

CADENCE FINANCIAL CORP  
Form S-4/A  
August 22, 2006  
Table of Contents

Index to Financial Statements

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

WASHINGTON, D.C. 20549

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**AMENDMENT NO. 1**

**TO**

**FORM S-4**

**REGISTRATION STATEMENT**

*UNDER*

*THE SECURITIES ACT OF 1933*

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**CADENCE FINANCIAL CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

**MISSISSIPPI**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**6021**  
(Primary Standard Industrial  
Classification No.)  
**301 EAST MAIN STREET**

**64-0684755**  
(I.R.S. Employer  
Identification Number)

**STARKVILLE, MISSISSIPPI 39759**

**(662) 343-1341**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Office(s))

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**Lewis F. Mallory, Jr.**

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Chairman of the Board and Chief Executive Officer

301 East Main St.

Starkville, Mississippi 39759

(662) 343-1341

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

---

*Copies to:*

**Mark L. Jones**

**Adams and Reese LLP**

**1221 McKinney, Suite 4400**

**Houston, Texas 70139**

**(713) 652-5151**

**Kathryn L. Knudson**

**Powell Goldstein LLP**

**One Atlantic Center-14th Floor**

**1201 W. Peachtree St. NW**

**Atlanta, Georgia 30309**

**(404) 572-6600**

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**Approximate Date of Commencement of Proposed Sale to the Public:**

**Upon the merger of Seasons Bancshares, Inc. with and into the Registrant**

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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. "

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. "

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**Calculation of Registration Fee**

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered (1)</b>	<b>Proposed maximum aggregate offering price (2)</b>	<b>Amount of registration fee (3)</b>
Common Stock, Par value \$1.00 per share	610,000	\$ 4,617,700	\$ 495.00

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- (1) Represents the maximum number of shares of Cadence Financial Corporation common stock estimated to be issuable upon consummation of the merger described herein.
- (2) Pursuant to Rule 457(f) of the Securities Act of 1933, as amended, the registration fee is based on the book value of Seasons Bancshares, Inc. common stock as of June 30, 2006 and the number of Seasons Bancshares, Inc. common stock to be received by Cadence Financial Corporation in the merger, reduced by the cash to be paid to the holders of Seasons Bancshares, Inc. common stock by Cadence Financial Corporation as part of the merger consideration.
- (3) Fee previously paid.

**This Registration Statement shall hereafter become effective with the provisions of Section 8(a) of the Securities Act of 1933, as amended.**

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**Table of Contents**

**Index to Financial Statements**

**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction in which the offer or sale is not permitted.**

**PRELIMINARY SUBJECT TO COMPLETION, DATED AUGUST 22, 2006**

**Seasons Bancshares, Inc.**

**PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT**

To Seasons Shareholders:

I am writing to you today about our proposed merger with Cadence Financial Corporation. The boards of directors of Cadence Financial Corporation and Seasons Bancshares, Inc. have each agreed to a merger that will result in Seasons merging with and into Cadence. At or about the same time, Seasons Bank, the wholly-owned subsidiary of Seasons, will be merged with and into Cadence Bank, N.A., a national bank and wholly-owned subsidiary of Cadence.

You will be asked to vote on the merger at a special meeting of shareholders to be held on September 26, 2006 at 10:00 a.m., local time, at Seasons' main office located at 336 Blue Ridge Street, Blairsville, Georgia 30512. We cannot complete the merger unless the holders of a majority of the shares of Seasons common stock outstanding on August 25, 2006, the record date for the special meeting, vote in favor of approval and adoption of the merger agreement. A copy of the merger agreement is attached as Appendix A to this proxy statement/prospectus. We urge you to read this proxy statement/prospectus carefully and in its entirety. Your board of directors recommends that you vote FOR the approval and adoption of the merger agreement.

Subject to certain exceptions described in this proxy statement/prospectus, if the merger is completed, then you will receive, for each Seasons share that you own, either \$18.83 in cash or a to-be-determined number of shares of Cadence common stock with a market value, measured as of a 10-day trading period ending on the third full trading day preceding the closing of the merger, equal to \$18.83, subject to certain limitations described in the merger agreement. For purposes of illustration only, if the merger had occurred on July 12, 2006, the exchange ratio for each share of Seasons common stock would have been .884 shares of Cadence common stock, having a value of \$21.31 based on the average closing price of Cadence common stock over the trading period. We encourage you to obtain current market quotations for Cadence common stock, which is traded on the American Stock Exchange under the ticker symbol NBY.

You may elect to receive Cadence common stock, cash or a combination of stock and cash for your Seasons shares, subject to proration, whereby holders of Seasons common stock and Seasons stock options shall collectively receive, in the aggregate, merger consideration in the form of cash approximately equal to \$9,900,000. Because elections are subject to proration, you may receive some stock, rather than cash, even though you make an all-cash election, and you may receive some cash, rather than stock, even though you make an all-stock election. The federal income taxes payable by you will depend upon the value of and form of consideration you receive in exchange for your shares of Seasons common stock. You will receive a separate mailing that will contain instructions regarding your election.

Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card using the enclosed envelope. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote in favor of the merger. If you fail to return your proxy card or do not vote in person at the meeting, the effect will be the same as a vote against the merger.

**You should read this entire proxy statement/prospectus carefully because it contains important information about the merger. In particular, you should carefully read the information under the section entitled Risk Factors beginning on page 14.**

We very much appreciate and look forward to your support.

Sincerely,

William L. Sutton

*Chief Executive Officer*

*Seasons Bancshares, Inc.*

Robert M. Thomas, Jr.

*Chairman of the Board*

*Seasons Bancshares, Inc.*

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**Neither the Securities and Exchange Commission nor any state securities commission or other regulatory agency has approved or disapproved of the merger or the securities to be issued in connection with the merger or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**The shares of Cadence common stock to be issued in the merger are not savings accounts, deposit accounts or other obligations of any bank or non-bank subsidiary of any of the parties and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Bank Insurance Fund, or any other governmental agency.**

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**This proxy statement/prospectus is dated August 22, 2006, and it is first being mailed or otherwise delivered to Seasons shareholders on or about August 28, 2006.**

**Table of Contents**

**Index to Financial Statements**

**PLEASE NOTE**

This document, which is sometimes referred to as a proxy statement/prospectus, constitutes a proxy statement of Seasons Bancshares, Inc. with respect to the solicitation of proxies from Seasons shareholders for the special meeting described herein and a prospectus of Cadence Financial Corporation for the shares of Cadence common stock that Cadence will issue to Seasons shareholders in connection with the merger.

We have not authorized anyone to provide you with any information other than the information included in this proxy statement/prospectus and the documents we refer to herein. If someone provides you with other information, please do not rely on it.

This proxy statement/prospectus has been prepared as of the date on the cover page. There may be changes in the affairs of Cadence or Seasons after that date that are not reflected in this proxy statement/prospectus.

As used in this proxy statement/prospectus: (i) the terms Cadence and Seasons refer to Cadence Financial Corporation and Seasons Bancshares, Inc., respectively, and, where the context requires, to Cadence and Seasons and their respective subsidiaries, including Cadence Bank, N.A. and Seasons Bank; and (ii) the term merger agreement refers to the merger agreement which governs the merger of Seasons with and into Cadence, dated as of March 21, 2006.

**HOW TO OBTAIN ADDITIONAL INFORMATION**

As permitted under the rules of the Securities and Exchange Commission (the SEC), this proxy statement/prospectus incorporates important business and financial information about Cadence that is contained in documents filed with the SEC and that is not included in, or delivered with, this proxy statement/prospectus. See the section entitled Incorporation of Certain Documents by Reference at page 93. You may obtain copies of these documents without charge from the website maintained by the SEC at [www.sec.gov](http://www.sec.gov) as well as from other sources. You may also obtain copies of these documents, without charge, by writing or calling:

**Cadence Financial Corporation**

P.O. Box 1187

Starkville, Mississippi 39760

(662) 343-1341

Attention: Richard T. Haston

*You will not be charged for any of these documents that you request. Shareholders requesting documents should do so by September 18, 2006 in order to receive them before the special meeting.*

**The descriptions of the merger agreement in this proxy statement/prospectus have been included to provide you with information regarding its terms. The merger agreement contains representations and warranties made by and to the parties thereto as of specific dates. The statements embodied in those representations and warranties were made for purposes of the contracts between the respective parties and are subject to qualifications and limitations agreed by the respective parties in connection with negotiating the terms of the merger agreement. In addition, certain representations and warranties were made as of a specified date, may be subject to a contractual standard of materiality different from those generally applicable to shareholders, or may have been used for the purpose of allocating the risk between the respective parties rather than establishing matters as facts.**

**Table of Contents**

**Index to Financial Statements**

**Seasons Bancshares, Inc.**

**336 Blue Ridge Street**

**Blairsville, Georgia 30512**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that a special meeting of shareholders of Seasons Bancshares, Inc. will be held at Seasons main office located at 336 Blue Ridge Street, Blairsville, Georgia 30512 on September 26, 2006 at 10:00 am, local time, for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the agreement and plan of merger between Cadence Financial Corporation and Seasons Bancshares, Inc., dated March 21, 2006, pursuant to which Cadence will acquire Seasons through the merger of Seasons with and into Cadence. A copy of the merger agreement is attached to the accompanying proxy statement/prospectus as Appendix A.
2. To transact such other business as may properly come before the special meeting or any adjournments or postponements of the special meeting, including, without limitation, a motion to adjourn or postpone the special meeting to allow more time for soliciting additional votes to approve and adopt the merger agreement.

