

SCBT FINANCIAL CORP  
Form 8-K  
August 02, 2011

**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): **July 29, 2011**

**SCBT FINANCIAL CORPORATION**

(Exact name of registrant as specified in its charter)

**South Carolina**  
(State or other jurisdiction of  
incorporation)

**001-12669**  
(Commission  
Number)

**57-0799315**  
(IRS Employer  
Identification No.)

**520 Gervais Street**  
**Columbia, South Carolina**

**29201**

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(Address of principal executive offices)

(Zip Code)

**(800) 277-2175**

(Registrant's telephone number, including area code)

**Not Applicable**

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

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))
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**Item 1.01 Entry into a Material Definitive Agreement**

*Purchase and Assumption Agreement*

Effective July 29, 2011, SCBT, N.A. (the *Bank*), a national bank and wholly owned subsidiary of SCBT Financial Corporation, a South Carolina corporation (the *Company*), acquired specified assets and assumed specified liabilities of BankMeridian, N.A., a full service community bank headquartered in Columbia, South Carolina, ( *Meridian* ), from the Federal Deposit Insurance Corporation (the *FDIC* ), as receiver for Meridian (the *Acquisition* ).

The Acquisition was made pursuant to the terms of a purchase and assumption agreement entered into by the Bank and the FDIC as of July 29, 2011 (the *Purchase and Assumption Agreement* ). The Acquisition included all 3 branch offices of Meridian, although the physical branch locations and leases were not immediately acquired by the Bank in the Acquisition. Meridian's offices now operate as branches of BankMeridian, a division of SCBT, N.A.

Based on March 31, 2011 balances, SCBT, N.A. purchased total assets of approximately \$239.8 million, including loans of approximately \$176.1 million, and assumed total liabilities of approximately \$236.8 million, including approximately \$215.5 million in deposits. Pursuant to the Agreement, SCBT, N.A. received a discount of \$30.8 million on the assets and did not pay the FDIC a premium to assume the deposits.

In connection with the Acquisition, the FDIC made a payment to the Bank in the amount of approximately \$17.1 million, subject to customary post-closing adjustments based upon the final closing date balance sheet for Meridian.

In connection with the Acquisition, the Bank entered into a loss sharing arrangement with the FDIC that covered approximately \$175.6 million of Meridian's assets. The Bank will share in the losses on the asset pools (including single family residential mortgage loans and commercial loans) covered under the loss-sharing arrangement. Subject to the terms and conditions of the loss sharing arrangement, the FDIC is obligated to reimburse the Bank for 80% of all eligible losses with respect to covered assets, beginning with the first dollar of loss incurred. The Bank has a corresponding obligation to reimburse the FDIC for 80% of eligible recoveries with respect to covered assets. In addition, after the 10th anniversary of the Acquisition, the FDIC has a right to recover a portion of its shared-loss reimbursements if losses on the covered assets are less than \$70.8 million. The loss sharing agreement applicable to single-family residential mortgage loans provides for FDIC loss sharing and Bank reimbursement to the FDIC to run for ten years, and the loss sharing agreement applicable to commercial and other assets provides for FDIC loss sharing and Bank reimbursement to the FDIC to run for five years, with additional recovery sharing for three years thereafter.

Under the Purchase and Assumption Agreement, the Bank has an option, exercisable for 90 days following the closing of the Acquisition, to acquire at fair market value any bank premises that were owned by, or assume any leases relating to bank premises leased by, Meridian (including ATM locations). The Bank is currently reviewing Meridian's bank premises and related leases.

**Item 2.01. Completion of Acquisition or Disposition of Assets.**

The information set forth in Item 1.01 under the heading "Purchase and Assumption Agreement" is incorporated by reference into this Item 2.01.

**Cautionary Note Regarding Any Forward-Looking Statements**

Statements included in this Current Report on Form 8-K (including information incorporated by reference herein) which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 21E of the Securities and Exchange Act of 1934, as amended. Forward looking statements generally include words such as "expects," "projects," "anticipates," "believes," "intends," "estimates," "strategy," "plan," "potential," "possible" and other similar expressions. SCBT cautions readers that forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from anticipated results. Such risks and uncertainties, include, among others, the following possibilities: (1) credit risk associated with an obligor's failure to meet the terms of any contract with the bank or otherwise fail to perform as agreed; (2) interest risk involving the effect of a change in interest rates on both the bank's earnings and the market value of the portfolio equity; (3) liquidity risk affecting the bank's ability to meet its obligations when they come due; (4) price risk focusing on changes in market factors that may affect the value of traded instruments in "mark-to-market" portfolios; (5) transaction risk arising from problems with service or product delivery; (6) compliance risk involving risk to earnings or capital resulting from violations of or nonconformance with laws, rules, regulations, prescribed practices, or ethical standards; (7) strategic risk resulting from adverse business decisions or improper implementation of business decisions; (8) reputation risk that adversely affects earnings or capital arising from negative public opinion; (9) terrorist activities risk that results in loss of consumer confidence and economic disruptions; (10) economic downturn risk resulting in deterioration in the credit markets; (11) greater than expected non-interest expenses; (12) excessive loan losses; (13) potential deposit attrition, higher than expected costs, customer loss and business disruption associated with the integration of BankMeridian, including, without limitation, potential difficulties in maintaining relationships with key personnel and other integration related-matters; (14) risks and uncertainties described in the section titled "Risk Factors" in the SCBT Financial Corporation Annual Report on Form 10-K and any other reports filed by it with the SEC; and (15) other factors, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

2.1 Purchase and Assumption Agreement Dated July 29, 2011

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.

SCBT FINANCIAL CORPORATION  
(Registrant)

Date: August 2, 2011

/s/ Donald E. Pickett  
Donald E. Pickett  
Executive Vice President and  
Chief Financial Officer

**Exhibit Index**

| <b>Exhibit No.</b> | <b>Description</b>                                    |
|--------------------|---|
| 2.1                | Purchase and Assumption Agreement Dated July 29, 2011 |