

CERNER CORP /MO/  
Form SC 13G/A  
February 01, 2008

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934**

**Amendment No. 10\***

**Cerner Corporation**

(Name of Issuer)

**Common Stock**

(Title of Class of Securities)

**156782104**

(CUSIP Number)

**December 31, 2007**

(Date of Event Which Requires Filing of this Statement)

**Check the appropriate box to designate the rule pursuant to which this Schedule is filed:**

**Rule 13d-1(b)**

**Rule 13d-1(c)**

**Rule 13d-1(d)**

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 156782104 13G

**1. NAME OF REPORTING PERSON (S.S. or I.R.S. Identification No. of Above Person)**

Ivy Investment Management Company Tax ID No. 03-0481447

**2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:**

(a)

(b)

**3. SEC USE ONLY**

**4. CITIZENSHIP OR PLACE OF ORGANIZATION:** Delaware

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:**

**5. SOLE VOTING POWER** 763,950 (See Item 4)

**6. SHARED VOTING POWER** 0

**7. SOLE DISPOSITIVE POWER** 763,950 (See Item 4)

**8. SHARED DISPOSITIVE POWER** 0

**9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:** 763,950  
(See Item 4)

**10. CHECK IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES: [ ]**

**11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9: 0.9**

**12. TYPE OF PERSON REPORTING: IA**

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CUSIP No. 156782104 13G

**1. NAME OF REPORTING PERSON (S.S. or I.R.S. Identification No. of Above Person)**

Waddell & Reed Investment Management Company Tax ID No. 48-1106973

**2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:**

(a)

(b)

**3. SEC USE ONLY**

**4. CITIZENSHIP OR PLACE OF ORGANIZATION:** Kansas

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:**

**5. SOLE VOTING POWER** 4,998,265 (See Item 4)

**6. SHARED VOTING POWER** 0

**7. SOLE DISPOSITIVE POWER** 4,998,265 (See Item 4)

**8. SHARED DISPOSITIVE POWER** 0

**9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:**

4,998,265 (See Item 4)

**10. CHECK IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES: [ ]**

**11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9: 6.3**

**12. TYPE OF PERSON REPORTING: IA**

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CUSIP No. 156782104 13G

**1. NAME OF REPORTING PERSON (S.S. or I.R.S. Identification No. of Above Person)**

Waddell & Reed, Inc. Tax ID No. 43-1235675

**2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:**

(a)

(b)

**3. SEC USE ONLY**

**4. CITIZENSHIP OR PLACE OF ORGANIZATION:** Delaware

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:**

**5. SOLE VOTING POWER** 4,998,265 (See Item 4)

**6. SHARED VOTING POWER** 0

**7. SOLE DISPOSITIVE POWER** 4,998,265 (See Item 4)

**8. SHARED DISPOSITIVE POWER** 0

**9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:**

4,998,265 (See Item 4)

**10. CHECK IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES: [ ]**

**11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9: 6.3**

**12. TYPE OF PERSON REPORTING: BD**

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CUSIP No. 156782104 13G

**1. NAME OF REPORTING PERSON (S.S. or I.R.S. Identification No. of Above Person)**

Waddell & Reed Financial Services, Inc. Tax ID No. 43-1414157

**2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:**

(a)

(b)

**3. SEC USE ONLY**

**4. CITIZENSHIP OR PLACE OF ORGANIZATION:** Missouri

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:**

**5. SOLE VOTING POWER** 4,998,265 (See Item 4)

**6. SHARED VOTING POWER** 0

**7. SOLE DISPOSITIVE POWER** 4,998,265 (See Item 4)

**8. SHARED DISPOSITIVE POWER** 0

**9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:**

4,998,265 (See Item 4)

**10. CHECK IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES: [ ]**

**11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9: 6.3**

**12. TYPE OF PERSON REPORTING: HC**

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CUSIP No. 156782104 13G

**1. NAME OF REPORTING PERSON (S.S. or I.R.S. Identification No. of Above Person)**

Waddell & Reed Financial, Inc. Tax ID No. 51-0261715

**2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:**

(a)

(b)

**3. SEC USE ONLY**

**4. CITIZENSHIP OR PLACE OF ORGANIZATION:** Delaware

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:**

**5. SOLE VOTING POWER** 5,762,215 (See Item 4)

**6. SHARED VOTING POWER** 0

**7. SOLE DISPOSITIVE POWER** 5,762,215 (See Item 4)

**8. SHARED DISPOSITIVE POWER** 0

**9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:**

5,762,215 (See Item 4)

**10. CHECK IF THE AGGREGATE AMOUNT IN ROW 9 EXCLUDES CERTAIN SHARES: [ ]**

**11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9: 7.2**

**12. TYPE OF PERSON REPORTING: HC**

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Item 1(a): Name of Issuer: Cerner Corporation

Item 1(b): Address of Issuer's Principal Executive Offices:

2800 Rockcreek Parkway  
North Kansas City, MO 64117

Item 2(a): Name of Person Filing:

- (i) Waddell & Reed Financial, Inc.
- (ii) Waddell & Reed Financial Services, Inc.
- (iii) Waddell & Reed, Inc.
- (iv) Waddell & Reed Investment Management Company
- (v) Ivy Investment Management Company

Item 2(b): Address of Principal Business Office:

- (i)-(v): 6300 Lamar Avenue  
Overland Park, KS 66202

Item 2(c): Citizenship:

- (i), (iii) and (v): Delaware
- (ii): Missouri
- (iv): Kansas

Item 2(d): Title of Class of Securities: Common Stock

Item 2(e): CUSIP Number: 156782104

Item 3: The reporting person is:

- (i) Waddell & Reed Financial, Inc., a parent holding company in accordance with Reg. 240.13d-1(b)(1)(ii)(G);
  - (ii) Waddell & Reed Financial Services, Inc., a parent holding company in accordance with Reg. 240.13d-1(b)(1)(ii)(G);
  - (iii) Waddell & Reed, Inc., a broker-dealer registered under section 15 of the Act (15 U.S.C. 78o); and
  - (iv) Waddell & Reed Investment Management Company, an investment advisor in accordance with Reg. 240.13d-1(b)(1)(ii)(E).
  - (v) Ivy Investment Management Company, an investment advisor in accordance with Reg. 240.13d-1(b)(1)(ii)(E).
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Item 4: Ownership

The securities reported on herein are beneficially owned by one or more open-end investment companies or other managed accounts which are advised or sub-advised by Ivy Investment Management Company ( IICO ), an investment advisory subsidiary of Waddell & Reed Financial, Inc. ( WDR ) or Waddell & Reed Investment Management Company ( WRIMCO ), an investment advisory subsidiary of Waddell & Reed, Inc. ( WRI ). WRI is a broker-dealer and underwriting subsidiary of Waddell & Reed Financial Services, Inc., a parent holding company ( WRFSI ). In turn, WRFSI is a subsidiary of WDR, a publicly traded company. The investment advisory contracts grant IICO and WRIMCO all investment and/or voting power over securities owned by such advisory clients. The investment sub-advisory contracts grant IICO and WRIMCO investment power over securities owned by such sub-advisory clients and, in most cases, voting power. Any investment restriction of a sub-advisory contract does not restrict investment discretion or power in a material manner. Therefore, IICO and/or WRIMCO may be deemed the beneficial owner of the securities covered by this statement under Rule 13d-3 of the Securities Exchange Act of 1934 (the 1934 Act ).

IICO, WRIMCO, WRI, WRFSI and WDR are of the view that they are not acting as a group for purposes of Section 13(d) under the 1934 Act. Indirect beneficial ownership is attributed to the respective parent companies solely because of the parent companies control relationship to WRIMCO and IICO.

