

OLD POINT FINANCIAL CORP

Form S-4

December 29, 2017

TABLE OF CONTENTS

As filed with the Securities and Exchange Commission on December 29, 2017

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

OLD POINT FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Virginia	6021	54-1265373
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

1 West Mellen Street
Hampton, Virginia 23663
(757) 728-1200

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Robert F. Shuford, Sr.
Chairman, President and Chief Executive Officer
Old Point Financial Corporation

1 West Mellen Street
Hampton, Virginia 23663
(757) 728-1200

(Name, address, including zip code, and telephone number, including area code of agent for service)

Copies to:

Jacob A. Lutz, III, Esq.	Scott H. Richter, Esq.
Seth A. Winter, Esq.	Benjamin A. McCall, Esq.
Troutman Sanders LLP	Williams Mullen
Troutman Sanders Building	200 S. 10th Street
1001 Haxall Point	Suite 1600
Richmond, Virginia 23219	Richmond, Virginia 23219
(804) 697-1490	(804) 420-6000

Approximate date of commencement of the proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and all other conditions to the proposed merger described herein have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

Edgar Filing: OLD POINT FINANCIAL CORP - Form S-4

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) 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, a smaller reporting company, or emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per unit	Proposed maximum aggregate offering price(2)	Amount of registration fee(3)
Common Stock, \$5.00 par value per share	149,980	N/A	\$ 4,048,442.87	\$ 504.03

(1) Represents the estimated maximum number of shares of common stock of Old Point Financial Corporation (“Old Point”) to be issued pursuant to the Agreement and Plan of Reorganization, dated as of October 27, 2017, by and among Old Point, The Old Point National Bank of Phoebus and Citizens National Bank (“Citizens National”), which is attached to the proxy statement/prospectus as Appendix A, based upon 1,440,727 shares of Citizens National common stock outstanding on December 22, 2017.

(2) Pursuant to Rule 457(f) under the Securities Act of 1933, as amended, and solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price is based on the average of the high and low prices for shares of Citizens National common stock as reported on the OTC Markets Group’s Pink marketplace on December 22, 2017 (\$5.00 per share) multiplied by the maximum number of such shares (1,440,727) that may be exchanged for the securities being registered, minus the estimated amount in cash to be paid by Old Point in the proposed merger (\$3,155,192.13).

(3) Determined in accordance with Section 6(b) of the Securities Act of 1933, as amended, at a rate equal to \$124.50 per \$1,000,000 of the proposed maximum aggregate offering price.

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 Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

TABLE OF CONTENTS

The information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus does not constitute an offer to sell these securities, nor a solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale is not permitted.

PRELIMINARY — SUBJECT TO COMPLETION — DATED DECEMBER 29, 2017

PROPOSED MERGER — YOUR VOTE IS VERY IMPORTANT

Dear Stockholder of Citizens National Bank:

Citizens National Bank (“Citizens National”) has entered into an agreement and plan of reorganization, or merger agreement, with Old Point Financial Corporation (“Old Point”) and its wholly-owned subsidiary, The Old Point National Bank of Phoebus (“Old Point National Bank”), that provides for the merger of Citizens National with and into Old Point National Bank. Old Point National Bank will be the surviving bank in the merger. We are sending you this document to ask you, as a Citizens National stockholder, to approve the merger agreement.

In the merger, each share of Citizens National common stock (except for certain excluded shares) will be converted into the right to receive (i) 0.1041 shares of Old Point common stock and (ii) \$2.19 in cash, with cash paid in lieu of any fractional shares of Old Point common stock. The merger consideration, including the conversion ratio, is fixed and will not be adjusted to reflect any stock price fluctuations prior to completion of the merger. Therefore, at the time of the special meeting Citizens National stockholders will not know the exact market value of the merger consideration to be paid by Old Point when the merger is completed. Based on a volume-weighted average price of \$31.48 for Old Point common stock for the three trading days ended October 27, 2017, the last trading day prior to public announcement of the merger, the merger consideration represented approximately \$5.47 in value for each share of Citizens National common stock, or \$7.9 million on an aggregate basis. The most recent reported closing sale price for Old Point common stock on [•] was \$[•]; based on this closing sale price, the merger consideration represents approximately \$[•] in value for each share of Citizens National common stock, or \$[•] on an aggregate basis. The most recent reported sale price for Citizens National common stock on [•] was \$[•]. Based on the 0.1041 conversion ratio and the number of shares of Citizens National common stock outstanding as of [•], the estimated maximum number of shares of Old Point common stock issuable in the merger is [•]. You are urged to obtain current market quotations for shares of Old Point common stock, which is listed on the NASDAQ Capital Market (trading symbol “OPOF”), and shares of Citizens National common stock (trading symbol “CNBV”), which is quoted on the OTC Markets Group’s Pink marketplace.

Citizens National is holding a special meeting of its stockholders to obtain approval of the merger agreement and related matters as described in the accompanying proxy statement/prospectus. Approval of the merger agreement requires the affirmative vote of at least two-thirds of the outstanding shares of Citizens National common stock. Your vote is very important!

The Citizens National board of directors unanimously determined that the merger is fair to and in the best interests of Citizens National and its stockholders and unanimously approved and adopted the merger agreement. The Citizens National board of directors unanimously recommends that you vote “FOR” approval of the merger agreement.

It is important that your shares are represented at the special meeting, whether or not you plan to attend the special meeting. Abstentions and failures to vote will have the same effect as votes against the merger proposal. Please take the time to vote by completing, signing, dating and returning the enclosed proxy card or vote by accessing the Internet site or calling the telephone number listed on your proxy card.

This proxy statement/prospectus describes the Citizens National special meeting, the merger, the documents related to the merger, and other related matters. Please carefully read this proxy statement/prospectus, including the information in the “Risk Factors” section beginning on page 20.

Thank you for your support.

[•]

Jeffrey H. Noblin

President and Chief Executive Officer

Citizens National Bank

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities to be issued under this proxy statement/prospectus, or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares of Old Point common stock to be issued in the merger are not savings or deposit accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This proxy statement/prospectus is dated [•], 201[•] and is first being mailed to stockholders of Citizens National on or about [•], 201[•].

TABLE OF CONTENTS

CITIZENS NATIONAL BANK

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To be held on [•], 2018

Notice is hereby given that on [•], 2018, Citizens National Bank, Windsor, Virginia (“Citizens National”), will hold a special meeting of stockholders at 4:00 p.m., local time, at Citizens National’s main office located at 11407 Windsor Boulevard, Windsor, Virginia 23487 to consider and vote on the following matters:

- (1)
a proposal to approve the Agreement and Plan of Reorganization, dated as of October 27, 2017, by and among Old Point Financial Corporation, The Old Point National Bank of Phoebus, Hampton, Virginia, and Citizens National, as such agreement may be amended from time to time (the “merger proposal”);
- (2)
a proposal granting the Citizens National board of directors the right to adjourn, postpone or continue the special meeting, on one or more occasions, if necessary or appropriate, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to approve the merger proposal (the “adjournment proposal”); and
- (3)
to transact such other business as may properly come before the special meeting or any adjournment, postponement or continuance of the special meeting.

The Citizens National board of directors has fixed the close of business on [•], 201[•] as the record date for the special meeting. Only Citizens National stockholders of record at that time are entitled to notice of, and to vote at, the special meeting or any adjournment, postponement or continuance of the special meeting. Approval of the merger agreement requires the affirmative vote of the holders of at least two-thirds of the outstanding shares of Citizens National common stock entitled to vote at the special meeting.

You are entitled to dissent to the merger and receive payment for your shares under 12 U.S.C. § 215a. Any stockholder who wishes to exercise dissenters’ appraisal rights must strictly comply with the procedures set forth in 12 U.S.C. § 215a, a copy of which is included as Appendix C to the proxy statement/prospectus. A description of these procedures is included in the section entitled “The Merger — Dissenters’ Appraisal Rights” in the accompanying proxy statement/prospectus.

The Citizens National board of directors unanimously recommends that you vote “FOR” the merger proposal and “FOR” the adjournment proposal.

Please promptly vote by completing, signing, dating and returning the enclosed proxy card or by accessing the Internet site or calling the telephone number listed on your proxy card, whether or not you plan to attend the special meeting. If you attend the meeting in person, you may revoke your proxy card or prior vote and vote your shares in person.

By Order of the Board of Directors,

[•]

Jeffrey H. Noblin
President and Chief Executive Officer
Citizens National Bank

TABLE OF CONTENTS

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Old Point from documents that are not included in or delivered with this proxy statement/prospectus. For a listing of documents incorporated by reference, see “Where You Can Find More Information” on page 90.

You can obtain documents incorporated by reference in this proxy statement/prospectus free of charge through the Securities and Exchange Commission (“SEC”) website (<http://www.sec.gov>), through the Old Point website (www.oldpoint.com), or by requesting them in writing or by telephone from Old Point at the following address or phone number, respectively:

Investor Relations

Old Point Financial Corporation

1 West Mellen Street

Hampton, Virginia 23663

(757) 728-1428

You will not be charged for any of these documents that you request. Stockholders of Citizens National requesting documents should do so by [•], 201[•] in order to receive them before the special meeting.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated [•], 201[•], and you should assume that the information in this proxy statement/prospectus is accurate only as of such date. You should assume that the information incorporated into this proxy statement/prospectus by reference to another document is accurate only as of the date of such other document. Neither the mailing of this proxy statement/prospectus to Citizens National stockholders nor the issuance by Old Point of shares of Old Point common stock in connection with the merger will create any implication to the contrary.

Information on the websites of Old Point (or any of its subsidiaries) or Citizens National is not a part of this proxy statement/prospectus. You should not rely on that information in deciding how to vote.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this proxy statement/prospectus regarding Citizens National has been provided by Citizens National and information contained in this proxy statement/prospectus regarding Old Point has been provided by Old Point.

See “Where You Can Find More Information” on page 90.

In this proxy statement/prospectus, unless the context requires otherwise or unless otherwise noted:

- all references to “Old Point” are to Old Point Financial Corporation;
- all references to “Old Point National Bank” are to The Old Point National Bank of Phoebus, Hampton, Virginia;
- all references to “Old Point Trust” are to Old Point Trust & Financial Services, N.A.;
- all references to “Citizens National” are to Citizens National Bank, Windsor, Virginia;
- all references to the “merger” are to the merger of Citizens National with and into Old Point National Bank, with Old Point National Bank being the surviving bank in the merger;
-

all references to the “merger agreement” are to the Agreement and Plan of Reorganization, dated as of October 27, 2017, by and among Old Point, Old Point National Bank and Citizens National, a copy of which is attached as Appendix A to this proxy statement/prospectus;

•

all references to the “Citizens National special meeting” and the “special meeting” are to the special meeting of Citizens National stockholders;

TABLE OF CONTENTS

- all references to the “merger proposal” are to Citizens National’s proposal to approve the merger agreement; and

 - all references to the “adjournment proposal” are to Citizens National’s proposal to adjourn the special meeting, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the merger proposal.
-

TABLE OF CONTENTS
TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING</u>	1
<u>SUMMARY</u>	6
<u>SELECTED HISTORICAL FINANCIAL DATA OF OLD POINT</u>	16
<u>SELECTED HISTORICAL FINANCIAL DATA OF CITIZENS NATIONAL</u>	18
<u>RISK FACTORS</u>	20
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	26
<u>PRICE RANGE OF COMMON STOCK AND DIVIDENDS</u>	28
<u>THE CITIZENS NATIONAL SPECIAL MEETING</u>	31
<u>Matters to Be Considered</u>	31
<u>Other Business</u>	31
<u>Proxies</u>	31
<u>Solicitation of Proxies</u>	32
<u>Record Date</u>	32
<u>Quorum and Voting Rights</u>	32
<u>Attending the Special Meeting</u>	33
<u>Dissenters' Appraisal Rights</u>	33
<u>PROPOSALS TO BE CONSIDERED AT THE CITIZENS NATIONAL SPECIAL MEETING</u>	33
<u>Approval of the Merger Proposal (Proposal No. 1)</u>	33
<u>Approval of the Adjournment Proposal (Proposal No. 2)</u>	33
<u>THE MERGER</u>	35
<u>General Information</u>	35
<u>Background of the Merger</u>	35
<u>Citizens National's Reasons for the Merger; Recommendation of Citizens National's Board of Directors</u>	39
<u>Old Point's Reasons for the Merger</u>	41
<u>Opinion of Citizens National's Financial Advisor</u>	42
<u>Certain Citizens National Unaudited Prospective Financial Information</u>	47
<u>Old Point's Board of Directors and Management Following Completion of the Merger</u>	49
<u>Public Trading Markets</u>	49
<u>Dissenters' Appraisal Rights</u>	49
<u>Interests of Certain Citizens National Directors and Executive Officers in the Merger</u>	50
<u>Resales of Old Point Common Stock</u>	52
<u>Regulatory Approvals</u>	52
<u>Accounting Treatment</u>	53
<u>THE MERGER AGREEMENT</u>	54
<u>Structure of the Merger</u>	54
<u>Merger Consideration</u>	54
<u>Treatment of Citizens National Stock Options and Stock Warrants</u>	55
<u>Effective Date; Closing</u>	55

TABLE OF CONTENTS

	Page
<u>Exchange of Citizens National Common Stock in the Merger</u>	<u>55</u>
<u>No Effect on Outstanding Old Point or Old Point National Bank Stock</u>	<u>56</u>
<u>Corporate Governance</u>	<u>56</u>
<u>Representations and Warranties</u>	<u>56</u>
<u>Conditions to Completion of the Merger</u>	<u>58</u>
<u>Business Pending the Merger</u>	<u>59</u>
<u>Stockholder Meetings and Recommendation of Boards of Directors</u>	<u>62</u>
<u>No Solicitation</u>	<u>63</u>
<u>Termination of the Merger Agreement</u>	<u>64</u>
<u>Effect of Termination; Termination Fee</u>	<u>65</u>
<u>Indemnification and Insurance</u>	<u>66</u>
<u>Expenses</u>	<u>66</u>
<u>Waiver and Amendment</u>	<u>66</u>
<u>Support and Non-Competition Agreements</u>	<u>66</u>
<u>Warrant Cancellation Agreements</u>	<u>68</u>
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	<u>69</u>
<u>INFORMATION ABOUT CITIZENS NATIONAL</u>	<u>73</u>
<u>INFORMATION ABOUT OLD POINT</u>	<u>74</u>
<u>DESCRIPTION OF OLD POINT CAPITAL STOCK</u>	<u>75</u>
<u>COMPARATIVE RIGHTS OF STOCKHOLDERS</u>	<u>76</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF OLD POINT</u>	<u>84</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF CITIZENS NATIONAL</u>	<u>87</u>
<u>LEGAL MATTERS</u>	<u>89</u>
<u>INDEPENDENT AUDITORS</u>	<u>89</u>
<u>FUTURE STOCKHOLDER PROPOSALS</u>	<u>89</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>90</u>
<u>APPENDIX A: Agreement and Plan of Reorganization, dated October 27, 2017, by and among Old Point Financial Corporation, The Old Point National Bank of Phoebus and Citizens National Bank</u>	<u>A-1</u>
<u>APPENDIX B: Opinion of Performance Trust Capital Partners, LLC</u>	<u>B-1</u>
<u>APPENDIX C: Dissenters' Rights Provisions of the National Bank Act (12 U.S.C. §215a)</u>	<u>C-1</u>

TABLE OF CONTENTS

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING