

CENTRUE FINANCIAL CORP

Form 8-K

January 14, 2009

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) January 14, 2009 (January 9, 2009)

Centrue Financial Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

0-28846

36-3145350

(Commission File Number)

(IRS Employer Identification No.)

7700 Bonhomme Avenue
St. Louis, Missouri

63105

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code (314) 505-5505

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Item 3.02 Unregistered Sales of Equity Securities.

Item 3.03 Material Modification of the Rights of Security Holders.

On January 9, 2009, Centrue Financial Corporation (the Company) completed the sale of \$32.7 million of preferred stock and a warrant to purchase common stock to the United States Department of the Treasury (the U.S. Treasury) under U.S. Treasury's Capital Purchase Program under the Emergency Economic Stabilization Act of 2008 (EESA).

The Company issued and sold (1) 32,668 shares of Fixed Rate Cumulative Perpetual Preferred Stock Series C, liquidation preference of \$1,000 per share (the Series C Preferred Shares), and (2) a ten-year warrant (the Warrant) to purchase up to 508,320 shares of the Company's common stock (Common Stock) at an exercise price of \$9.64 per share, or an aggregate purchase price of \$4.9 million in cash. Cumulative dividends on the Series C Preferred Shares will accrue on the liquidation preference at a rate of 5% per annum for the first five years, and at a rate of 9% per annum thereafter. The issuance of the Series C Preferred Shares and the Warrant was exempt from registration as a transaction by an issuer not involving any public offering under Section 4(2) of the Securities Act of 1933. The Company also amended the Certificate of Designations for its Series B Preferred Stock to suspend, absent receipt of the U.S. Treasury's consent, the redemption rights of the Series B Preferred Stock holders until such time as the U.S. Treasury (or its assignees) ceases to own any of the Company's Series C Preferred Stock.

The securities purchase agreement, dated January 9, 2009 (the Purchase Agreement), between the Company and the U.S. Treasury, pursuant to which the Series C Preferred Shares and the Warrant were sold, limits the payment of dividends on the Common Stock to the current quarterly cash dividend of \$0.14 per share, limits the Company's ability to repurchase its Common Stock, and subjects the Company to certain of the executive compensation limitations included in the EESA. You should refer to the documents incorporated herein by reference for a complete description of these limitations.

The Purchase Agreement, the Warrant, the Series C Certificate of Designations and the Amendment to the Series B Certificate of Designations are exhibits to this Report on Form 8-K. The foregoing summary of certain provisions of these documents is qualified in its entirety by reference to them.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

As a condition to the closing of the transaction, each of the Company's Senior Executive Officers (as defined in the Purchase Agreement) executed a waiver voluntarily waiving any claim against the Treasury or the Company for any changes to their compensation or benefits, as required to comply with the regulation issued by the U.S. Treasury under the TARP Capital Purchase Program. The Senior Executive Officers also acknowledged that the regulation may require modification of the compensation, bonus, incentive and other benefit plans, arrangements and policies and agreements (including so-called golden parachute agreements) as they relate to the period the U.S. Treasury holds any equity or debt securities of the Company acquired through the Capital Purchase Program. The form of waiver is an exhibit to this Report on Form 8-K.

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Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

On January 8, 2009, the Company filed a Certificate of Designations for the Series C Preferred Shares (the Series C Certificate of Designations) with the Delaware Secretary of State for the purpose of amending its Certificate of Incorporation to fix the designations, preferences, limitations and relative rights of the Series C Preferred Stock. The Company also filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation (the Certificate of Amendment) to amend the Certificate of Designations for the Company's Series B Preferred Stock as described above. The Series C Certificate of Designations and the Certificate of Amendment are exhibits to this Report on Form 8-K.

Item 8.01 Other Events

On January 12, 2009, the Company issued a press release announcing that it completed the sale of the Series C Preferred Stock and Warrant to the U.S. Treasury. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number

| | |
|------|---|
| 3.1 | Certificate of Amendment to the Amended and Restated Certificate of Incorporation |
| 3.2 | Certificate of Designations for the Series C Preferred Stock |
| 4.1 | Warrant to purchase up to 508,320 shares of Common Stock issued January 9, 2009 |
| 10.1 | Letter Agreement dated January 9, 2009 including the Securities Purchase Agreement Standard Terms incorporated by reference therein between the Company and the U.S. Treasury |
| 10.2 | Form of Waiver of Senior Executive Officers (included as Annex B to the Securities Purchase Agreement appearing in Exhibit 10.1 hereto) |
| 10.3 | Form of Omnibus Amendment Agreement |
| 99.1 | Press Release issued on January 12, 2009 |

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SIGNATURES

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

CENTRUE FINANCIAL CORPORATION
(Registrant)

By: /s/ Kurt R. Stevenson
Kurt R. Stevenson, Senior Executive Vice
President
and Chief Financial Officer

Dated: January 14, 2009

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- 10.1 Letter Agreement dated January 9, 2009 including the Securities Purchase Agreement Standard Terms incorporated by reference therein between the Company and the U.S. Treasury
- 10.2 Form of Waiver of Senior Executive Officers (included as Annex B to the Securities Purchase Agreement appearing in Exhibit 10.1 hereto)
- 10.3 Form of Omnibus Amendment Agreement
- 99.1 Press Release issued on January 12, 2009