

SEACOAST BANKING CORP OF FLORIDA

Form 424B5

November 05, 2013

Table of Contents

Filed Pursuant to Rule 424(b)(5)  
File No. 333-185660

**This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell and are not soliciting offers to buy these securities in any jurisdiction where such offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED NOVEMBER 5, 2013**

**Preliminary prospectus supplement**

**(To prospectus dated February 14, 2013)**

**Up to \$75,000,000**

**Seacoast Banking Corporation of Florida**

**Common stock**

We are offering \_\_\_\_\_ shares of our common stock, par value \$0.10 per share. Our common stock is listed on the NASDAQ Global Select Market under the symbol SBCF. On November 4, 2013, the last reported sale price of our common stock on the NASDAQ Global Select Market was \$2.20 per share.

We are offering these shares of common stock on a best efforts basis. We are not requiring the sale of a minimum amount of shares to complete this offering and we reserve the right to accept or reject, in whole or in part, any request to purchase our shares in this offering. An investor's agreement to purchase shares of our common stock pursuant to the purchase agreement described elsewhere herein is irrevocable by the investor. We have retained Hovde Group, LLC to act as our sole placement agent in connection with this offering.

We expect that CapGen Capital Group III L.P. ( CapGen Capital ) will enter into a purchase agreement whereby CapGen Capital will commit to purchase \$25 million shares of our common stock in this offering at the public offering price set forth below, subject to regulatory approval by the Board of Governors of the Federal Reserve System. CapGen Capital, which is our largest shareholder, currently owns approximately 16.6% of our issued and outstanding common stock.

**Investing in our common stock involves risks. See Supplementary Risk Factors beginning on page S-9 of this prospectus supplement and Risk Factors in the documents incorporated by reference into this prospectus supplement to read about some of the factors that you should consider before buying our common stock. You should carefully read this prospectus supplement and the accompanying prospectus, together with the documents incorporated by reference, before you invest in our common stock.**

	<b>Per share</b>	<b>Total</b>
Public offering price	\$	\$
Placement agent fees(1)	\$	\$
Proceeds, before expenses, to us	\$	\$

(1) As compensation for acting as our placement agent in this offering, we have agreed to pay to the placement agent 5.0% of the gross proceeds received by us from the sale of shares of our common stock in this offering to persons and entities other than CapGen Capital and 0.75% of the gross proceeds received by us from the shares of our common stock we expect to sell to CapGen Capital. In addition, no placement agent fees will be payable to the placement agent in respect of the sale of shares of our common stock to any of our officers or directors. For a description of all items of placement agent compensation, see Plan of Distribution.

Our common stock is not a savings account, deposit or other obligation of any of our bank or nonbank subsidiaries. Our common stock is not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The common stock is expected to be delivered in book-entry form only, through the facilities of The Depository Trust Company, on or about November , 2013, with delayed settlement for any purchases that require regulatory approval or otherwise agreed to by us and the specific purchaser.

**None of the Securities and Exchange Commission, any state securities commission, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or any other regulatory body has approved or disapproved of these securities or determined that this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**Hovde Group, LLC**

**The date of this prospectus supplement is November , 2013.**

**Table of Contents**

**TABLE OF CONTENTS**

<b>Prospectus Supplement</b>	<b>Page</b>
<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	S-1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-1
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	S-2
<u>SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS</u>	S-3
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-5
<u>SUPPLEMENTARY RISK FACTORS</u>	S-9
<u>USE OF PROCEEDS</u>	S-12
<u>CAPITALIZATION</u>	S-13
<u>PRICE RANGE OF COMMON STOCK</u>	S-14
<u>DIVIDEND POLICY</u>	S-15
<u>MATERIAL UNITED STATES FEDERAL TAX CONSEQUENCES FOR NON-U.S. HOLDERS</u>	S-16
<u>CERTAIN ERISA CONSIDERATIONS</u>	S-19
<u>PLAN OF DISTRIBUTION</u>	S-21
<u>LEGAL MATTERS</u>	S-23
<u>EXPERTS</u>	S-23

**Prospectus**

	<b>Page</b>
<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	1
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	2
<u>SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS</u>	3
<u>SEACOAST BANKING CORPORATION OF FLORIDA</u>	3
<u>RISK FACTORS</u>	4
<u>RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED SHARE DIVIDENDS</u>	4
<u>USE OF PROCEEDS</u>	4
<u>DESCRIPTION OF SECURITIES WE MAY OFFER</u>	4
<u>DESCRIPTION OF DEBT SECURITIES</u>	5
<u>DESCRIPTION OF COMMON STOCK</u>	10
<u>DESCRIPTION OF PREFERRED STOCK</u>	15
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	17
<u>DESCRIPTION OF PURCHASE CONTRACTS</u>	20
<u>DESCRIPTION OF UNITS</u>	21
<u>DESCRIPTION OF WARRANTS</u>	21
<u>DESCRIPTION OF RIGHTS</u>	22
<u>PLAN OF DISTRIBUTION</u>	24
<u>VALIDITY OF SECURITIES</u>	28
<u>EXPERTS</u>	28