(a) Amount beneficially owned: 5,762,215

(b) Percent of class: 7.2

(c) Number of shares as to which the person has:

(i) Sole voting power to vote or to direct the vote:

WDR: 5,762,215 (indirect)  
WRFSI: 4,998,265 (indirect)  
WRI: 4,998,265 (indirect)  
WRIMCO: 4,998,265 (direct)  
IICO: 763,950 (direct)

(ii) Shared power to vote or to direct the vote: 0

(iii) Sole power to dispose or to direct the disposition of:

WDR: 5,762,215 (indirect)  
WRFSI: 4,998,265 (indirect)  
WRI: 4,998,265 (indirect)  
WRIMCO: 4,998,265 (direct)  
IICO: 763,950 (direct)

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(iv) Shared power to dispose or to direct the disposition of: 0

Item 5: Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following: [ ]

Item 6: Ownership of More than Five Percent on Behalf of Another Person:

The clients of IICO and WRIMCO, including investment companies registered under the Investment Company Act of 1940 and other managed accounts, have the right to receive dividends from, as well as the proceeds from the sale of, such securities.

Item 7: Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

See Attached Exhibit 2.

Item 8: Identification and Classification of Members of the Group:

Not Applicable.

Item 9: Notice of Dissolution of Group:

Not Applicable.

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Item 10:

Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

**SIGNATURE**

SIGNATURE



After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 1, 2008

Waddell & Reed Financial, Inc.

By: /s/ Wendy J. Hills  
Name: Wendy J. Hills  
Title: Vice President

Waddell & Reed Financial Services, Inc.

By: /s/ Wendy J. Hills  
Name: Wendy J. Hills  
Title: Attorney-In-Fact

Waddell & Reed, Inc.

By: /s/ Wendy J. Hills  
Name: Wendy J. Hills  
Title: Attorney-In-Fact

Waddell & Reed Investment Management Company

By: /s/ Wendy J. Hills  
Name: Wendy J. Hills  
Title: Attorney-In-Fact

Ivy Investment Management Company

By: /s/ Wendy J. Hills  
Name: Wendy J. Hills  
Title: Attorney-In-Fact  
500,000 shares of preferred stock, par value \$1.25 per share.

As of January 3, 2013, there were 8,080,411 shares of our Common Stock issued and 8,079,599 shares of our Common Stock outstanding, and no shares of our preferred stock issued and outstanding.

In this section we describe certain features and rights of our capital stock. The summary does not purport to be exhaustive and is qualified in its entirety by reference to our Articles of Incorporation, as amended (“Articles of Incorporation”) and bylaws and to applicable Pennsylvania law.

#### Common Stock

General. Each holder of Common Stock is entitled to one vote for each share on all matters to be voted upon by the common stockholders. There are no cumulative voting rights with respect to the election of directors. Subject to preferences to which holders of any shares of preferred stock may be entitled, holders of Common Stock are entitled to receive ratably any dividends that may be declared from time to time by the Board of Directors out of funds legally available for that purpose. Due to the regulatory restrictions included in the Written Agreement that the Company and the Bank entered into with the Federal Reserve Bank of Philadelphia and the Consent Order that the Bank entered into with the Pennsylvania Department of Banking, the Company is restricted from paying any dividends or repurchasing any stock without prior regulatory approval. Accordingly, there can be no assurance that we will be permitted to pay a cash dividend or conduct any stock repurchases in the near future. In the event of our liquidation, dissolution or winding up, holders of Common Stock will be entitled to share in our assets remaining after the payment or provision for payment of our debts and other liabilities, and the satisfaction of the liquidation preferences of any series of our

preferred stock then outstanding. Holders of Common Stock have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions that apply to the Common Stock. All shares of Common Stock currently outstanding are fully paid and nonassessable. The rights, preferences and privileges of the holders of Common Stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate in the future.

#### Transfer Agent

The transfer agent and registrar for our Common Stock is Registrar and Transfer Company.

#### Preferred Stock

Our Articles of Incorporation permit our Board of Directors to authorize the issuance of up to 500,000 shares of preferred stock, par value \$1.25 per share, in one or more series, without stockholder action. The Board of Directors can fix the designation, powers, preferences and rights of each series. Therefore, without approval of the holders of our Common Stock (except as may be required by the rules of the NASDAQ Stock Market or any other exchange or market on which our securities may then be listed or quoted), our Board of Directors may authorize the issuance of preferred stock with voting, dividend, liquidation and conversion and other rights that could dilute the voting power or other rights or adversely affect the market value of our Common Stock and may assist management in impeding any unfriendly takeover or attempted change in control. See "Anti-Takeover Provisions."

Prior to the issuance of a new series of preferred stock, we will amend our Articles of Incorporation by filing a certificate of designation that will designate the number of shares of that series and the terms of that series. The issuance of any preferred stock could adversely affect the rights of the

holders of Common Stock and, therefore, reduce the value of the Common Stock. The ability of our Board of Directors to issue preferred stock could discourage, delay or prevent a takeover or other corporate action.

The terms of any particular series of preferred stock will be described in the prospectus supplement relating to that particular series of preferred stock, including, where applicable:

- the designation, stated value and liquidation preference of such preferred stock and the number of shares offered;
- the offering price;
- the dividend rate or rates (or method of calculation), the date or dates from which dividends shall accrue, and whether such dividends shall be cumulative or noncumulative and, if cumulative, the dates from which dividends shall commence to cumulate;
- any redemption or sinking fund provisions;
- the amount that shares of such series shall be entitled to receive in the event of our liquidation, dissolution or winding-up;
- the terms and conditions, if any, on which shares of such series shall be convertible or exchangeable for shares of our stock of any other class or classes, or other series of the same class;
- the voting rights, if any, of shares of such series;
- the status as to reissuance or sale of shares of such series redeemed, purchased or otherwise reacquired, or surrendered to us on conversion or exchange;
- the conditions and restrictions, if any, on the payment of dividends or on the making of other distributions on, or the purchase, redemption or other acquisition by us or any subsidiary, of the Common Stock or of any other class of our shares ranking junior to the shares of such series as to dividends or upon liquidation;
- the conditions and restrictions, if any, on the creation of indebtedness of us or of any subsidiary, or on the issuance of any additional stock ranking on a parity with or prior to the shares of such series as to dividends or upon liquidation; and
- any additional dividend, liquidation, redemption, sinking or retirement fund and other rights, preferences, privileges, limitations and restrictions of such preferred stock.

Unless otherwise specified in the applicable prospectus supplement, each series of preferred stock will, upon issuance, rank senior to the Common Stock and on parity in all respects with each other outstanding series of preferred stock. The rights of the holders of our preferred stock will be subordinate to those of our general creditors. The description of any series of preferred stock which may be issued is qualified by reference to the provisions of the applicable certificate of designation establishing the terms of such series.

The transfer agent and registrar for the preferred stock will be set forth in the applicable prospectus supplement.

## Anti-Takeover Provisions

Articles of Incorporation and By-Laws. Orrstown's Articles of Incorporation and bylaws contain certain provisions that may have the effect of deterring or discouraging an attempt to take control of Orrstown. Among other things, these provisions:

• Empower Orrstown's board of directors, without shareholder approval, to issue shares of Orrstown preferred stock the terms of which, including voting power, are set by Orrstown's board;

• divide Orrstown's board of directors into three classes serving staggered three year terms;

• restrict the ability of shareholders to remove directors;

• require that shares with at least 75% or, in certain circumstances, a majority of total voting power, approve certain transactions with significant beneficial owners of Orrstown common stock;

• require that shares with at least 75% or, in certain instances, a majority of total voting power, approve the repeal or amendment of certain provisions of Orrstown's Articles of Incorporation;

• require that, following any acquisition by any person or group of 10% of Orrstown's voting power, in the case of any business combination with such person or an entity directly or indirectly controlled by such person, the remaining shareholders have the right to receive for their shares from such person, at least the highest price paid by such person for any of the shares then directly or indirectly owned by such person;

• eliminate cumulative voting in the election of directors;

• require advance notice of nominations for the election of directors and the presentation of shareholder proposals at meetings of shareholders; and

• provide for certain director eligibility requirements, including that each member of the board of directors maintain a permanent primary residence within 50 miles of the Company's administrative office in Shippensburg, Pennsylvania and that each director hold at least 3,500 shares of the Company's common stock. In addition, no director of the Company may serve as a management official of another depository institution or depository holding company until the end of his or her term as a Company director.