Only shareholders of record at the close of business on August 25, 2006 are entitled to notice of, and to vote at, the special meeting or any adjournment or postponement of the special meeting. Approval of the merger agreement requires the affirmative vote of at least a majority of all of the votes entitled to be cast at the special meeting.

**Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions. To submit your proxy by mail, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed envelope.**

**Your board of directors has unanimously approved the merger agreement and recommends that you vote FOR adoption of the merger agreement.**

By Order of the Board of Directors,

William L. Sutton, CEO  
August 28, 2006

Robert M. Thomas, Jr., Chairman

**Table of Contents**

**Index to Financial Statements**

**TABLE OF CONTENTS**

<u>QUESTIONS AND ANSWERS</u>	iv
<u>SUMMARY</u>	1
<u>The Parties</u>	1
<u>The Merger</u>	2
<u>Selected Consolidated Historical Financial Data of Cadence</u>	7
<u>Selected Consolidated Financial Information of Seasons</u>	10
<u>Selected Consolidated Unaudited Pro Forma Financial Data</u>	11
<u>Comparative Per Share Data</u>	12
<u>Comparative Market Price and Dividend Information</u>	13
<u>RISK FACTORS</u>	14
<u>Risks Related to the Merger</u>	14
<u>Risks Related to Cadence's Business</u>	16
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	21
<u>SEASONS SPECIAL SHAREHOLDERS MEETING</u>	22
<u>Date, Time and Place</u>	22
<u>Matters to be Considered at the Meeting</u>	22
<u>Record Date; Shares Outstanding; Quorum</u>	22
<u>Vote Required</u>	22
<u>Voting of Proxies</u>	22
<u>Effect of Abstentions and Broker Non-Votes</u>	22
<u>Revocability of Proxies</u>	23
<u>Solicitation of Proxies</u>	23
<u>INFORMATION ABOUT CADENCE</u>	24
<u>Recent Developments</u>	25
<u>INFORMATION ABOUT SEASONS BANCSHARES, INC.</u>	26
<u>Business</u>	26
<u>Recent Developments</u>	29
<u>Supervision &amp; Regulation</u>	29
<u>Seasons Bancshares, Inc.</u>	30
<u>Seasons Bank</u>	32
<u>Capital Adequacy</u>	34
<u>Payment of Dividends</u>	35
<u>Restrictions on Transactions with Affiliates</u>	35
<u>Privacy</u>	36
<u>Anti-Terrorism and Money Laundering Legislation</u>	36
<u>Federal Deposit Insurance Reform</u>	36
<u>Proposed Legislation and Regulatory Action</u>	37
<u>Effect of Governmental Monetary Policies</u>	37
<u>Description of Property</u>	37
<u>Legal Proceedings</u>	37
<u>Market for Common Equity, Related Shareholder Matters and Small Business Purchases of Equity Securities</u>	37
<u>Management's Discussion and Analysis</u>	38
<u>Critical Accounting Policies</u>	38
<u>Liquidity and Capital Resources</u>	38
<u>Off-Balance Sheet Arrangements</u>	39
<u>Financial Condition as of June 30, 2006</u>	39
<u>Results of Operations for the Three and Six Months Ended June 30, 2006 and 2005</u>	39
<u>Financial Condition as of December 31, 2005 and 2004</u>	42
<u>Overview</u>	42





**Table of Contents**

**Index to Financial Statements**

<u>Interest-Earning Assets</u>	42
<u>Loans</u>	42
<u>Maturities and Sensitivities of Loans to Changes in Interest Rates</u>	43
<u>Allowance for Loan Losses</u>	43
<u>Summary of Loan Loss Experience</u>	45
<u>Securities</u>	45
<u>Maturities</u>	46
<u>Interest-Bearing Liabilities</u>	46
<u>Deposits</u>	46
<u>Return on Assets and Stockholders' Equity</u>	47
<u>Asset/Liability Management</u>	47
<u>Results of Operations for the Years Ended December 31, 2005 and 2004</u>	49
<u>Net Interest Income</u>	49
<u>Rate and Volume Analysis of Interest Income and Interest Expense</u>	51
<u>Provision for Loan Losses, Net Charge-offs and Allowance for Loan Losses</u>	51
<u>Noninterest Income</u>	52
<u>Noninterest Expense</u>	52
<u>Income Tax</u>	52
<u>Effects of Inflation and Changing Prices</u>	52
<b><u>THE MERGER</u></b>	53
<u>General</u>	53
<u>Background of the Merger</u>	53
<u>Reasons for the Merger</u>	54
<u>Seasons' Reasons For The Merger</u>	54
<u>Recommendation of Seasons' Board of Directors</u>	55
<u>Opinion of SunTrust Robinson Humphrey</u>	55
<u>Cadence's Reasons For The Merger</u>	62
<u>What You Will Receive</u>	63
<u>Election and Exchange Procedures</u>	64
<u>Allocation of Cadence Common Stock and Cash</u>	65
<u>Effective Date</u>	66
<u>Statutory Provisions For Dissenter's Rights of Shareholders</u>	66
<u>Representations and Warranties</u>	68
<u>Conduct of Business Pending the Merger</u>	68
<u>No Solicitation of Other Transactions</u>	69
<u>Dividends</u>	70
<u>Conditions to the Merger</u>	70
<u>Subsidiary Bank Merger</u>	71
<u>Regulatory Approvals</u>	71
<u>Amendment: Waiver</u>	72
<u>Termination</u>	72
<u>Termination Fee</u>	73
<u>Expenses</u>	74
<u>Management and Operations After the Merger</u>	74
<u>Options</u>	74
<u>Interests of Management and Others in the Merger</u>	74
<u>Accounting Treatment</u>	75
<u>Federal Income Tax Consequences</u>	75
<u>Resale of Cadence Common Stock</u>	78
<u>Material Contracts</u>	78
<u>No Fractional Shares</u>	78