Table of Contents

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is comprised of two parts. The first part is this prospectus supplement, which describes the specific terms of this common stock offering and certain other matters relating to us and our financial condition, and it adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, dated February 14, 2013, which provides more general information about the securities that we may offer from time to time, some of which may not apply to this offering. You should read carefully both this prospectus supplement and the accompanying prospectus in their entirety, together with additional information described under the heading **Where You Can Find More Information**, before investing in our common stock.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus supplement and the accompanying prospectus to Seacoast Banking Corporation of Florida, Seacoast Banking, Seacoast, the Company, we, us, our and ours or similar references mean Seacoast Banking Corporation of Florida and its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement. If the information conflicts with any statement in a document that we have incorporated by reference, then you should consider only the statement in the more recent document. **You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference into those documents is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.**

**We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus supplement may be used only for the purpose for which it has been prepared.**

**Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the placement agent, to subscribe for and purchase, any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information about the Public Reference Room. Our filings with the SEC are also available to the public through the SEC's Internet site at [www.sec.gov](http://www.sec.gov). In addition, since some of our securities are listed on the NASDAQ Global Select Market, you can read our SEC filings at the Nasdaq Stock Market, Inc., Reports Section, 1735 K Street N.W., Washington, D.C. 20006. Our annual, quarterly and current reports and amendments to those reports are also available over the Internet at our website at [www.seacoastbanking.net](http://www.seacoastbanking.net). All internet addresses provided in this prospectus supplement or in the accompanying prospectus are for informational purposes only and are not intended to be hyperlinks. In addition, the information on our Internet site, or any other Internet site described herein, is not a part of, and is not incorporated or deemed to be incorporated by reference in, this prospectus supplement or the accompanying prospectus or other offering materials.

S-1

## **Table of Contents**

We also have filed a registration statement (File No. 333-185660) with the SEC relating to the common stock offered by this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus are part of that registration statement. You may obtain from the SEC a copy of the registration statement and the related exhibits that we filed with the SEC when we registered the common stock. The registration statement may contain additional information that may be important to you

### **INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

The SEC allows us to incorporate by reference into this prospectus supplement, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement from the date of filing those documents.

This prospectus supplement incorporates by reference the documents listed below that we have previously filed with the SEC. They contain important information about Seacoast and its financial condition:

- (a) Annual Report on Form 10-K for the year ended December 31, 2012, filed on March 13, 2013;
- (b) Those portions of the Definitive Proxy Statement on Schedule 14A filed by Seacoast on April 9, 2013 in connection with its 2013 Annual Meeting of Shareholders that are incorporated by reference into its Annual Report on Form 10-K for the year ended December 31, 2012;
- (c) Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, filed on May 7, 2013, and June 30, 2013, filed on August 8, 2013;
- (d) Current Reports on Form 8-K and 8-K/A filed January 15, 2013, May 28, 2013, July 17, 2013, July 18, 2013, September 23, 2013, September 25, 2013 and October 17, 2013 (in all instances other than information in such reports that is furnished and not deemed to be filed); and
- (e) The description of Seacoast's common stock, \$0.10 par value per share, set forth in the registration statement on Form S-3 filed with the SEC on December 21, 2012, including any amendment or report filed with the SEC for the purpose of updating this description.

In addition, all documents we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus supplement and prior to the termination of the offering of the securities to which this prospectus supplement relates (other than information in such documents that is furnished and not deemed to be filed) shall be deemed to be incorporated by reference into this prospectus supplement and to be part hereof from the date of filing of those documents. In case of a conflict or inconsistency between information contained in this prospectus supplement, the accompanying prospectus and information incorporated by reference into this prospectus supplement and the accompanying prospectus, you should rely on the information that was filed later.

We will provide to each person, including any beneficial owner, to whom a copy of this prospectus supplement is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus supplement but not delivered with this prospectus (other than the exhibits to such documents which are not

specifically incorporated by reference therein); we will provide this information at no cost to the requester upon written or oral request to:

Seacoast Banking Corporation of Florida

815 Colorado Avenue

Stuart, Florida 34995

Telephone: (772) 287-4000

Facsimile: (772) 288-6012

Attention: Investor Relations

S-2

**Table of Contents**

**SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus and the information incorporated by reference in them include forward-looking statements within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

