(f) The parties hereto understand and agree that the claims released hereby are intended to and do include any and all claims of every nature and kind whatsoever, known, unknown, suspected or unsuspected which each may have against the other in connection with the Agreement. Sequoia, FNB, HNB, Privee and Interim Bank expressly waive their rights under California Civil Code Section 1542 which reads:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

(g) Sequoia, FNB, HNB, Privee and Interim Bank agree to cooperate and use their respective best efforts to execute and deliver, or cause to be executed and delivered, such documents, certificates, amendments and other agreements as may be reasonably necessary or appropriate to carry out the purposes described in this Section 2.

(h) Nothing in this Addendum shall be deemed to (or is intended to) amend, modify, replace or otherwise adversely affect any of the rights or remedies of the parties to the Agreement, other than as expressly set forth in this Section 2.

3. Defined Terms. All capitalized terms used herein and not otherwise defined shall have the same meanings as assigned to such terms in the Agreement.

4. Governing Law. This Addendum shall be governed by and construed in accordance with the laws of the State of California.

5. Attorneys' Fees. In any action at law or suit in equity in relation to this Addendum, the prevailing party in such action or suit shall be entitled to receive a reasonable sum for its attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

6. Counterparts. This Addendum may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and those transmitted by facsimile shall be regarded as valid substitutes for the originals thereof.

IN WITNESS WHEREOF, Sequoia, FNB, HNB, Privee and Interim Bank have caused this Second Addendum to Acquisition Agreement to be signed by their duly authorized officers as of the day and year first above written.

FIRST NATIONAL BANK
OF NORTHERN CALIFORNIA

SEQUOIA NATIONAL BANK

By: /s/ THOMAS C. MCGRAW

Thomas C. McGraw
Chief Executive Officer

By: /s/ PETER T. PAUL

Peter T. Paul
Chairman and
Chief Executive Officer

By: /s/ JIM D. BLACK

Jim D. Black
President

HEMISPHERE NATIONAL BANK

PRIVEE FINANCIAL, INC.

By: /s/ WALTER R. COOK

Walter R. Cook
Chairman and
Chief Executive Officer

By: /s/ WALTER R. COOK

Walter R. Cook
Chairman and
Chief Executive Officer

SNB INTERIM NATIONAL BANK

By: /s/ THOMAS C. MCGRAW

Thomas C. McGraw
Chief Executive Officer

PRESS RELEASE

First National Bank Acquires

Sequoia National Bank

South San Francisco, Calif.--(Business Wire)--May 2, 2005. FNB Bancorp (OTCBB:FNBG), today announced that its wholly owned subsidiary, First National Bank of Northern California, based in South San Francisco, California, has completed its acquisition of Sequoia National Bank, a national bank with total assets of approximately \$62 million and two banking offices in San Francisco, California. Sequoia National Bank was consolidated with and merged into First National Bank of Northern California, effective April 30, 2005. Under the terms of the Acquisition Agreement, holders of the 4,749,646 Sequoia shares of common stock and options for 88,125 shares outstanding at the closing will receive approximately \$11,137,962 in cash, subject to an escrow hold-back of \$1,500,000 for a maximum of 120 days, in order to pay for certain contingencies specified in the Acquisition Agreement. Effective May 2, 2005, the former banking offices of Sequoia National Bank, located at 65 Post Street and 699 Portola Drive in San Francisco, California, began operating as branch offices of First National Bank of Northern California.

Thomas C. McGraw, Chief Executive Officer of FNB Bancorp and First National Bank of Northern California, stated: "We are excited to begin offering our unique style of community banking from these offices in San Francisco. In addition, our existing customers who live and work in San Francisco will be better served by the addition of these new locations."

First National Bank of Northern California has eleven full-service banking offices in San Mateo County, and the Web address for First National Bank of Northern California is www.fnbnorcal.com. The common stock of FNB Bancorp is quoted on the OTC Bulletin Board under the symbol "FNBG.OB."

Further information regarding this transaction may be obtained by reference to the periodic reports filed by FNB Bancorp with the Securities and Exchange Commission.

Cautionary Statement: This release contains certain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those stated herein. Management's assumptions and projections are based on their anticipation of future events and actual

performance may differ materially from those projected. Risks and uncertainties which could impact future financial performance include, among others, (a) competitive pressures in the banking industry; (b) changes in the interest rate environment; (c) general economic conditions, either nationally or regionally or locally, including fluctuations in real estate values; (d) changes in the regulatory environment; (e) changes in business conditions or the securities markets and inflation; (f) possible shortages of gas and electricity at utility companies operating in the State of California, and (g) the effects of terrorism, including the events of September 11, 2001, and thereafter, and the conduct of war on terrorism by the United States and its allies. Therefore, the information set forth herein, together with other information contained in the periodic reports filed by FNB Bancorp with the Securities and Exchange Commission, should be carefully considered when evaluating its business prospects. FNB Bancorp undertakes no obligation to update any forward-looking statements contained in this release.

For further information contact:

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