**Table of Contents**

**Index to Financial Statements**

<u>DESCRIPTION OF CADENCE FINANCIAL CORPORATION CAPITAL STOCK</u>	79
<u>General</u>	79
<u>Common Stock</u>	79
<u>COMPARISON OF SHAREHOLDERS' RIGHTS</u>	80
<u>General</u>	80
<u>Authorized Capital</u>	80
<u>Number and Election of Directors</u>	80
<u>Voting Rights</u>	80
<u>Vacancies and Removal</u>	81
<u>Indemnification of Directors and Officers</u>	81
<u>Ability to Call Special Meetings and Act by Written Consent</u>	81
<u>Preemptive Rights</u>	82
<u>CERTAIN ANTI-TAKEOVER PROVISIONS</u>	82
<u>General</u>	82
<u>Classification of Board of Directors: No Cumulative Voting</u>	82
<u>Size of Board; Vacancies; Removal of Directors</u>	82
<u>Amendment of Certificate of Incorporation and Bylaws</u>	82
<u>Business Combination Statutes and Provisions</u>	83
<u>UNAUDITED PRO FORMA FINANCIAL INFORMATION</u>	84
<u>Notes to Unaudited Pro Forma Combined Financial Information</u>	91
<u>Note 1 Basis of Pro Forma Presentation</u>	91
<u>EXPERTS</u>	92
<u>LEGAL MATTERS</u>	92
<u>SHAREHOLDER PROPOSALS FOR NEXT YEAR</u>	92
<u>OTHER MATTERS</u>	92
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	93
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	93
<u>SEASONS BANCSHARES, INC. AND SUBSIDIARY INDEX TO FINANCIAL STATEMENTS</u>	F-1
<u>APPENDIX A: AGREEMENT AND PLAN OF MERGER</u>	A-1
<u>APPENDIX B: GEORGIA DISSENTERS' RIGHTS STATUTES</u>	B-1
<u>APPENDIX C: OPINION OF SUNTRUST ROBINSON HUMPHREY</u>	C-1

Table of Contents

Index to Financial Statements

**QUESTIONS AND ANSWERS**

**Q: What am I being asked to vote on?**

A: You are being asked to vote on the agreement and plan of merger by and between Cadence and Seasons, dated as of March 21, 2006, which provides for the merger of Seasons with and into Cadence, with Cadence as the surviving corporation in the merger. At the effective time of the merger agreement, Seasons will be merged with and into Cadence, and simultaneously therewith, Seasons Bank, Seasons wholly owned bank subsidiary, will be merged with and into Cadence Bank, Cadence's wholly owned bank subsidiary.

**Q: Why are Seasons and Cadence proposing to merge?**

A: The board of directors of each of Cadence and Seasons believes that a combination of the two companies is in the best interests of its respective company. From Seasons' perspective, the Seasons board of directors believes that the merger presents a more favorable opportunity for Seasons to maximize value for its shareholders than Seasons continuing to operate on a stand-alone basis. See *The Merger Reasons for the Merger: Seasons' Reasons for the Merger* beginning on page 54 and *The Merger Reasons for the Merger: Cadence's Reasons for the Merger* beginning on page 62.

**Q: How does my board of directors recommend I vote on the proposal?**

A: Your board of directors unanimously recommends that you vote **FOR** the proposal to approve the merger agreement.