You can identify these forward-looking statements through our use of words such as believes, anticipates, expects, may, will, indicates, assumes, predicts, could, should, would, intends, targets, estimates, projects, contemplates, plans, points to, projects, potential and other similar words and expressions. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the statements, including, but not limited to:

the risk that we may not realize the expected benefits from our efficiency and growth initiatives, which will negatively affect our future profitability;

the risks that if economic conditions worsen or regulatory capital rules are modified, or the results of mandated stress testing do not satisfy certain criteria, we may be required to undertake additional strategic initiatives to improve our capital position;

changes in the interest rate environment and competition in our primary market area may result in increased funding costs or reduced earning assets yields, thus reducing margins and net interest income;

changes in the cost and availability of funding due to changes in the deposit market and credit market, or the way in which we are perceived in such markets, including any reduction in our credit ratings;

the credit risks of lending activities, which may be affected by further deterioration in the real estate markets and the financial condition of borrowers, may lead to increased loan and lease delinquencies and losses and nonperforming assets in our loan and lease portfolios, may result in our allowance for loan and lease losses not being adequate to cover actual losses and may require us to materially increase our loan and lease loss reserves;

the quality and composition of our securities portfolio;

continuation of the historically low short-term interest rate environment, changes in the levels of general interest rates and the relative differences between short- and long-term interest rates, our net interest margin and funding sources;

declines in the values of residential and commercial real estate may result in write-downs of assets and realized losses on disposition of non-performing assets, which may increase credit losses and negatively



affect our financial results;

future availability and cost of additional capital and liquidity on favorable terms, if at all;

the risk that even though we have reversed the deferred tax asset valuation allowance, we may be required to increase the valuation allowance in future periods, or we may not be able to realize the deferred tax assets in the future;

the risk that we could have an ownership change under Section 382 of the Internal Revenue Code, which could impair our ability to timely and fully utilize our net operating losses and built-in losses that may exist when such ownership change occurs;

the impact on our financial results, reputation, and business if we are unable to comply with all applicable federal and state regulations, board resolutions adopted at the request of our regulators, or other supervisory actions or directives and any necessary capital initiatives;

the impact of The Dodd-Frank Wall Street Reform and Consumer Protection Act and other recent and proposed changes in governmental policy, laws and regulations, including proposed and recently

S-3

**Table of Contents**

enacted changes in the regulation of banks and financial institutions, or the interpretation or application thereof, including restrictions, increased capital requirements, limitations and/or penalties arising from banking, securities and insurance laws, enhanced regulations and examinations and restrictions on compensation;

the risk that we may be required to make substantial expenditures to keep pace with the rapid technological changes in the financial services market;

the risk that our enterprise risk management framework may not identify or address risks adequately, which may result in unexpected losses;

risks related to a failure in or breach of our operational or security systems of our infrastructure, or those of our third party vendors and other service providers, including as a result of cyber-attacks, which could disrupt our businesses, result in the disclosure or misuse of confidential or proprietary information, damage our reputation, increase our costs or cause losses;

risks related to our reliance on third parties to provide key components of our business infrastructure, including the costs of services and products provided to us by third parties, and risks related to disruptions in service or financial difficulties of a third party vendor;

the costs and effects of litigation, investigations, claims, inquiries or similar matters, or adverse facts and developments related thereto;

risks related to the loss of customers to alternatives to bank deposits, which could affect our income and force us to rely on relatively more expensive sources of funding;

risks related to recent and proposed changes in the mortgage banking industry, including the impact of the ability to pay and qualified mortgage rules on our loan origination process and foreclosure proceedings;

our ability to complete the contemplated redemption of our Series A Preferred Stock issued to the United States Department of the Treasury under the Capital Purchase Program ( CPP ); and

other factors and other information contained in this prospectus supplement and the accompanying prospectus and in other reports and filings that we make with the SEC under the Exchange Act, including, without limitation, those found in Part I Item 1A. Risk Factors of Seacoast's 2012 Form 10-K.

Some of these and other factors are discussed in our annual and quarterly reports previously filed with the SEC. Such developments could have an adverse impact on our financial position and results of operations. If one or more of the factors affecting our forward-looking statements proves incorrect, the actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking statements. The effects of the factors

above are difficult to predict. Factors other than those described above also could adversely affect us, and investors should not consider these factors to be a complete set of all potential risks and uncertainties. New factors emerge from time to time and management cannot assess the impact of any such factor on our business or the extent to which any factor, or combination of factors, may cause results to differ material from those contained in any forward-looking statement. The forward-looking statements are based on management's beliefs and assumptions and are made as of the date of the prospectus supplement (or, in the case of such statements contained in the accompanying prospects, or document incorporated by reference, as of the date of such prospectus or document). We undertake no obligation to publicly update or revise any forward-looking information, for future events or otherwise, except to the extent required by the federal securities laws.

S-4

**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights selected information contained elsewhere in, or incorporated by reference into, this prospectus supplement and may not contain all of the information that you should consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before deciding whether to invest in shares of our common stock. You should pay special attention to the information contained under the caption entitled *Supplementary Risk factors* in this prospectus supplement and *Risk Factors* in our 2012 Annual Report on Form 10-K to determine whether an investment in the shares of our common stock is appropriate for you.*

**Seacoast Banking Corporation of Florida**

***Our business***

Seacoast is a financial services company and a registered bank holding company based in Stuart, Florida. We provide integrated financial services including commercial and retail banking, wealth management, and mortgage services to our customers through our locally-branded wholly-owned subsidiary bank, Seacoast National Bank. As of September 30, 2013, we had approximately \$2.1 billion in assets, \$1.7 billion in total deposits, \$205 million in shareholders equity, 34 traditional banking branches and five innovative business banking offices which offer banking, loan and deposit products and services to small and medium sized businesses under our new Accelerate brand.

We were incorporated under the laws of the State of Florida in 1986. Our principal executive offices are located at 815 Colorado Avenue, Suite 200, Stuart, Florida 33494 and our telephone number at that address is (772) 287-4000. Our common stock is traded on the NASDAQ under the symbol SBCF.

***Recent developments***

***2013 third quarter results***

On October 28, 2013, Seacoast reported financial results for the quarter ended September 30, 2013, which included the following:

*Pre-tax income* Income before income taxes increased to \$4.7 million for the third quarter of 2013, up 62.1% from \$2.9 million in the second quarter of 2013, and up from \$447,000 in the third quarter of 2012.

*Net income* Seacoast reported net income available to common shareholders of \$44.9 million for the third quarter of 2013, compared to net income available to common shareholders of \$2.0 million for the second quarter of 2013, and a net loss of \$490,000 for the third quarter of 2012. Diluted net income per common share for the third quarter of 2013 was \$0.47, compared to diluted net income per common share of \$0.02 for the second quarter of 2013, and a loss of \$0.01 for the third quarter of 2012. The third quarter of 2013 results included an income tax benefit of \$41.2 million relating to the reversal of the valuation allowance of our net deferred tax assets.

*Strong improvement in credit quality drives performance* Total credit costs were \$388,000 for the third quarter of 2013, compared to \$1.2 million for the second quarter of 2013 and \$1.8 million for the third quarter of 2012. Total credit costs consist of provision for loan losses plus other credit costs, which consist of losses on other real estate owned, and charges related to other loans held for sale. Net charge-offs (recoveries) were (\$704,000) or (0.22%) annualized for the third quarter of 2013, compared to \$2.0 million or 0.64% annualized for the second quarter of 2013 and \$2.4 million or 0.79% annualized for the third quarter of 2012. Non-performing loan inflows were \$2.0 million in the third quarter of 2013, down from \$2.9 million in the second quarter of 2013 and \$14.5 million in the third quarter of 2012. Non-performing loans were \$28.7 million at September 30, 2013, down \$4.6 million, or 13.8%, from the second quarter of 2013 and down \$15.8 million, or 35.5%, from the third quarter of 2012. Total non-performing assets were \$34.3 million at September 30, 2013, down \$9.0 million, or

## Table of Contents

20.8%, from the second quarter of 2013 and down \$19.0 million, or 35.6%, from the third quarter of 2012. The non-performing assets to total assets ratio declined to 1.60% at September 30, 2013, compared to 1.98% at June 30, 2013, and 2.56% at September 30, 2012.

*Loan growth* Total loans were \$1.26 billion at September 30, 2013, a \$38.4 million increase from the fourth quarter of 2012 and a \$62.0 million increase from the third quarter of 2012.

*Net interest income* Net interest income for the third quarter of 2013 was \$16.8 million, compared to \$16.1 million for the second quarter of 2013 and \$16.0 million for the third quarter of 2012. The net interest margin in the third quarter of 2013 was 3.25%, up thirteen basis points from the second quarter of 2013 and 8 basis points from the third quarter of 2012.

*Balance sheet* At September 30, 2013, total assets were \$2.15 billion, total deposits were \$1.70 billion and total shareholders' equity was \$204.58 million.

*These results have not been audited or reviewed by our registered independent public accountants, nor have any other review procedures been performed by them with respect to these results. Accordingly, no opinion or any other form of assurance can be provided with respect to this information. Our actual results could differ from these results based on the completion of the review by our registered independent public accountants of our interim consolidated financial statements for the nine months ended September 30, 2013 when they are subsequently filed with the SEC.*

### *Proposed redemption of outstanding TARP preferred stock*

On December 19, 2008, we issued 2,000 shares of our Fixed Rate Cumulative Perpetual Preferred Stock, Series A, without par value ( Series A Preferred Stock ), to the United States Department of the Treasury ( Treasury ) pursuant to a Letter Agreement dated December 19, 2008 and the Securities Purchase Agreement - Standard Terms ( Purchase Agreement ) attached thereto for an aggregate purchase price of approximately \$50 million pursuant to the Treasury's Capital Purchase Program ( CPP ) as part of its Troubled Asset Relief Program ( TARP ). As part of its purchase of the Series A Preferred Stock, we also issued to the Treasury a warrant to purchase up to 1,179,245 shares of our common stock at an initial per share exercise price of \$6.36, subject to adjustment ( Warrant ), which expires December 19, 2018. Pursuant to the terms of the Warrant, the successful public capital raise conducted by the Company during 2009 reduced the number of shares under the Warrant by 50 percent to 589,625 shares of common stock. The Treasury's interest in the outstanding Series A Preferred Stock was sold on April 3, 2012 to third parties and the Company repurchased the Warrant for \$81,000, net of related expenses, on May 30, 2012. As a result of the Treasury's divestiture of our Series A Preferred Stock on April 3, 2012, certifications of compliance with TARP CPP are no longer required.

Subject to regulatory confirmation from the Board of Governors of the Federal Reserve System (the Federal Reserve ), we intend to redeem all 2,000 shares of our Series A Preferred Stock originally issued to the Treasury and now held by third parties through the use of the net proceeds from this offering. The redemption will be made at an aggregate purchase price of approximately \$50 million plus accrued and unpaid dividends through the date of redemption. There can be no assurance that we will receive regulatory confirmation from the Federal Reserve to redeem the Series A Preferred Stock.

In the period in which we redeem the Series A Preferred Stock, we will accelerate the accretion of the issuance discount on the Series A Preferred Stock and record a corresponding reduction in additional paid-in capital, resulting in a one-time, noncash reduction in the calculation of diluted earnings per common share (i.e., a reduction in net

income available to common stockholders in an amount equal to the issuance discount accelerated). The issuance discount is due to the carrying value of the Series A Preferred Stock being at a discount to its liquidation value as a result of the initial recognition of Series A Preferred Stock and the related Warrant based on their relative fair values at issuance. As of September 30, 2013, the amount of the issuance discount on the Series A Preferred Stock was \$317,000.

**Table of Contents**

*Regulatory Matters*

As a result of the continued reduction in our credit issues and improved operating results from 2010 forward, the Office of the Comptroller of the Currency ( OCC ) notified Seacoast National Bank that, effective September 19, 2013, all of the prior regulatory agreements it had entered into with the OCC have been terminated.

S-7



**Table of Contents****THE OFFERING**

*The following summary of the offering contains basic information about the offering and about shares of our common stock and is not intended to be complete. It does not contain all the information that may be important to you. For a more complete understanding of shares of our common stock, please see *Description of Common Stock* in the accompanying prospectus.*

<b>Issuer</b>	Seacoast Banking Corporation of Florida
<b>Securities offered</b>	shares of our common stock, par value \$0.10 per share.
<b>Shares of common stock outstanding after this offering</b>	shares <sup>1</sup>
<b>Net proceeds</b>	We estimate that the net proceeds from the sale of our common stock in this offering, after deducting the estimated expenses of this offering payable by us, will be approximately \$            million.
<b>Use of proceeds</b>	We intend to use the net proceeds from this offering to redeem the Series A Preferred Stock originally issued to the Treasury under the CPP established by the Treasury as part of TARP. The redemption of the Series A Preferred Stock is subject to Federal Reserve approval. Additionally, we expect to use the remainder of the proceeds to support our growth plans, investments in, or extensions of credit to, our subsidiaries, investments in securities and other general corporate purposes.
<b>NASDAQ Global Select Market symbol</b>	SBCF
<b>Plan of distribution</b>	We have engaged Hovde Group, LLC to act as our sole placement agent in this offering on a best efforts basis. Because the offering is on a best efforts basis only, the placement agent will not have any obligation or commitment to sell any dollar amount or number of shares or to acquire any shares for its own account or with a view to their distribution. We are not requiring the sale of a minimum amount of shares to complete this offering and we reserve the right to accept or reject, in whole or in part, any request to purchase our shares in this offering. An investor's agreement to purchase shares of our common stock pursuant to the purchase agreement described elsewhere herein is irrevocable by the investor.

In addition, we expect that we and CapGen Capital will enter into a purchase agreement whereby CapGen Capital will commit to purchase \$25 million of shares of our common stock at the public offering price, subject to regulatory approval by the Federal Reserve. We also expect to provide CapGen Capital with registration rights with respect to the shares it purchases in this offering.

**Risk factors**

An investment in our common stock involves risks. You should carefully consider the information contained under **Supplementary Risk Factors** in this prospectus supplement and under **Risk Factors** in our 2012 Annual Report on Form 10-K, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our consolidated financial statements and the notes thereto, before making an investment decision.

<sup>1</sup> The number of shares of common stock outstanding immediately after this offering excludes 682,626 shares of our common stock issuable pursuant to our equity compensation plans, including awards outstanding thereunder.

**Table of Contents**

**SUPPLEMENTARY RISK FACTORS**

*An investment in our common stock involves a number of risks. In addition to the other information contained in this prospectus supplement and the accompanying prospectus, you should consider carefully the following supplementary risk factors together with the risk factors concerning our business included in our 2012 Annual Report on Form 10-K, in addition to the other information in this prospectus supplement and the accompanying prospectus, including our other filings which are incorporated into this prospectus supplement by reference, before deciding whether an investment in our common stock is suitable for you. Risks and uncertainties not presently known to Seacoast or that Seacoast currently deems immaterial may also impair its business operations, its financial results and the value of the securities.*

***Sales of a significant number of shares of our common stock in the public markets, and other transactions that we may pursue, could depress the market price of our common stock.***

Sales of a substantial number of shares of our common stock in the public markets and the perception that those sales may occur could adversely affect the market price of our common stock. In addition, future issuances of equity securities may dilute the interests of our existing shareholders, including you, and cause the market price of our common stock to decline. We may issue equity securities (including convertible securities, preferred securities, and options and warrants on our common or preferred stock) in the future for a number of reasons, including to finance our operations and business strategy, to adjust our ratio of debt to equity, to address regulatory capital concerns, or to satisfy our obligations upon the exercise of outstanding options or warrants. We may issue equity securities in transactions that generate cash proceeds, such as this offering, transactions that free up regulatory capital but do not immediately generate or preserve substantial amounts of cash, and transactions that generate regulatory or balance sheet capital only and do not generate or preserve cash. We cannot predict the effect that these transactions would have on the market price of our common stock.

***CapGen Capital's ability to purchase shares of our common stock in this offering is subject to approval by the Federal Reserve.***

CapGen Capital, which is our largest shareholder, owns approximately 16.6% of our outstanding shares of common stock as of the date of this prospectus supplement. We expect that we and CapGen Capital will enter into a purchase agreement whereby CapGen Capital will commit to purchase \$25 million of shares of our common stock in this offering, subject to regulatory approval by the Federal Reserve. We can provide no assurance as to when, or if, CapGen Capital will receive this approval. If CapGen Capital's investment in us is not approved, then we may not be able to redeem the Series A Preferred Stock in a timely manner or at all, which could have a material adverse impact on our capital plans, liquidity and profitability.

***If we are unable to redeem our Series A Preferred Stock prior to February 15, 2014, the dividend rate on the Series A Preferred Stock will increase substantially.***

We have the right, subject to Federal Reserve approval, to redeem the Series A Preferred Stock, in whole or in part, at our option at any time. However, if we do not redeem our Series A Preferred Stock prior to February 15, 2014, the dividend payments on such stock will increase substantially, from 5% to 9%. Depending on market conditions at the time, this increase in dividends could have a material adverse impact on our liquidity and/or profitability.

***Our stock price may be volatile, and the value of your investment may decline.***

The trading price of our common stock may be highly volatile and subject to wide fluctuations in price. The stock market in general, and the market for commercial banks and other financial services companies in particular, has experienced significant price and volume fluctuations that sometimes have been unrelated or

S-9

## **Table of Contents**

disproportionate to the operating performance of those companies. These broad market and industry factors may seriously harm the market price of our common stock, regardless of our operating performance, and the value of your investment may decline.

### ***We may not pay cash dividends on shares of our common stock in the foreseeable future.***

Holders of shares of our common stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such purpose. Future cash dividends will depend upon our results of operations, financial condition, cash requirements, the need to maintain adequate capital levels, alternative investment opportunities, the need to comply with safe and sound banking practices as well as meet regulatory expectations, and other factors, including the ability of our subsidiaries to make distributions to us, which ability may be restricted by statutory, contractual or other constraints. There can be no assurance that we will pay dividends in the future, even if the necessary financial conditions are met and if sufficient cash is available for distribution.

Also, as a bank holding company, our ability to declare and pay dividends is dependent on certain federal regulatory considerations. Seacoast is a separate and distinct legal entity from our banking subsidiary. We therefore depend on dividends, distributions and other payments from our banking subsidiary to fund dividend payments on our common stock and to fund all payments on our other obligations. Our banking subsidiary is subject to laws that authorize regulatory bodies to block or reduce the flow of funds from the subsidiary to us, and our subsidiary also may become subject to regulatory orders that would further limit its ability to pay dividends to us.

### ***Our ability to utilize our deferred tax asset to offset future taxable income may be significantly limited if we experiences an ownership change under the Internal Revenue Code.***

As of September 30, 2013, we had recognized a net deferred tax asset of approximately \$65.4 million, which is included in our tangible common equity. Our ability to utilize our deferred tax asset to offset future taxable income may be significantly limited if we experience an ownership change as defined in Section 382 of the Internal Revenue Code of 1986, as amended, referred to herein as the Code. In general, an ownership change will occur if there is a cumulative change in the ownership by 5-percent or more shareholders (as defined in the Code) that exceeds 50 percentage points over a rolling three-year period. If this were to occur, we would be subject to an annual limitation on our pre-ownership change deferred tax asset equal to the value of the corporation immediately before the ownership change, provided that the annual limitation would be increased each year to the extent that there is an unused limitation in a prior year.

### ***Our business strategy includes significant growth plans, and our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth effectively.***

We intend to pursue an organic and acquisition growth strategy for our business. We regularly evaluate potential acquisitions and expansion opportunities. If appropriate opportunities present themselves, we expect to engage in selected acquisitions of financial institutions, branch acquisitions and other business growth initiatives or undertakings. There can be no assurance that we will successfully identify appropriate opportunities, that we will be able to negotiate or finance such activities or that such activities, if undertaken, will be successful.

There are risks associated with our growth strategy. To the extent that we grow through acquisitions, we cannot ensure that we will be able to adequately or profitably manage this growth. Acquiring other banks, branches or other assets, as well as other expansion activities, involves various risks including the risks of incorrectly assessing the credit

quality of acquired assets, encountering greater than expected costs of integrating acquired banks or branches into us, the risk of loss of customers and/or employees of the acquired institution or branch, executing cost savings measures, not achieving revenue enhancements and otherwise not realizing the

S-10

**Table of Contents**

transaction's anticipated benefits. Our ability to address these matters successfully cannot be assured. In addition, our strategic efforts may divert resources or management's attention from ongoing business operations, may require investment in integration and in development and enhancement of additional operational and reporting processes and controls and may subject us to additional regulatory scrutiny.

Our growth initiatives may also require us to recruit experienced personnel to assist in such initiatives. Accordingly, the failure to identify and retain such personnel would place significant limitations on our ability to successfully execute our growth strategy. In addition, to the extent we expand our lending beyond our current market areas, we could incur additional risks related to those new market areas. We may not be able to expand our market presence in our existing market areas or successfully enter new markets.

If we do not successfully execute our acquisition growth plan, it could adversely affect our business, financial condition, results of operations, reputation and growth prospects. In addition, if we were to conclude that the value of an acquired business had decreased and that the related goodwill had been impaired, that conclusion would result in an impairment of goodwill charge to us, which would adversely affect our results of operations. While we believe we will have the executive management resources and internal systems in place to successfully manage our future growth, there can be no assurance growth opportunities will be available or that we will successfully manage our growth.

Additionally, we may pursue divestitures of non-strategic branches or other assets. Such divestitures involve various risks, including the risks of not being able to timely or fully replace liquidity previously provided by deposits which may be transferred as part of a divestiture, which could adversely affect our financial condition and results of operations.

**Table of Contents**

**USE OF PROCEEDS**

We expect to receive net proceeds from the offering of shares of our common stock of approximately \$        million, after deducting estimated placement agent fees and estimated expenses. We intend to use the net proceeds from this offering to redeem the Series A Preferred Stock originally issued to the Treasury under the CPP established by the Treasury as part of TARP. The Series A Preferred Stock would be redeemed at its \$25,000 per share liquidation preference, representing \$50 million, plus accrued and unpaid dividends. Although we have notified the Federal Reserve of our intent to redeem the Series A Preferred Stock, there can be no assurance that the Federal Reserve will approve our ability to do so. Additionally, we expect to use the remainder of the proceeds to support our growth plans, investments in, or extensions of credit to, our subsidiaries, investments in securities and other general corporate purposes.

S-12



**Table of Contents****CAPITALIZATION**

The following table sets forth our consolidated capitalization as of June 30, 2013:

on an actual basis; and

on an adjusted basis to give effect to the sale of \_\_\_\_\_ shares of common stock at a price of \$ \_\_\_\_\_ per share, for total net proceeds of approximately \$ \_\_\_\_\_ million after deducting placement agent fees and expenses.

This capitalization table does not take into account our intended redemption of our Series A Preferred Stock. This information should be read together with the unaudited consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Conditions and Results of Operations in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, which are incorporated by reference into this prospectus supplement.

	<b>As of June 30, 2013</b>	
	<b>Actual</b>	<b>As- adjusted for this Offering</b>
	<b>(Unaudited)</b>	
	<b>(in thousands, except shares)</b>	
Cash and cash equivalents	\$ 33,673	\$
Debt:		
Borrowed funds	50,000	
Subordinated debt	53,610	
<b>Total debt</b>	<b>103,610</b>	
Shareholders' equity:		
Preferred stock, authorized 4,000,000 shares, par value \$0.10 per share, issued and outstanding 2,000 shares of Series A and 2,000 issued and outstanding, actual and as adjusted	49,370	
Common stock, par value \$0.10 per share, authorized 300,000,000 shares, issued 94,917,275 and outstanding 94,911,466 shares and issued _____ and outstanding _____ shares, actual and as adjusted	9,487	
Other shareholders' equity	102,391	
<b>Total shareholders' equity</b>	<b>161,248</b>	
<b>Total capitalization</b>	<b>\$ 161,248</b>	<b>\$</b>

S-13

**Table of Contents****PRICE RANGE OF COMMON STOCK**

Our common stock trades on the NASDAQ Global Select Market under the symbol SBCF. On November 4, 2013, the last reported sale price of our common stock on the NASDAQ Global Select Market was \$2.20 per share. The following table provides the high and low price per share during the periods indicated, as reported on the NASDAQ Global Select Market.

	<b>High</b>	<b>Low</b>
<b>2013</b>		
Quarter ended December 31, 2013 (through November 4, 2013)	\$ 2.31	\$ 2.02
Quarter ended September 30, 2013	\$ 2.46	\$ 2.02
Quarter ended June 30, 2013	\$ 2.20	\$ 1.70
Quarter ended March 31, 2013	\$ 2.25	\$ 1.55
<b>2012</b>		
Quarter ended December 31, 2012	\$ 1.65	\$ 1.38
Quarter ended September 30, 2012	\$ 1.69	\$ 1.32
Quarter ended June 30, 2012	\$ 1.91	\$ 1.37
Quarter ended March 31, 2012	\$ 1.94	\$ 1.50
<b>2011</b>		
Quarter ended December 31, 2011	\$ 1.69	\$ 1.16
Quarter ended September 30, 2011	\$ 1.77	\$ 1.26
Quarter ended June 30, 2011	\$ 1.92	\$ 1.40
Quarter ended March 31, 2011	\$ 1.94	\$ 1.30

As of September 30, 2013, there were 94,911,529 shares of common stock issued and outstanding. As of September 30, 2013, there were approximately 1,579 shareholders of record.

**Table of Contents**

**DIVIDEND POLICY**

We have not paid dividends for the past three years and we do not anticipate paying dividends in the foreseeable future.

The primary sources of funds for our payment of dividends to our shareholders are cash on hand and dividends from Seacoast National Bank. As a bank holding company, Seacoast is a legal entity separate and distinct from our subsidiaries, including Seacoast National Bank. The prior approval of the Office of the Comptroller of the Currency (the OCC) is required if the total of all dividends declared by a national bank (such as Seacoast National Bank) in any calendar year will exceed the sum of such bank's net profits for that year and its retained net profits for the preceding two calendar years, less any required transfers to surplus. In addition, Seacoast National Bank is also subject to federal regulatory capital requirements that effectively limit the amount of cash dividends, if any that Seacoast National Bank may pay to us.

Under the Federal Reserve guidance reissued on February 24, 2009, the Federal Reserve may restrict our ability to pay dividends on any class of capital stock or any other Tier 1 capital instrument if we are not deemed to have a strong capital position. In addition, we may have to reduce or eliminate dividends if:

our net income available to shareholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends;

our prospective rate of earnings retention is not consistent with our capital needs and overall current and prospective financial condition; or

we will not meet, or are in danger of not meeting, the minimum regulatory capital adequacy ratios.

On November 17, 2010, the Federal Reserve issued further guidance noting, among other things, that bank holding companies should consult with the Federal Reserve before taking any actions that could result in a diminished capital bases, including increasing dividends.

Federal law also prohibits any national bank from paying dividends that would be greater than such bank's undivided profits after deducting statutory bad debts in excess of such bank's allowance for possible loan losses. In addition, we and Seacoast National are subject to various general regulatory policies and requirements relating to the payment of dividends, including requirements to maintain adequate capital above regulatory minimums. The appropriate federal bank regulatory authority may prohibit the payment of dividends where it has determined that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof. The OCC and the Federal Reserve have indicated that paying dividends that deplete a national or state member bank's capital base to an inadequate level would be an unsound and unsafe banking practice. The OCC and the Federal Reserve have each indicated that depository institutions and their holding companies should generally pay dividends only out of current operating earnings.

The Federal Deposit Insurance Corporation Improvement Act generally prohibits a depository institution from making any capital distribution, including payment of a dividend, or paying any management fee to its bank holding company if the institution would thereafter be undercapitalized. In addition, federal banking regulations applicable to us and our bank subsidiary require minimum levels of capital that limit the amounts available for payment of dividends. In

addition, many regulators have a policy, but not a requirement, that a dividend payment should not exceed net income to date in the current year. Finally, the ability of banks and bank holding companies to pay dividends, and the contents of their respective dividend policies, could be impacted by a range of changes imposed by the Dodd-Frank Wall Street Reform and Consumer Protection Act, many of which will require implementing rules to become effective.

S-15

**Table of Contents**

**MATERIAL UNITED STATES FEDERAL  
TAX CONSEQUENCES FOR NON-U.S. HOLDERS**

The following is a general discussion of certain material U.S. federal income and estate tax consequences of the purchase, ownership and disposition of our common stock that may be relevant to you if you are a beneficial owner that is a Non-U.S. Holder (as defined below). This discussion is limited to Non-U.S. Holders who hold our common stock as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. For purposes of this discussion, a Non-U.S. Holder is a beneficial owner of our common stock that is not any of the following for U.S. federal income tax purposes:

an individual citizen or resident of the U.S.;

a corporation organized under the laws of the U.S., any state thereof or the District of Columbia;

a partnership or other entity classified as a partnership for U.S. federal income tax purposes;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if it (1) is subject to the primary supervision of a court within the U.S. and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

A modified definition of Non-U.S. holder applies for U.S. federal estate tax purposes (as discussed below).

For purposes of this discussion, a Non-U.S. Holder does not include a nonresident alien individual who is present in the United States for 183 days or more in the taxable year of disposition. Such an individual is urged to consult his or her own tax adviser regarding the U.S. federal income tax consequences of the sale, exchange or other disposition of our common stock.

If an entity or arrangement that is classified as a partnership for U.S. federal income