Pennsylvania Business Corporation Law. The Pennsylvania Business Corporation Law of 1988, as amended, also contains certain provisions applicable to Orrstown that may have the effect of deterring or discouraging an attempt to take control of Orrstown. These provisions, among other things:

• prohibit for five years, subject to certain exceptions, a "business combination" (which includes a merger or consolidation of the corporation or a sale, lease or exchange of assets) with a person or group beneficially owning 20% or more of a public corporation's voting power (Subchapter 25F of the Business Corporation Law);

• prevent a person or group acquiring different levels of voting power (20%, 33% and 50%) from voting any shares over the applicable threshold, unless "disinterested shareholders" approve such voting rights (Subchapter 25G of the Business Corporation Law);



Require any person or group that publicly announces that it may acquire control of a corporation, or that acquires or publicly discloses an intent to acquire 20% or more of the voting power of a corporation, to disgorge to the corporation any profits that it receives from sales of the corporation's equity securities purchased over the prior 18 months (Subchapter 25H of the Business Corporation Law);

Expand the factors and groups (including shareholders) which a corporation's board of directors can consider in determining whether an action is in the best interests of the corporation;

Provide that a corporation's board of directors need not consider the interests of any particular group as dominant or controlling;

Provide that a corporation's directors, in order to satisfy the presumption that they have acted in the best interests of the corporation, need not satisfy any greater obligation or higher burden of proof with respect to actions relating to an acquisition or potential acquisition of control;

Provide that actions relating to acquisitions of control that are approved by a majority of "disinterested directors" are presumed to satisfy the directors' fiduciary duty, unless it is proven by clear and convincing evidence that the directors did not assent to such action in good faith after reasonable investigation; and

Provide that the fiduciary duty of a corporation's directors is solely to the corporation and may be enforced by the corporation or by a shareholder in a derivative action, but not by a shareholder directly.

The Pennsylvania Business Corporation Law also explicitly provides that the fiduciary duty of directors does not require them to:

• redeem any rights under, or to modify or render inapplicable, any shareholder rights plan;

• render inapplicable, or make determinations under, provisions of the Pennsylvania Business Corporation Law relating to control transactions, business combinations, control-share acquisitions or disgorgement by certain controlling shareholders following attempts to acquire control; or

• act as the board of directors, a committee of the board or an individual director, solely because of the effect the action might have on an acquisition or potential acquisition of control of the corporation or the consideration that might be offered or paid to shareholders in such an acquisition.

#### DESCRIPTION OF WARRANTS

We may issue, together with other securities or separately, warrants to purchase our Common Stock or preferred stock. We may issue the warrants under warrant agreements to be entered into between us and a bank or trust company, as warrant agent, all as set forth in the applicable prospectus supplement. The warrant agent would act solely as our agent in connection with the warrants of the series being offered and would not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants.



This section, along with the description in the applicable prospectus supplement, is a summary of certain provisions of the forms of warrant agreements and warrant certificates and is not complete. We urge you to read any applicable warrant agreements and warrant certificates, because those documents, and not these descriptions, define your rights as a holder of warrants. We will file copies of the forms of the warrant agreements and warrant certificates as exhibits to the registration statement of which this prospectus is a part or an amendment thereto, or as exhibits to a Current Report on Form 8-K.

The applicable prospectus supplement will describe the following terms, where applicable, of warrants in respect of which this prospectus is being delivered:

- the title of the warrants;
- the designation, amount and terms of the securities for which the warrants are exercisable and the procedures and conditions relating to the exercise of such warrants;
- the designation and terms of the other securities, if any, with which the warrants are to be issued and the number of warrants issued with each such security;
- the price or prices at which the warrants will be issued;
- the aggregate number of warrants;
- any provisions for adjustment of the number or amount of securities receivable upon exercise of the warrants or the exercise price of the warrants;
- the price or prices at which the securities purchasable upon exercise of the warrants may be purchased;
- if applicable, the date on and after which the warrants and the securities purchasable upon exercise of the warrants will be separately transferable;
- if applicable, a discussion of the material U.S. federal income tax considerations applicable to the warrants;
- any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants;
- the date on which the right to exercise the warrants shall commence and the date on which the right shall expire;
- the maximum or minimum number of warrants which may be exercised at any time;
- whether the warrants are to be issued in registered or bearer form;
- whether the warrants are extendible and the period or periods of such extendibility; and
- information with respect to book-entry procedures, if any.

Before exercising their warrants, holders of warrants will not have any of the rights of holders of the securities purchasable upon such exercise, including the right to receive dividends, if any, or payments upon our liquidation, dissolution or winding-up or to exercise voting rights, if any.



Each warrant will entitle the holder thereof to purchase for cash the amount of shares of Common Stock or preferred stock at the exercise price as will in each case be set forth in, or be determinable as set forth in, the applicable prospectus supplement. Warrants may be exercised at any time up to the close of business on the expiration date set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void. Warrants may be exercised as set forth in the applicable prospectus supplement relating to the warrants offered thereby. Upon receipt of payment and the warrant certificate properly completed and duly executed at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement, we will, as soon as practicable, forward the purchased securities. If less than all of the warrants represented by the warrant certificate are exercised, a new warrant certificate will be issued for the remaining warrants.

Each warrant agent will act solely as our agent under the applicable warrant agreement and will not assume any obligation or relationship of agency or trust with any holder of any warrant. A single bank or trust company may act as warrant agent for more than one issue of warrants. A warrant agent will have no duty or responsibility in case of any default by us under the applicable warrant agreement or warrant, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand upon us. Any holder of a warrant may, without the consent of the related warrant agent or the holder of any other warrant, enforce by appropriate legal action its right to exercise, and receive the securities purchasable upon exercise of, that holder's warrant(s).

#### PLAN OF DISTRIBUTION

We may sell the securities being offered hereby, from time to time, by one or more of the following methods, or any combination thereof:

- to or through underwriters or dealers, with or without an underwriting syndicate, for them to offer and sell to the public;
- directly to one or more purchasers in negotiated purchases or in competitively bid transactions;
- through designated agents;
- directly to holders of warrants exercisable for our securities upon the exercise of warrants; or
- through a combination of any of these methods of sale.

Each time that we use this prospectus to sell our securities, we will also provide a prospectus supplement that contains the specific terms of the offering. We will set forth the terms of the offering of securities in a prospectus supplement, including:

- the name or names of any underwriters, dealers, or agents and the type and amounts of securities underwritten or purchased by each of them;
- the public offering price of the securities and the proceeds to us and any discounts, commissions or concessions allowed or reallocated or paid to underwriters or dealers; and
- any delayed delivery arrangements.

The offer and sale of the securities described in this prospectus by us, the underwriters, or the third parties described above may be effected from time to time in one or more transactions, either:



- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- in “at the market offerings,” within the meaning of Rule 415(a)(4) of the Securities Act, to or through a market maker or into an existing trading market, on an exchange, or otherwise;
- at prices related to the prevailing market prices; or
- at negotiated prices.

Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

Unless otherwise specified in the related prospectus supplement, each series of securities will be a new issue with no established trading market, other than shares of our Common Stock, which are listed on NASDAQ. Any Common Stock sold pursuant to a prospectus supplement will be listed on NASDAQ, subject to official notice of issuance. We may elect to list any series of preferred stock on an exchange, but we are not obligated to do so. It is possible that one or more underwriters may make a market in the securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of, or the trading market for, any offered securities.

If underwriters are used in the sale of any securities, the securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The securities may be either offered to the public through underwriting syndicates represented by managing underwriters, or directly by underwriters. Generally, the underwriters’ obligations to purchase the securities will be subject to certain conditions precedent. The underwriters will be obligated to purchase all of the securities if they purchase any of the securities.

If we use dealers in the sale of securities, we will sell securities to such dealers as principals. The dealers may then resell the securities to the public at varying prices to be determined by such dealers at the time of resale. We may solicit offers to purchase the securities directly, and we may sell the securities directly to institutional or other investors, who may be deemed underwriters within the meaning of the Securities Act with respect to any resales of those securities. The terms of these sales will be described in the applicable prospectus supplement. If we use agents in the sale of securities, unless otherwise indicated in the prospectus supplement, they will use their reasonable best efforts to solicit purchases for the period of their appointment. Unless otherwise indicated in a prospectus supplement, if we sell directly, no underwriters, dealers or agents would be involved. We will not make an offer of securities in any jurisdiction that does not permit such an offer.

We may sell the securities through agents from time to time. The prospectus supplement will name any agent involved in the offer or sale of our securities and any commissions we pay to them. Generally, any agent will be acting on a best efforts basis for the period of its appointment.

We may authorize underwriters, dealers, or agents to solicit offers by certain purchasers to purchase our securities at the public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. The contracts will be subject only to those conditions set forth in the prospectus supplement, and the



prospectus supplement will set forth any commissions or discounts we pay for solicitation of these contracts. The maximum compensation to be received by any participating FINRA members will not be greater than eight (8) percent for the sale of any securities being registered.

Agents and underwriters may be entitled to indemnification by us against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments that the agents or underwriters may be required to make in respect thereof. Agents and underwriters may be customers of, engage in transactions with, or perform services for us in the ordinary course of business.

In connection with any offering, the underwriters may purchase and sell securities in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of securities than they are required to purchase in an offering. Stabilizing transactions consist of certain bids or purchases of the offered securities or any underlying securities made for the purpose of preventing or retarding a decline in the market price of the securities while an offering is in progress. These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the securities. As a result, the price of the securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected on an exchange or automated quotation system, if the securities are listed on an exchange or admitted for trading on an automated quotation system, in the over-the-counter market, or otherwise.

We may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates in connection with those derivatives then the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of securities. The third party in such sale transactions will be an underwriter and will be identified in the applicable prospectus supplement (or a post-effective amendment).

#### LEGAL MATTERS

The validity of the securities offered by this prospectus has been passed upon for us by Spidi & Fisch, PC, Washington, D.C.

#### EXPERTS

The consolidated financial statements of Orrstown Financial Services, Inc. and its wholly owned subsidiary, Orrstown Bank, as of December 31, 2011 and 2010, and for each of the years in the three-year period ended December 31, 2011, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2011 have been incorporated by reference herein along with the related independent auditor's reports of Smith Elliott Kearns & Company, LLC, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

\$80,000,000

Orrstown Financial Services, Inc.

Common Stock

Preferred Stock

Warrants

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PROSPECTUS

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\_\_\_\_\_, 2013

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## PART II

## INFORMATION NOT REQUIRED IN THE PROSPECTUS

## Item 14. Other Expenses of Issuance and Distribution

The following table sets forth the estimated expenses in connection with the issuance and distribution of the securities covered by the registration statement of which this prospectus is a part. Orrstown Financial Services, Inc. (the “Registrant”) will bear all of these expenses.

Registration fee under the Securities Act	\$6,316
Legal fees and expenses*	\$75,000
Accounting fees and expenses*	\$50,000
Printing and other miscellaneous fees and expenses*	\$25,000
 Total	 \$156,316

\* Estimated solely for the purpose of this Item. Actual expenses may be more or less.

## Item 15. Indemnification of Officers and Directors

Sections 1741-1743 of the Pennsylvania Business Corporation Law of 1988, as amended (the “BCL”), provide that a business corporation may indemnify directors and officers against liabilities they may incur in such capacities provided certain standards are met, including good faith and the belief that the particular action is in the best interests of the corporation. In general, this power to indemnify does not exist in the case of actions against a director or officer by or in the right of the corporation if the person entitled to indemnification shall have been adjudged to be liable to the corporation unless and only to the extent a court determines that the person is fairly and reasonably entitled to indemnification. A corporation is required to indemnify directors and officers against expenses they may incur in defending actions against them in such capacities if they are successful on the merits or otherwise in the defense of such actions. Section 1746 of the BCL provides that the foregoing provisions shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under, among other things, any by-law provision, provided that no indemnification may be made in any case where the act or failure or act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness. Section 1747 of the BCL authorizes a corporation to purchase insurance for directors and other representatives. The foregoing statement is subject to the detailed provisions of Section 1741-1850 of the BCL.

The bylaws of Orrstown Financial Services, Inc. provide for indemnification of directors and officers to the extent provided in the BCL. In accordance with Section 1713 of the BCL, the bylaws of the Registrant also include a provision that the directors of the Registrant shall not be personally liable for monetary damages such for any action taken, or failure to take any action, unless: (1) the director has breached or failed to perform the duties of his office in good faith, in a manner he reasonably believes to be in the best interests of the company and with such care, including reasonably inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances; and (2) the breach or failure to perform constitute self-dealing, willful misconduct or recklessness. Pursuant to Section 1713 of the BCL, this limitation of personal liability does not apply to (i) the responsibility or liability of a

director pursuant to any criminal statute or (ii) the liability of a director for the payment of taxes pursuant to federal state or local law.

Further, the Registrant may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Registrant or is or was serving at the request of the Registrant as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Registrant would have the power to indemnify him against such liability under the provisions of the Articles of Incorporation.

Item 16. Exhibits

The following exhibits are filed with or incorporated by reference into this registration statement:

Exhibit Number	Description of Document
1.1	Form of Underwriting Agreement(1)
3.1	Articles of Incorporation, as amended(2)
3.2	Bylaws, as amended(3)
3.3	Form of Certificate of Designation for issuance of Preferred Stock(1)
4.1	Form of Common Stock Certificate(4)
4.2	Form of Warrant Agreement (including form of warrant certificate)(1)
5.1	Opinion of Spidi & Fisch, PC(5)
8.1	Opinion of Spidi & Fisch, PC as to Tax Matters(1)
12	Statements Regarding Calculation of Ratios
23.1	Consent of Smith Elliott Kearns & Company, LLC
23.2	Consent of Spidi & Fisch, PC. (contained in its opinion filed as Exhibit 5.1) (5)
24.1	Power of attorney(5)

- (1) To be filed, if necessary, by amendment or as an exhibit to a report filed under the Securities Exchange Act of 1934, as amended and incorporated by reference.
- (2) Incorporated by reference to the Registrant's Current Report on Form 8-K filed January 29, 2010.
- (3) Incorporated by reference to the Registrant's Current Report on Form 8-K filed November 21, 2012.
- (4) Incorporated by reference to the Registrant's Registration Statement on Form S-3 filed February 8, 2010 (File No. 333-164780).

(5) Previously filed.

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Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that Paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed



incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: The undersigned Registrant undertakes that in a primary offering of securities of an undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of an undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the Borough of Shippensburg, Commonwealth of Pennsylvania, on January 4, 2013.

ORRSTOWN FINANCIAL SERVICES, INC.

By: /s/ Thomas R. Quinn, Jr.  
Thomas R. Quinn, Jr.  
President and Chief Executive Officer  
(Duly Authorized Representative)

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to the Registration Statement on Form S-3 has been signed by the following persons in the capacities and on the dates indicated.

*		/s/ Thomas R. Quinn, Jr.
Joel R. Zullinger		Thomas R. Quinn, Jr.
Chairman of the Board and Director		President, Chief Executive Officer and Director
Date: January 4, 2013		(Principal Executive Officer)
		Date: January 4, 2013
		*
Jeffrey W. Coy		David P. Boyle
Vice Chairman of the Board and Director		Executive Vice President and Chief Financial
Date: January 4, 2013		Officer
		(Principal Financial Officer)
		Date: January 4, 2013
		*
Dr. Anthony F. Ceddia, Director		Douglas P. Barton
Date: January 4, 2013		Senior Vice President and Chief Accounting
		Officer
		(Principal Accounting Officer)
		Date: January 4, 2013
		*
Mark Keller, Director		Glenn W. Snoke, Director
Date: January 4, 2013		Date: January 4, 2013
		*
Andrea Pugh, Director		Floyd E. Stoner, Director
Date: January 4, 2013		Date: January 4, 2013
		*
Gregory A. Rosenberry, Director		John S. Ward, Director
Date: January 4, 2013		Date: January 4, 2013
*By:	/s/ Thomas R. Quinn, Jr.	
	Thomas R. Quinn, Jr.	
	Attorney-in-fact	

\* Thomas R. Quinn, Jr., by signing his name hereto, signs this document on behalf of each of the persons indicated by an asterisk above pursuant to powers of attorney duly executed by such persons and previously filed with the Securities and Exchange Commission as part of this registration statement.