**Q: What will I receive in the merger?**

A: If the merger agreement is approved and the merger is subsequently completed, you may elect to receive, for each share of Seasons common stock that you own, either shares of Cadence common stock or \$18.83 in cash. If you elect to receive shares of Cadence common stock, you will receive a number of shares of Cadence common stock equal to \$18.83 divided by the average closing market price of Cadence common stock for the full ten trading days ending on the third full trading day preceding the closing of the merger, subject to certain limitations in the merger agreement. You may elect to receive all cash, all Cadence common stock, or a combination of cash and Cadence common stock for your shares of Seasons common stock, subject to allocation procedures designed to ensure that holders of Seasons common stock and options to acquire Seasons common stock will collectively receive cash consideration in the amount of \$9,900,000.

**Q: How do I make an election for the type of merger consideration I will receive?**

A: You will be mailed an election form on which you will indicate the form of merger consideration you wish to receive for your Seasons common stock. *Please retain this proxy statement/prospectus in connection with making your election to receive cash, Cadence common stock, or a combination of cash and Cadence common stock for your shares of Seasons common stock.* Your election form must be received no later than 5:00 p.m., Central time, on October 18, 2006 (which we refer to as the election deadline), to return the completed and signed election form, together with the certificates that represent your shares of Seasons common stock.

**Q: Can I change or revoke my election?**

A: Yes. You may change your election at any time prior to the election deadline by submitting to Computershare Shareholder Services, Inc. ( Computershare ), the exchange agent, a properly completed and signed revised election form. You may revoke your election and withdraw your stock certificates deposited with the exchange agent by submitting written notice to Computershare prior to the election deadline. If you instructed a bank, broker or other financial institution to submit an election for your shares, you must follow their directions for changing or revoking those instructions.

**Table of Contents**

**Index to Financial Statements**

**Q: Should I send in my stock certificates now?**

A: No. You should not send in your stock certificates at this time. Along with the election form, you will receive a letter of transmittal with instructions for you to send in your stock certificate(s) along with your election form to Computershare Trust Company prior to the election deadline. You will receive the merger consideration as soon as reasonably practicable after completion of the merger. If the merger agreement is terminated and the merger does not occur, your election will be revoked automatically and the exchange agent will promptly return your stock certificate(s) to you.

**Q: What are the tax consequences of the merger to me?**

A: For United States federal income tax purposes, if you are a shareholder of Seasons common stock you generally will not recognize gain or loss with respect to your shares of Seasons common stock if you receive only shares of Cadence common stock in the merger, except with respect to any cash received in lieu of a fractional share interest in Cadence common stock.

If you receive a combination of cash and shares of Cadence common stock in exchange for your shares of Seasons common stock, you will generally recognize gain, but not loss, with respect to the excess of the cash and value of Cadence common stock you receive over your tax basis in your shares of Seasons common stock exchanged, but in any case not in excess of the amount of cash you receive in the merger.

If you receive solely cash in exchange for your shares of Seasons common stock, then you will generally recognize gain or loss in an amount equal to the difference between the amount of cash you receive and the tax basis in your shares of Seasons common stock.

Due to the potential varying tax recognition, basis and holding period consequences which will be governed by your individual consequences, we urge you to consult with your tax advisor to fully understand the tax consequences to you. Additionally, the generalizations set forth above may not apply to all shareholders.

**Q: Who is entitled to vote at the Seasons special meeting?**

A: Seasons shareholders of record at the close of business on August 25, 2006, the record date for the special meeting, are entitled to receive notice of and to vote on the approval of the merger agreement at the special meeting and any adjournments or postponements of the special meeting. However, a Seasons shareholder may only vote his or her shares if he or she is either present in person or represented by proxy at the Seasons special meeting.

**Q: How many votes do I have?**

A: Each share of common stock that you own as of the record date entitles you to one vote. On August 25, 2006, there were 1,032,890 outstanding shares of Seasons common stock. As of the record date, Seasons directors and executive officers and their affiliates beneficially owned approximately 25.5% of the outstanding shares of Seasons common stock.

**Q: How many votes are needed to approve the merger?**

A: A majority of the outstanding shares of common stock must vote in favor of the merger agreement in order for the merger to be approved.

**Q: How do I vote?**

A: After you have carefully read this proxy statement/prospectus, indicate on your proxy card how you want your shares to be voted, then sign, date and mail it in the enclosed postage-paid envelope as soon as possible so that your shares may be represented and voted at the special meeting. If you are a record owner of shares

v

**Table of Contents**

**Index to Financial Statements**

of Seasons common stock on the record date for the special meeting, you may attend the special meeting in person and vote, whether or not you have signed and mailed your proxy card. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy card will be counted as a vote against the merger. If you do not send in your proxy card or if you send it in but indicate that you abstain from voting, it will have the effect of a vote against the merger.

**Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?**

A: No. *Your broker will vote your shares only if you provide instructions on how to vote.* You should follow the directions provided by your broker. Your failure to instruct your broker how to vote your shares with respect to the merger will be the equivalent of voting against the merger.

**Q: Can I change my vote after I have mailed my signed proxy card?**

A: Yes. There are three ways for you to revoke your proxy and change your vote. First, you may send to the Secretary of Seasons a later-dated, signed proxy card before the Seasons special meeting. Second, you may attend Seasons special meeting in person and vote. Third, you may revoke any proxy by written notice to the Secretary of Seasons prior to Seasons special meeting. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change your vote.

**Q: Do I have dissenter's rights in connection with the merger?**

A: Yes. Under Georgia law, Seasons shareholders have the right to exercise dissenter's rights with respect to the merger and receive a payment in cash for the value of their shares of Seasons common stock, as determined by an appraisal process. This value may be less than the value of the consideration you would receive in the merger if you do not exercise dissenter's rights. To perfect your dissenter's rights, you must precisely follow the required statutory procedures. See *The Merger-Statutory Provisions for Dissenter's Rights of Shareholders* at page 66 and the information attached at Appendix B.

**Q: When do you expect to complete the merger?**

A: We are working towards completing the merger as quickly as possible and currently expect that the merger will be completed during the fourth quarter of 2006.

**Q: Whom should I call with questions or to obtain additional copies of this proxy statement/prospectus?**

A: You should call either of the following:

**Cadence Financial Corporation**  
P.O. Box 1187

Starkville, Mississippi 39760

**Seasons Bancshares, Inc.**  
336 Blue Ridge Street

Blairsville, Georgia



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(662) 343-1341

(706) 745-5588

Attention: Richard T. Haston

Attention: William L. Sutton

vi

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**Table of Contents**

**Index to Financial Statements**

**SUMMARY**

*This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that may be important to you. We urge you to carefully read this entire proxy statement/prospectus, its appendices and the other documents to which we have referred you for a more complete understanding of the merger. You may obtain the information about Cadence that is incorporated by reference in this proxy statement/prospectus without charge by following the instructions in the section entitled "Where You Can Find More Information" on page 93. Each item in this summary includes a page reference directing you to a more complete description of that item. In addition, the merger agreement is attached as Appendix A to this proxy statement/prospectus and is incorporated into this proxy statement/prospectus by reference. Unless the context requires otherwise, the terms we, our, and us refer to Cadence and Seasons together.*

**The Parties**

**Information About Cadence (Page 24)**

Cadence is a financial holding company, organized under the laws of the State of Mississippi and headquartered in Starkville, Mississippi. Cadence's operations are primarily conducted through its wholly owned subsidiary Cadence Bank, N.A., a national bank ( Cadence Bank ), and its 30 full service bank facilities located in Mississippi, Alabama and Tennessee. In addition, Cadence recently completed its acquisition of SunCoast Bancorp, Inc. ( SunCoast ) and its subsidiary bank SunCoast Bank, which has three locations in the Sarasota, Florida area. Through Cadence Bank, Cadence offers a range of lending services, including real estate, commercial and consumer loans, to individuals, small- and medium-sized businesses and other organizations located throughout its markets. Cadence complements its lending operations with an array of retail and commercial deposit products and fee-based services to support its clients. Some of these services are provided by two of Cadence's wholly owned subsidiaries Galloway-Chandler-McKinney Insurance Agency, Inc. and NBC Insurance Services of Alabama. Cadence's third subsidiary, NBC Service Corporation, also has a wholly owned subsidiary named Commerce National Insurance Company.

As of June 30, 2006, Cadence had consolidated total assets of \$1.57 billion, consolidated total loans of approximately \$917.7 million, consolidated total deposits of approximately \$1.20 billion and consolidated shareholders' equity of approximately \$165.8 million.

The principal executive offices of Cadence are located at:

301 East Main Street

Starkville, Mississippi 39759

(662) 343-1341

**Information About Seasons (Page 26)**

Seasons is a registered bank holding company, organized under the laws of the State of Georgia and headquartered in Blairsville, Georgia. All of Seasons' operations are conducted through its wholly owned subsidiary Seasons Bank, a Georgia state-chartered bank. Seasons Bank currently provides banking services through two banking locations.

As of June 30, 2006, Seasons had consolidated total assets of approximately \$86.6 million, consolidated total loans of approximately \$75.3 million, consolidated total deposits of approximately \$73.5 million and consolidated shareholders' equity of approximately \$7.8 million.

**Table of Contents**

**Index to Financial Statements**

The principal executive offices of Seasons are located at:

336 Blue Ridge Street

Blairsville, Georgia 30514

(706) 745-5588

**Seasons Special Shareholders Meeting (Page 22)**

A special meeting of the shareholders of Seasons will be held on September 26, 2006 at Seasons' main office located at 336 Blue Ridge Street, Blairsville, Georgia at 10:00 a.m. local time. At the special meeting, Seasons shareholders will consider and vote on a proposal to adopt and approve the merger by and between Cadence and Seasons, dated as of March 21, 2006. Seasons shareholders may also consider such other matters as may properly be brought before the special meeting and may be asked to vote on a proposal to adjourn or postpone the special meeting, which could be used to allow more time for soliciting additional votes to approve and adopt the merger agreement.

