



News & Trending

NEWS

FIRST CITIZENS' \$219 MILLION ACQUISITION OF ENTEGRA FINANCIAL CORP. COMPLETED

01.08.2020

First-Citizens Bank & Trust Company and Entegra Financial Corp. announced the closing of First Citizens' acquisition of Entegra through a series of mergers. The transaction closed on December 31, 2019 and had a total transaction value of approximately \$219.8 million.

The closing of the transaction marked the completion of an unprecedented transaction for First Citizens. Prior to First Citizens and Entegra signing a merger agreement, Entegra had entered into a merger agreement with SmartFinancial, Inc. for approximately \$158 million. Subsequent to that announcement, First Citizens approached Entegra and its advisors with a significantly higher price to acquire the company. Under the terms of its definitive agreement with SmartFinancial, the board of directors of Entegra exercised its right to enter into discussions with First Citizens. Ultimately, the Entegra board determined that the cash consideration offer from First Citizens was a superior proposal to the agreement with SmartFinancial, and pursuant to its fiduciary duties and, as permitted under its agreement with SmartFinancial, entered into an agreement with First Citizens.

In addition to advising First Citizens on the merger, Smith Anderson assisted with obtaining regulatory approvals from the Federal Reserve, FDIC, and N.C. Commissioner of Banks and receiving clearance from the Department of Justice (DOJ). The DOJ mandated that three branches of Entegra be sold, and Smith Anderson assisted with a definitive agreement with Select Bank & Trust Company for the divestiture of the branches.

Frank B. Holding, Jr., the chairman and chief executive officer of First Citizens, is quoted in the press release as saying, "We are pleased to welcome the customers and associates of Entegra Bank as we build on our foundation in Western North Carolina, Upstate South Carolina and North Georgia. The merger will allow us to better serve customers across these markets with a wide range of financial products and services, while maintaining the exceptional service they expect."

Founded in 1898 and headquartered in Raleigh, N.C., First Citizens Bank serves customers at more than 550 branches in 19 states. First Citizens Bank is a wholly owned subsidiary of First Citizens BancShares, Inc. (Nasdaq: FCNCA), which has more than \$37 billion in assets as of September 30, 2019. For more information and to read the press release issued by First Citizens, please click [here](#).

The Smith Anderson team advising First Citizens Bank in the merger was led by Gerald Roach and Geoff Adams and was a collaborative effort with support from the firm's Mergers & Acquisitions, Employee Benefits, Public Companies, and Employment, Labor and Human Resources practice groups and the Regulatory team.

Smith Anderson has unique experience advising companies and their boards of directors and special committees in connection with unsolicited bids. Such experience includes: developing unsolicited takeovers and defensive strategies, navigating applicable regulatory regimes, preparing and responding to private and public "bear hug" letters, launching and defending direct share purchases and tender offers, engaging in proxy contests, establishing and attacking "poison pills," and related litigation.

PROFESSIONALS

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