**Seasons Record Date and Voting (Page 22)**

You are entitled to vote at the special meeting if you were the record owner of shares of Seasons common stock as of the close of business on August 25, 2006, the record date established for the special meeting. You are entitled to one vote for each share of Seasons common stock you owned of record on the record date.

On August 25, 2006, a total of 1,032,890 votes were eligible to be cast at the Seasons special meeting.

**Approval of a Majority of Outstanding Seasons Shares Required to Approve Merger (Page 22)**

Holders of at least a majority of the outstanding shares of common stock of Seasons entitled to vote at the meeting must vote to approve the merger agreement in order for it to be adopted. A majority of the issued and outstanding Seasons shares must be present in person or by proxy for any vote to be valid.

**The Merger (Page 53)**

The merger agreement provides for the merger of Seasons with and into Cadence, with Cadence as the surviving corporation. *The merger agreement is attached as Appendix A to this proxy statement/prospectus. We encourage you to read the entire merger agreement, including the exhibits attached to the merger agreement, because it is the principal legal document that governs the transaction.*

**What You Will Receive in the Merger (Page 63)**

Subject to the restrictions described below, you may elect to receive cash, shares of Cadence common stock or a combination of both in exchange for each share of Seasons common stock that you hold. The purchase price per share of Seasons common stock shall be \$18.83, and the aggregate purchase price shall be \$22 million of which, in the aggregate and including cash to be paid to holders of options to purchase Seasons common stock, \$9,900,000 shall be in the form of cash consideration. Certain proration provisions are triggered in the event the aggregate cash elections and cash paid for options to purchase shares of Seasons common stock exceeds or is less than \$9,900,000. You will be mailed an election form on which you will indicate the form of merger consideration you wish to receive for your Seasons common stock. *You should retain this proxy statement/prospectus in connection with making your election to receive cash, Cadence common stock or a combination of cash and Cadence common stock for your shares of Seasons common stock.* You will have until October 18,

**Table of Contents**

**Index to Financial Statements**

2006, the election deadline specified in the election form, to make your election. *If you do not return a properly completed election form by the election deadline, you will be deemed to have elected to receive Cadence common stock for your Seasons shares. Complete information on the election procedure can be found in the section entitled *The Merger Election and Exchange Procedures* on page 64.*

The number of shares to be issued by Cadence as consideration for the Seasons shares is to be adjusted based on the average closing market price of Cadence common stock for the full ten trading days ending on the third full trading day preceding the closing of the merger with certain limitations. At the effective time of the merger, each share of Seasons common stock to be converted into Cadence common stock shall be converted into the right to receive the number of shares of Cadence common stock equal to \$18.83 divided by the average closing market price for the full ten trading days ending on the third full trading day preceding the closing of the merger. The merger agreement also provides that the average closing market price of Cadence common stock for the full ten trading days ending on the third full trading day preceding the closing of the merger will be capped and therefore not adjusted below \$20.05 or above \$27.13. Therefore, the amount of merger consideration in the form of Cadence common stock that you receive you each share of Seasons common stock could be worth more or less than \$18.83 per share.

The merger agreement also provides that every outstanding and unexercised option, whether vested or unvested, to receive Seasons common stock shall be deemed to be vested and exercised and shall receive \$18.83 less the exercise price.

The aggregate consideration to be paid by Cadence for the merger shall be \$22 million, of which, in the aggregate and including the aggregate amount to be paid to holders of options to acquire Seasons common stock, \$9,900,000 shall be in the form of cash consideration.

You should note that, in general and subject to certain allocation provisions, if you elect to receive cash, the value of the consideration you will receive is fixed at \$18.83 per share of Seasons common stock. However, if you elect to receive Cadence common stock as consideration, or a combination of Cadence common stock and cash, the value of the stock consideration will fluctuate and, on the closing date, may be higher or lower than \$18.83 per share of Seasons common stock.

**Election of Cash or Stock Consideration (Page 64)**

After the special meeting of shareholders of Seasons and no later than 15 business days prior to the anticipated completion of the merger, Computershare Trust Company, the exchange agent, will send each Seasons shareholder, who is the owner of record of shares of Seasons common stock three business days prior to the mailing of the election form, an election form that you may use to indicate whether your preference is to receive cash, Cadence common stock or a combination of cash and Cadence common stock. You will have until the election deadline, to return the completed and signed election form, together with the certificates that represent your shares of Seasons common stock. Should you acquire Seasons common stock three business days prior to the mailing of the election form and five business days prior to the election deadline, the exchange agent will provide you with a secondary election form.

Any shareholder of Seasons common stock who makes an election on the election form may at any time, prior to the election deadline, change such shareholder's election by submitting a revised election form, properly completed and signed, that is received by the exchange agent prior to the election deadline.

Any shareholder of Seasons common stock who fails to properly make an election in accordance with the procedures discussed in this proxy statement/prospectus shall be deemed to have made a stock election.

## **Table of Contents**

### **Index to Financial Statements**

Your election may be limited by the elections other shareholders of Seasons common stock make so that, in the aggregate and including the aggregate amount to be paid to holders of options to acquire Seasons common stock, \$9,900,000 shall be in the form of cash consideration. For example, if cash elections and the amount to be paid to holders of options to acquire shares of Seasons common stock exceeds \$9,900,000, then Cadence will prorate the number of cash election shares so that the aggregate cash consideration to be paid by Cadence shall not exceed \$9,900,000.

#### **No Fractional Shares (Page 78)**

No fractional shares of Cadence common stock shall be issued in the merger. Instead of fractional shares, each Seasons shareholder holding a fractional share interest (after taking into account all Seasons shares held by such shareholder) will receive an amount of cash based on such fractional share interest multiplied by the average closing price of Cadence common stock over the ten full trading days ending on the third full trading day preceding the closing of the merger.

#### **Federal Income Tax Consequences (Page 75)**

We expect that, for United States federal income tax purposes, if you are a shareholder of Seasons common stock you generally will not recognize gain or loss with respect to your shares of Seasons common stock if you receive only shares of Cadence common stock in the merger, except with respect to any cash received in lieu of a fractional share interest in Cadence common stock.

If you receive a combination of cash and shares of Cadence common stock in exchange for your shares of Seasons common stock, you will generally recognize gain, but not loss, with respect to the excess of the cash and value of Cadence common stock you receive over your tax basis in your shares of Seasons common stock exchanged, but in any case not in excess of the amount of cash you receive in the merger.

If you receive solely cash in exchange for your shares of Seasons common stock, then you will generally recognize gain or loss in an amount equal to the difference between the amount of cash you receive and the tax basis in your shares of Seasons common stock.

**Tax laws are complicated and the tax consequences of the merger may vary depending upon your individual circumstances. We urge you to consult with your tax advisor to understand fully the merger's tax consequences to you.**

#### **The Rights of Cadence Shareholders and Seasons Shareholders are Different (Page 80)**

Mississippi law and Cadence's articles of incorporation and bylaws currently govern the rights of Cadence shareholders. Georgia law and Seasons' articles of incorporation and bylaws currently govern the rights of Seasons shareholders. These rights are not identical. Upon completion of the merger, Seasons shareholders who receive shares of Cadence common stock in the merger shall become shareholders of Cadence and have the same rights as other Cadence shareholders.

#### **Shares of Cadence Common Stock Issued in the Merger to be Listed on the American Stock Exchange (Page 70)**

The shares of Cadence common stock to be issued in the merger will be listed on the American Stock Exchange under the symbol NBY.

**Table of Contents**

**Index to Financial Statements**

**Cadence's Dividend Policy** (Page 70)

Following completion of the merger, former Seasons shareholders who become Cadence shareholders will receive dividends declared by Cadence. There are no assurances, however, that Cadence will declare any future dividends.

**Seasons' Board of Directors Unanimously Recommends Approval of the Merger** (Page 55)

Seasons' board of directors believes that the merger transaction with Cadence is in the best interests of Seasons and its shareholders and unanimously recommends that you vote **FOR** the proposal to approve and adopt the merger agreement. See *Reasons for the Merger* Seasons' *Reasons for the Merger*.

**Opinion of Seasons' Financial Advisor** (Page 55)

SunTrust Robinson Humphrey has given an opinion dated March 21, 2006 to Seasons' board of directors that the consideration to be received in the merger was fair, from a financial point of view, to Seasons' shareholders. This opinion is attached as Appendix C to this proxy statement/prospectus. You should read this opinion completely to understand the assumptions made, matters considered and limitations of the review undertaken by SunTrust Robinson Humphrey. This opinion does not constitute a recommendation to any Seasons shareholder as to how to vote on the merger agreement or as to the form of consideration that a Seasons shareholder should elect.

**Management and Operations Following the Merger** (Page 74)

Under the terms of the merger agreement, Seasons will merge with and into Cadence and Seasons shall cease to exist as a separate entity. Additionally, Seasons' subsidiary, Seasons Bank, will merge with and into Cadence's subsidiary, Cadence Bank, with Cadence Bank as the surviving entity. The management and board of directors of Cadence will not change because of the merger.

**Conditions to the Merger** (Page 70)

The completion of the merger depends upon the satisfaction or waiver of a number of conditions, including the following: