

BUCKHEAD COMMUNITY BANCORP INC  
Form S-4/A  
October 05, 2007  
Table of Contents

As filed with the Securities and Exchange Commission on October 5, 2007

Registration No. 333-144138

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## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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AMENDMENT NO. 2

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

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## BUCKHEAD COMMUNITY BANCORP, INC.

(Exact name of registrant as specified in its charter)

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Georgia  
(State or other jurisdiction of  
incorporation or organization)

6022  
(Primary Standard Industrial  
Classification Code Number)  
415 East Paces Ferry Road

58-2265980  
(I.R.S. Employer  
Identification No.)

Atlanta, Georgia 30305

(404) 504-2548

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

Marvin Cosgray

**President and Chief Executive Officer**

**Buckhead Community Bancorp, Inc.**

**415 East Paces Ferry Road**

**Atlanta, Georgia 30305**

**(404) 504-2548**

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

*Copies to:*

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**Suite 600**

**Atlanta, Georgia 30309**

**Gainesville, Georgia 30501**

**(404) 572-6600**

**(678) 207-2003**

**Approximate Date of Commencement of Proposed Sale of the Securities to the Public:** As soon as practicable after the effective date of this Registration Statement.

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, please 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**

Title of each class of securities to be registered	Amount to be registered <sup>(1)</sup>	Proposed		Amount of registration fee <sup>(3)</sup>
		offering price	Proposed maximum aggregate offering price <sup>(2)</sup>	
Common stock, \$0.01 par value	2,187,410 shares	per unit \$25.00	\$54,685,250.00	\$1,680

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(1) This amount is based upon the maximum number of shares of the registrant's common stock anticipated to be issued upon the consummation of the merger described in this Registration Statement.

(2) This amount is estimated solely for purposes of calculating the registration fee. It is calculated pursuant to paragraphs (f)(2) and (f)(3) of Rule 457 under the Securities Act of 1933, as amended, and is equal to the product of (a) \$25.00, the per share value of Buckhead Community common stock assigned in the Agreement and Plan of Reorganization, and (b) the maximum 2,149,371 shares of Buckhead Community common stock to be issued under the terms of the Agreement and Plan of Reorganization.

(3) \$1,672 of the registration fee has been previously paid.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**Table of Contents**

**Preliminary Subject to Completion Dated October 5, 2007**

**The information in this proxy statement-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 proxy statement-prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

<b>PROXY STATEMENT</b>	<b>PROSPECTUS</b>
<b>OF</b>	<b>OF</b>
<b>ALLIED BANCSHARES, INC.</b>	<b>BUCKHEAD COMMUNITY BANCORP, INC.</b>
<b>PROPOSED MERGER</b>	<b>YOUR VOTE IS VERY IMPORTANT</b>

The boards of directors of Allied Bancshares, Inc. and Buckhead Community Bancorp, Inc. have each approved a transaction that will result in the merger of Allied with and into Buckhead Community. Buckhead Community will be the surviving bank holding company in the merger. Shareholders of Allied are being asked to approve the merger at a special meeting of shareholders to be held on \_\_\_\_\_, 2007. Buckhead Community shareholders are not required to approve the merger.

If the merger is completed, Allied shareholders will receive for each of their shares 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than 25% of the aggregate merger consideration will be in the form of cash. Depending on the elections of other Allied shareholders, you may be permitted to receive a different allocation of stock and cash than other Allied shareholders, all of which is described in this document.

It is possible, however, that you may not receive the type(s) of consideration that you elect because your election is subject to adjustment to the extent necessary to ensure that the merger consideration paid to all Allied shareholders consists of at least 1,643,172 shares of Buckhead Community common stock. While Buckhead Community currently has no plans to list its stock on an exchange and there is no guarantee that a liquid market for Buckhead Community common stock will develop, Buckhead Community common stock issued pursuant to the merger will be registered under the Securities Act of 1933, as amended.

A special meeting of Allied's shareholders will be held at \_\_\_\_\_, on \_\_\_\_\_, 2007 at \_\_\_\_\_ .m. local time. At the special meeting, you will be asked to approve the Agreement and Plan of Reorganization by and among Buckhead Community, The Buckhead Community Bank, Allied and First National Bank of Forsyth County, which we also refer to in this proxy statement-prospectus as the merger agreement. Allied's board of directors recommends that you vote **FOR** approval of the merger agreement and urges you to sign and date the enclosed proxy card and return it promptly in the enclosed envelope to make sure that your vote is counted. Of course, if you attend the meeting, you may vote in person, even if you have returned your proxy card.

You should read this entire proxy statement-prospectus carefully because it contains important information about the merger. **In particular, you should read carefully the information under the section entitled Risk Factors, beginning on page 18.**

**Neither the Securities and Exchange Commission nor any state securities regulators have approved or disapproved of the securities to be issued in the merger or determined if this document is truthful or complete. Any representation to the contrary is a criminal offense.**

**The shares of Buckhead Community common stock to be issued in the merger are not deposits or savings accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

This proxy statement-prospectus is dated \_\_\_\_\_, 2007 and is first being mailed to Allied's shareholders on or about \_\_\_\_\_, 2007.

**Table of Contents**

**PLEASE NOTE**

We have not authorized anyone to provide you with any information other than the information included in this proxy statement-prospectus and the documents to which we refer you 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. You should assume that the information appearing in this proxy statement-prospectus is accurate only as of the date on the front cover of this proxy statement-prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

As used in this proxy statement-prospectus, the terms Buckhead Community and Allied refer to Buckhead Community Bancorp, Inc. and Allied Bancshares, Inc., respectively, and, where the context requires, Buckhead Community may refer to Buckhead Community Bancorp, Inc. and its subsidiary, The Buckhead Community Bank. Similarly, where context requires, Allied may refer to Allied Bancshares, Inc. and its subsidiary First National Bank of Forsyth County.

**HOW TO OBTAIN ADDITIONAL INFORMATION**

Allied is a publicly traded company and is required to file certain reports, proxy statements and other information with the SEC. The SEC maintains a web site on the Internet that contains reports, proxy statements and other information about public companies, including Allied. The address of that site is <http://www.sec.gov>. You may also read and copy any materials filed with the SEC by Allied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

This proxy statement-prospectus does not contain all of the information in the registration statement. Please refer to the registration statement for further information about Buckhead Community and the Buckhead Community common stock to be issued in the merger. Statements contained in this proxy statement-prospectus concerning the provisions of certain documents included in the registration statement are not necessarily complete. A complete copy of each document is filed as an exhibit to the registration statement. You may obtain copies of all or any part of the registration statement, including exhibits thereto, upon payment of the prescribed fees, at the offices of the SEC listed above, or without charge at the SEC's website at the above address.

**Table of Contents**

**ALLIED BANCSHARES, INC.**

**1700 Marketplace Blvd.**

**Cumming, Georgia 30041**

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON \_\_\_\_\_, 2007**

To the Shareholders of Allied Bancshares, Inc.:

Allied Bancshares, Inc. will hold a special meeting of shareholders at \_\_\_\_\_, on \_\_\_\_\_, 2007 at \_\_\_\_\_ .m., local time, for the following purposes:

1. *Merger.* To approve and adopt the Agreement and Plan of Reorganization, dated March 1, 2007, by and among Buckhead Community Bancorp, Inc., The Buckhead Community Bank, Allied Bancshares, Inc. and First National Bank of Forsyth County, pursuant to which Buckhead Community will acquire Allied and The Buckhead Community Bank will acquire First National Bank of Forsyth County. A copy of the merger agreement is attached to the accompanying proxy statement-prospectus as *Appendix A*.
2. *Other business.* To transact such other business as may properly come before the special meeting or any adjournments or postponements of the special meeting.

Only shareholders of record at the close of business on \_\_\_\_\_, 2007, the record date, are entitled to notice of and to vote at the special meeting or any adjournments or postponements of the special meeting. The approval of the Agreement and Plan of Reorganization requires the affirmative vote of a majority of the shares of Allied common stock outstanding on the record date.

**After careful consideration, your board of directors supports the merger and recommends that you vote *FOR* approval of the Agreement and Plan of Reorganization.**

**YOUR VOTE IS VERY IMPORTANT.** Whether or not you plan to attend the special meeting, please take the time to vote by completing, signing and mailing the enclosed proxy card in the accompanying postage-paid envelope. You may revoke your proxy at any time before it is voted by giving written notice of revocation to Allied's secretary, or by filing a properly executed proxy card of a later date with Allied's secretary, at or before the meeting. You may also revoke your proxy by attending and voting your shares in person at the meeting.

Allied's shareholders have dissenters' rights with respect to the merger under Georgia law. Shareholders who wish to assert their dissenters' rights and comply with the procedural requirements of Article 13 of the Georgia Business Corporation Code will be entitled to receive payment of the fair value of their shares in cash in accordance with Georgia law. A copy of Article 13 of the Georgia Business Corporation Code is attached as *Appendix C* to the proxy statement-prospectus.

We do not know of any other matters to be presented at the special meeting, but if other matters are properly presented, the persons named as proxies will vote on such matters at their discretion.

By Order of the Board of Directors

Cumming, Georgia

, 2007

**Table of Contents**

**TABLE OF CONTENTS**

	<b>Page</b>
<b><u>QUESTIONS AND ANSWERS</u></b>	<b>i</b>
<b><u>SUMMARY</u></b>	<b>1</b>
<u>THE COMPANIES</u>	1
<u>THE MERGER AGREEMENT</u>	2
<u>WHAT YOU WILL RECEIVE IN THE MERGER</u>	2
<u>EFFECT OF THE MERGER ON ALLIED OPTIONS</u>	2
<u>EFFECT OF THE MERGER ON ALLIED WARRANTS</u>	3
<u>YOUR EXPECTED TAX TREATMENT AS A RESULT OF THE MERGER</u>	3
<u>DISSENTERS' RIGHTS YOU WILL HAVE AS A RESULT OF THE MERGER</u>	3
<u>COMPARATIVE STOCK PRICES</u>	4
<u>REASONS FOR THE MERGER</u>	4
<u>OPINION OF ALLIED'S FINANCIAL ADVISOR</u>	4
<u>YOUR BOARD OF DIRECTORS RECOMMENDS SHAREHOLDER APPROVAL OF THE MERGER AGREEMENT</u>	5
<u>INFORMATION ABOUT THE SHAREHOLDERS' MEETING</u>	5
<u>QUORUM AND VOTE REQUIRED AT THE MEETING</u>	5
<u>SHARE OWNERSHIP OF MANAGEMENT</u>	5
<u>STRUCTURE OF THE MERGER</u>	6
<u>WE MUST OBTAIN REGULATORY APPROVAL TO COMPLETE THE MERGER</u>	6
<u>WE MUST MEET SEVERAL CONDITIONS TO COMPLETE THE MERGER</u>	6
<u>TERMINATION AND TERMINATION FEE</u>	7
<u>ALLIED'S DIRECTOR AND EXECUTIVE OFFICERS HAVE INTERESTS IN THE MERGER THAT DIFFER FROM YOUR INTERESTS</u>	7
<u>EMPLOYEE BENEFITS OF ALLIED EMPLOYEES AFTER THE MERGER</u>	7
<u>DIFFERENCES IN RIGHTS OF ALLIED'S SHAREHOLDERS AFTER THE MERGER</u>	7
<u>ACCOUNTING TREATMENT</u>	7
<b><u>SELECTED CONSOLIDATED FINANCIAL INFORMATION OF BUCKHEAD COMMUNITY</u></b>	<b>8</b>
<b><u>UNAUDITED COMPARATIVE PER SHARE DATA</u></b>	<b>9</b>
<b><u>SELECTED UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION</u></b>	<b>11</b>
<b><u>RISK FACTORS</u></b>	<b>18</b>
<b><u>A WARNING ABOUT FORWARD-LOOKING STATEMENTS</u></b>	<b>24</b>
<b><u>THE ALLIED SPECIAL SHAREHOLDERS' MEETING</u></b>	<b>25</b>
<u>PURPOSE</u>	25
<u>RECORD DATE; QUORUM AND VOTE REQUIRED</u>	25
<u>SOLICITATION AND REVOCATION OF PROXIES</u>	25
<u>DISSENTERS' RIGHTS</u>	26
<u>RECOMMENDATION OF THE BOARD OF DIRECTORS OF ALLIED</u>	26
<b><u>PROPOSAL 1: THE MERGER</u></b>	<b>27</b>
<u>STRUCTURE OF THE MERGER</u>	27
<u>BACKGROUND OF THE MERGER</u>	27
<u>FINANCIAL PROJECTIONS</u>	29
<u>REASONS FOR THE MERGER</u>	30
<b><u>OPINION OF BURKE CAPITAL</u></b>	<b>33</b>
<b><u>THE MERGER AGREEMENT</u></b>	<b>43</b>
<u>GENERAL; BUSINESS AND OPERATIONS AFTER THE MERGER</u>	43
<u>WHAT ALLIED'S SHAREHOLDERS WILL RECEIVE IN THE MERGER</u>	43



**Table of Contents**

<u>ALLOCATION AND PRORATION PROCEDURES</u>	44
<u>NO FRACTIONAL SHARES</u>	45
<u>DISSENTERS' RIGHTS</u>	45
<u>EFFECT OF THE MERGER ON ALLIED OPTIONS</u>	45
<u>EFFECT OF THE MERGER ON ALLIED WARRANTS</u>	45
<u>CLOSING AND EFFECTIVE TIME OF THE MERGER</u>	45
<u>REPRESENTATIONS AND WARRANTIES IN THE MERGER AGREEMENT</u>	45
<u>CONDITIONS TO THE MERGER</u>	46
<u>WAIVER AND AMENDMENT</u>	47
<u>BUSINESS OF ALLIED PENDING THE MERGER</u>	47
<u>NO SOLICITATION OF ALTERNATIVE TRANSACTIONS</u>	48
<u>TERMINATION OF THE MERGER AGREEMENT; TERMINATION FEE</u>	48
<u>PAYMENT OF EXPENSES RELATING TO THE MERGER</u>	49
<u>INTERESTS OF CERTAIN PERSONS IN THE MERGER</u>	49
<u>SHARE OWNERSHIP OF MANAGEMENT</u>	50
<u>NO PUBLIC TRADING MARKET</u>	50
<u>BUCKHEAD COMMUNITY DIVIDENDS</u>	50
<u>SURRENDER AND EXCHANGE OF STOCK CERTIFICATES</u>	50
<u>RESALE OF BUCKHEAD COMMUNITY COMMON STOCK</u>	51
<u>AFFILIATE AGREEMENTS</u>	52
<u>REGULATORY AND OTHER REQUIRED APPROVALS</u>	52
<u>ACCOUNTING TREATMENT OF THE MERGER</u>	53
<b><u>MATERIAL FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u></b>	<b>54</b>
<b><u>CERTAIN DIFFERENCES IN RIGHTS OF SHAREHOLDERS</u></b>	<b>57</b>
<u>AUTHORIZED CAPITAL STOCK</u>	57
<u>BOARDS OF DIRECTORS</u>	57
<u>REPORTING REQUIREMENTS</u>	57
<u>LIQUIDATION RIGHTS</u>	58
<u>MERGERS, CONSOLIDATIONS AND SALES OF ASSETS</u>	58
<u>DIVIDENDS</u>	58
<b><u>DISSENTERS' RIGHTS</u></b>	<b>59</b>
<b><u>PROPOSAL 2: AUTHORIZATION TO ADJOURN</u></b>	<b>62</b>
<b><u>INFORMATION ABOUT BUCKHEAD COMMUNITY</u></b>	<b>63</b>
<u>GENERAL</u>	63
<u>BUSINESS AND PROPERTIES</u>	64
<u>COMPETITION</u>	68
<u>EMPLOYEES</u>	69
<u>LEGAL PROCEEDINGS</u>	69
<u>MARKET PRICES OF AND DIVIDENDS DECLARED ON BUCKHEAD COMMUNITY COMMON STOCK</u>	69
<u>CERTAIN PROVISIONS OF BUCKHEAD COMMUNITY'S ARTICLES OF INCORPORATION AND BYLAWS REGARDING CHANGE OF CONTROL</u>	70
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	71
<u>AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006</u>	72
<u>UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2007</u>	98
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF BUCKHEAD COMMUNITY</u>	106

**Table of Contents**

<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	122
<u>MANAGEMENT OF BUCKHEAD COMMUNITY</u>	125
<u>EXECUTIVE COMPENSATION</u>	129
<u>EQUITY COMPENSATION PLAN INFORMATION</u>	138
<u>MATERIAL CONTACTS WITH ALLIED</u>	138
<u>RELATED PARTY TRANSACTIONS</u>	140
<u>SUPERVISION AND REGULATION</u>	141
<b><u>INFORMATION ABOUT ALLIED</u></b>	<b>151</b>
<u>GENERAL</u>	151
<u>BUSINESS AND PROPERTIES</u>	151
<u>LENDING ACTIVITIES AND BUSINESS OF FNB FORSYTH</u>	152
<u>DEPOSITS</u>	154
<u>MARKET AREA AND COMPETITION</u>	154
<u>SECURITIES AND SHORT-TERM INVESTMENTS</u>	154
<u>ASSET AND LIABILITY MANAGEMENT</u>	154
<u>EMPLOYEES</u>	155
<u>LEGAL PROCEEDINGS</u>	155
<u>CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE</u>	155
<u>MARKET PRICES OF AND DIVIDENDS DECLARED ON ALLIED COMMON STOCK</u>	155
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	156
<u>AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006</u>	158
<u>UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2007</u>	180
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	186
<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	202
<u>CERTAIN ALLIED DIRECTORS</u>	205
<u>EXECUTIVE COMPENSATION</u>	206
<u>EQUITY COMPENSATION PLAN INFORMATION</u>	208
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	208
<b><u>OTHER MATTERS</u></b>	<b>210</b>
<b><u>EXPERTS</u></b>	<b>210</b>
<b><u>LEGAL MATTERS</u></b>	<b>210</b>
<b><u>IMPORTANT NOTICE FOR ALLIED'S SHAREHOLDERS</u></b>	<b>210</b>
<b><u>WHERE YOU CAN FIND ADDITIONAL INFORMATION</u></b>	<b>211</b>
APPENDIX A	<u>AGREEMENT AND PLAN OF REORGANIZATION BY AND AMONG BUCKHEAD COMMUNITY, THE BUCKHEAD COMMUNITY BANK, ALLIED AND FIRST NATIONAL BANK OF FORSYTH COUNTY (WITHOUT EXHIBITS)</u>
APPENDIX B	<u>FAIRNESS OPINION OF BURKE CAPITAL GROUP, LLC</u>
APPENDIX C	<u>FULL TEXT OF ARTICLE 13 OF THE GEORGIA BUSINESS CORPORATION CODE</u>

**Table of Contents**

**QUESTIONS AND ANSWERS**

**Q: On what am I being asked to vote?**

A: You are being asked to approve the Agreement and Plan of Reorganization, which we may refer to as the merger agreement, and which provides for the acquisition of Allied by Buckhead Community.

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

A: The board of directors of Allied recommends that you vote **FOR** approval of the merger agreement.

**Q: Why is my board of directors recommending that I vote for approval of the merger agreement?**

A: Your board of directors believes the merger is a strategic opportunity to combine with Buckhead Community, which is expected to create greater short- and long-term growth and shareholder value.

**Q: What will happen to First National Bank of Forsyth County as a result of the merger?**

A: If the merger occurs, the board of directors of Buckhead Community will promptly approve the merger of First National Bank of Forsyth County with and into The Buckhead Community Bank, which is a wholly owned subsidiary of Buckhead Community. We may refer to this transaction as the bank merger. The Buckhead Community Bank will be the surviving entity in the bank merger.

**Q: What vote is required to approve the merger agreement?**

A: Approval of the Agreement and Plan of Reorganization requires the affirmative vote of a majority of the outstanding shares of Allied common stock. The directors of Allied have agreed, subject to their fiduciary duties, to vote all of their 324,278 shares, or approximately 21.1% of the outstanding shares, in favor of the merger. See *The Merger Agreement* *Affiliate Agreements* beginning on page 52.

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

A: Allied shareholders will receive for each of their shares: 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than 25% of the aggregate merger consideration will be in the form of cash. Depending on your election and the elections of other Allied shareholders, you may receive a lesser portion of your consideration in cash than you choose. See page 43 for further explanation.

**Q: If I am an Allied shareholder, will I always receive the form of consideration I elect to receive?**

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A: No. The total amount of cash to be paid in the merger is capped. Accordingly, there is no assurance that you will receive the form of consideration that you elect with respect to all shares of Allied common stock you hold. If the elections of all Allied shareholders result in an oversubscription of the pool of cash, the exchange agent will allocate the consideration you will receive between cash and Buckhead Community common stock in accordance with the proration procedures described beginning on page 44 of this proxy statement-prospectus.

**Q: If I am an Allied shareholder, what happens if I do not make an election as to the form of consideration I will receive for my Allied common stock?**

A: If you fail to make an election prior to the election deadline, other than because you are exercising your dissenters' rights, you will receive Buckhead Community common stock as consideration for your shares of Allied common stock, and will not receive any cash consideration. For more information concerning the merger consideration and election procedures, see The Merger Agreement on page 43.

## **Table of Contents**

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

A: Powell Goldstein LLP has issued an opinion, which it will confirm as of the effective date of the merger, that the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code. Allied shareholders who receive all stock consideration in the merger will not recognize gain for federal income tax purposes as a result of the surrender of Allied common stock for receipt of Buckhead Community common stock. However, to the extent that you may elect to receive cash consideration for your shares of Allied common stock, or receive cash as a result of the exercise of dissenters' rights or in lieu of a fractional share, you will recognize gain for federal income tax purposes. Your tax treatment will depend on your specific situation and many variables not within our control. You should consult your own tax advisor for a full understanding of the tax consequences of the merger to you.

### **Q: When do you expect the merger to be completed?**

A: We currently expect to complete the merger in the fourth quarter of 2007, shortly after the special shareholders' meeting, assuming Allied shareholders and the applicable bank regulatory agencies approve the merger.

### **Q: Will I be able to sell the Buckhead Community common stock I receive pursuant to the merger?**

A: Yes. While Buckhead Community currently has no plans to list its stock on an exchange and there is no guarantee that a liquid market for Buckhead Community common stock will develop, Buckhead Community common stock issued pursuant to the merger will be registered under the Securities Act of 1933, as amended. All shares of Buckhead Community common stock that you receive pursuant to the merger will be freely transferable unless you are deemed an affiliate of Allied at the time of the merger or become an affiliate of Buckhead Community. Affiliates of Allied may, however, be able to freely sell the shares they receive pursuant to the merger subject to applicable securities regulations. See "Resale of Buckhead Community Common Stock" on page 51.

### **Q: What should I do now?**

A: After carefully reading and considering the information in this proxy statement-prospectus, indicate on your proxy card how you want to vote, sign the proxy card and mail it in the enclosed postage-paid envelope as soon as possible, so that your shares will be represented at the special meeting.

**NOTE:** If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted **FOR** the proposal to approve the merger agreement.

### **Q: What if I do not vote?**

A: If you do not vote, by either signing and sending in your proxy card or attending and voting at the special meeting, it will have the same effect as voting your shares 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 of stock on the merger agreement only if you provide instructions on how to vote. You should instruct your broker on how to vote your shares, following the directions your broker provides. If you do not provide instructions to your

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broker, and your broker submits an unvoted proxy, the resulting broker nonvote will not be counted toward a quorum and your shares will not be voted at the special meeting, which will have the same effect as voting your shares against the merger.

**Q: Can I change my vote after I deliver my proxy?**

A: Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in three ways. First, you can revoke your proxy by giving written notice of revocation to Allied s

ii

**Table of Contents**

secretary. Second, you can submit a new properly executed proxy with a later date to Allied's secretary, at or before the meeting. The latest proxy actually received before the meeting will be counted, and any earlier proxies will be revoked. Third, you can attend the special meeting and vote your shares in person. Any earlier proxy will be thereby revoked. However, simply attending the meeting without voting will not revoke your proxy.

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

A: No. If the merger is completed, Buckhead Community will send all Allied shareholders written instructions for exchanging Allied common stock certificates for the merger consideration.

**Q: Am I entitled to dissenters' rights in connection with the merger?**

A: Yes. If you wish, you may exercise dissenters' rights arising out of the transaction contemplated by the merger agreement and obtain a cash payment for the fair value of your shares under Georgia law. To exercise dissenters' rights, you must not vote in favor of the adoption and approval of the merger agreement, and you must strictly comply with all of the applicable requirements of Georgia law summarized under the heading Dissenters' Rights in this proxy statement-prospectus. The fair value of your shares may be more or less than the consideration to be paid in the merger. We have included a copy of the applicable provisions of Georgia law as *Appendix C* to this proxy statement-prospectus.

**Q: Who can help answer my questions?**

A: If you would like additional copies of this document, or if you would like to ask any questions about the merger and related matters, you should contact: Andrew Walker, Allied Bancshares, Inc., 1700 Marketplace Blvd., Cumming, Georgia, 30041, telephone: (678) 947-3595.

**Table of Contents**

**SUMMARY**

*We have prepared this summary of certain material information to assist you in your review of this proxy statement-prospectus. It is necessarily general and abbreviated, and it is not intended to be a complete explanation of all of the matters covered in this proxy statement-prospectus. To understand the merger and the issuance of cash and shares of Buckhead Community common stock in the merger, please see the more complete and detailed information in the sections that follow this summary, as well as the appendices and exhibits to this document. We urge you to read all of these documents in their entirety prior to returning your proxy or voting at the special meeting of Allied's shareholders.*

*Each item in this summary refers to the page of this document on which that subject is discussed in more detail.*

**The Companies (See page 63 for Buckhead Community and page 151 for Allied)**

**BUCKHEAD COMMUNITY BANCORP, INC.**

**415 East Paces Ferry Road**

**Atlanta, Georgia 30305**

**(404) 504-2548**

**Website: <http://www.thebuckheadcommunitybank.com>**

Buckhead Community is a Georgia corporation and a registered bank holding company headquartered in Atlanta, Georgia. Buckhead Community's banking subsidiary is The Buckhead Community Bank. The Buckhead Community Bank provides a full range of traditional banking services throughout the metropolitan Atlanta area through branch locations in the Midtown and Buckhead neighborhoods of Atlanta, in Alpharetta and in Sandy Springs, Fulton County, Georgia, as well as a loan production office in Suwanee, Forsyth County, Georgia.

As of December 31, 2006, Buckhead Community had consolidated total assets of approximately \$541.2 million, consolidated total gross loans of approximately \$378.3 million, consolidated total deposits of approximately \$472.1 million and consolidated shareholders' equity of approximately \$39.8 million, up 38.3%, 43.8%, 35.6% and 37.4%, respectively, from December 31, 2005. Buckhead Community had net income for the year ended December 31, 2006 of approximately \$5.3 million, or \$1.18 per diluted share, compared to \$0.86 per diluted share for the year ended December 31, 2005. As of June 30, 2007, Buckhead Community had consolidated total assets of \$603.8 million and total gross loans of \$430.8 million, up 11.6% and 13.9% respectively from December 31, 2006. Buckhead Community's board of directors has not declared a dividend since Buckhead Community's inception and does not expect to do so in the foreseeable future.

**ALLIED BANCSHARES, INC.**

**1700 Marketplace Blvd.**

**Cumming, Georgia 30041**

**(678) 947-3595**

**Website: [www.fnbforsyth.com](http://www.fnbforsyth.com)**

Allied Bancshares, Inc. is a registered bank holding company headquartered in Cumming, Georgia. First National Bank of Forsyth County, Allied's banking subsidiary ( FNB Forsyth ), provides banking services through its main office in Forsyth County, Georgia and also operates a branch office in Hall County, Georgia.

At December 31, 2006, Allied had total consolidated assets of approximately \$191 million, total consolidated deposits of approximately \$168 million, total consolidated loans of approximately \$163 million, and consolidated shareholders' equity of approximately \$16 million. Allied had net income for the year ended





## **Table of Contents**

December 31, 2006 of \$1.9 million, or \$1.13 per diluted share, compared to \$798.3 thousand or \$.51 per diluted share for the year ended December 31, 2005. As of June 30, 2007, Allied had consolidated total assets of \$218 million and total loans of \$184 million, up 14.1% and 12.9% respectively from December 31, 2006.

### **The Merger Agreement (See page 43)**

Under the terms of the merger agreement, Allied will merge with and into Buckhead Community with Buckhead Community being the surviving corporation. After the merger, First National Bank of Forsyth County will merge with and into The Buckhead Community Bank, with The Buckhead Community Bank being the surviving bank. Both Buckhead Community and The Buckhead Community Bank will continue their existence under Georgia law, while Allied and First National Bank of Forsyth County will cease to exist. The merger agreement is included as *Appendix A* to this proxy statement-prospectus. We encourage you to read the entire merger agreement carefully, as it is the legal document that governs the merger.

### **What You Will Receive in the Merger (See page 43)**

If the merger is completed, Allied shareholders will receive for each of their shares either: 1.20 shares of Buckhead Community common stock, \$30.00 in cash, or a combination of both. Each Allied shareholder may choose the form of consideration received, subject to allocation procedures such that no more than \$13.375 million, approximately 25% of the aggregate merger consideration, will be in the form of cash. Depending on your election and the elections of other Allied shareholders, you may receive a lesser proportion of your consideration in cash. Under the terms of the merger agreement, the exchange agent is allowed to use its discretion, within the parameters set forth in the merger agreement, in issuing cash and Buckhead Community common stock to Allied shareholders to ensure that the total cash consideration equals no greater than \$13.375 million. See Allocation and Proration Procedures, at page 44 for more information.

Allied shareholders will suffer dilution as to their respective ownership percentages in the combined entity. Following the merger, Allied shareholders will hold as much as 32.3% of the issued and outstanding common stock of the combined entity if Allied shareholders elect to receive all stock consideration in the merger, or as little as 25.8% of the issued and outstanding common stock of the combined entity if Allied shareholders elect to receive the maximum amount of cash consideration.

Because the exchange ratio is fixed, unless you receive only cash for your shares of Allied common stock, the ratio of the total per-share merger consideration to the per share price of Allied common stock will fluctuate depending on the current price of the Allied common stock. The total merger consideration will not be adjusted to compensate for any subsequent increase or decrease in the market prices of Allied or Buckhead Community stock. In addition, because neither Buckhead Community's nor Allied's shares are currently traded on a securities exchange or interdealer quotation system, and the market for sales of each company's stock is best characterized as irregular and illiquid, it may be difficult to determine the exact value of either Buckhead Community or Allied shares in the market at any given time.

No fractional shares of Buckhead Community common stock will be issued in connection with the merger. Instead, Buckhead Community will make a cash payment without interest to each shareholder of Allied who would otherwise receive a fractional share. The amount of such cash payment will be determined by multiplying the fraction of a share of Buckhead Community common stock otherwise issuable to such shareholder by \$25.00, the value attributed to each share of Buckhead Community common stock for purposes of this transaction.

### **Effect of the Merger on Allied Options (See page 45)**

As of October 4, 2007, there were 110,800 outstanding options to purchase Allied common stock, with a weighted average exercise price of \$11.47 per share. Pursuant to the terms of the merger agreement, all of these

## **Table of Contents**

outstanding options will be converted to options of Buckhead Community at the effective time, subject to adjustment as to the number of shares underlying such options and their respective exercise prices. As a result of the merger, Allied options will become options to purchase approximately 132,960 shares of Buckhead Community common stock, with a weighted average exercise price of \$9.56 per share. Options to purchase fractional shares of Buckhead Community will not be issued in the merger. Allied option holders who would otherwise receive options to purchase fractional shares will receive cash in lieu of any such fractional share at a rate equal to the product of such fraction and \$25.00, minus the product of such fraction and the per share exercise price of the respective Allied option immediately prior to the merger. Options to purchase a fractional share with an exercise price greater than \$25.00 will be cancelled.

### **Effect of the Merger on Allied Warrants (See page 45)**

Prior to the execution of the merger agreement, there were outstanding warrants for 287,142 shares of Allied common stock, with a weighted average exercise price of \$10.00 per share. Pursuant to the merger agreement, all outstanding Allied warrants will be converted into the right to receive merger consideration for shares of Allied common stock warrant holders would have been eligible to receive had they exercised their warrants immediately prior to the effective time, less the respective exercise prices for such warrants. Allied warrant holders will be able to choose the form of consideration they wish to receive, subject to the allocation and proration procedures applicable to all Allied shareholders in the merger. See Allocation and Proration Procedures, at page 44 for more information.

### **Your Expected Tax Treatment as a Result of the Merger (See page 54)**

We expect that Buckhead Community, Allied and Allied shareholders who receive all Buckhead Community common stock for their shares of Allied common stock will not recognize any gain or loss for United States federal income tax purposes as a result of the merger. The completion of the merger is conditioned on receipt of a tax opinion from Powell Goldstein LLP that the merger qualifies as a tax-free reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code ) and that Allied shareholders will not recognize gain or loss in connection with the exchange of their shares (except with respect to any cash received). The opinion will not bind the Internal Revenue Service, which could take a different view. This tax treatment will not apply to any Allied shareholder who elects to receive some proportion of cash consideration in the merger, or who receives cash pursuant to the exercise of dissenters' rights.

Any shareholder of Allied who receives cash in the merger, as a result of perfecting dissenters' rights under Georgia law, or otherwise, will recognize gain to the extent the cash received exceeds the shareholder's tax basis in his or her Allied common stock. See Material Federal Income Tax Consequences of the Merger for a more detailed discussion of the tax consequences of the merger.

Determining the actual tax consequences of the merger to you as an individual taxpayer can be complicated. The tax treatment will depend on your specific situation and many variables not within our control. For these reasons, we recommend that you consult your tax advisor concerning the federal and any applicable state, local or other tax consequences of the merger to you.

### **Dissenters' Rights You Will Have as a Result of the Merger (See page 59)**

If the merger is completed, those shareholders of Allied who do not vote for the merger and who follow certain procedures as required by Georgia law and described in this proxy statement-prospectus will be entitled to exercise dissenters' rights and receive the fair value of their shares in cash under Georgia law. If you assert and perfect your dissenters' rights, you will not receive the merger consideration but will be entitled to receive the fair value of your shares of stock in cash as determined in accordance with Georgia law. The fair value of

## **Table of Contents**

your shares may be more or less than the consideration to be paid in the merger. *Appendix C* includes the relevant provisions of Georgia law regarding these rights. See *Dissenters' Rights* beginning on page 59 of this proxy statement-prospectus.

### **Comparative Stock Prices (See page 69 for Buckhead Community and page 155 for Allied)**

Neither shares of Buckhead Community nor shares of Allied common stock are trading on any securities exchange or interdealer quotation system. The last known sale price for a share of Buckhead Community common stock was \$30.00 on June 4, 2007. The last known sale price for a share of Allied common stock was \$30.00 on June 21, 2007. The market for sales of each company's stock is best characterized as irregular and illiquid, and it may be difficult to determine the exact value of either Buckhead Community or Allied shares in the market at any given time.

### **Reasons for the Merger (See page 30)**

Allied's directors considered a number of factors in approving the terms of the merger, including:

the potential increase in market liquidity due to the increase in the number of shareholders and number of shares outstanding;

the ability of the combined institutions to compete in relevant banking and non-banking markets;

the probable increased efficiency and profitability of FNB Forsyth resulting from economies of scale;

the advantage to FNB Forsyth resulting from the increase in products and services, which will be offered by the combined organizations;

the compatibility of management and business philosophy and the continued operation of FNB Forsyth as a community bank division of The Buckhead Community Bank;

the fixed nature of the exchange ratio and the possibility that if there is an increase in the market price of Buckhead Community common stock prior to completion of the merger the value to be received by Allied shareholders would be increased;

the tax-free basis of the stock consideration to be received by Allied shareholders;

the value of the shares of Buckhead Community offered to the Allied shareholders in relation to the estimated market value, book value and earnings per share of the Allied common stock;

the assessment by the board of directors of Allied of its strategic alternatives to the merger, including remaining an independent company and merging or consolidating with a company other than Buckhead;

the information regarding historical market prices and information with respect to Buckhead Community common stock, and the financial performance and condition, assets, liabilities, business operations, capital levels and prospects of each of Allied and Buckhead Community and their potential future values as separate entities and on a combined basis; and

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the fairness opinion of Allied's financial advisor regarding the merger and the exchange ratio.

**Opinion of Allied's Financial Advisor (See page 33)**

In deciding to approve the merger, the board of directors of Allied considered the opinion of its financial advisor, Burke Capital Group, L.L.C. ( Burke Capital ). Burke Capital, an investment banking and financial advisory firm, has given a fairness opinion to the Allied board of directors that the terms of the merger are fair,

## **Table of Contents**

from a financial point of view, to the shareholders of Allied. The opinion is based on and subject to the procedures, matters and limitations described in the opinion and other matters that Burke Capital considered relevant. The fairness opinion is attached to this proxy statement-prospectus as *Appendix B*. We urge all shareholders of Allied to read the entire opinion, which describes the procedures followed, matters considered and limitations on the review undertaken by Burke Capital in providing its opinion.

### **Your Board of Directors Recommends Shareholder Approval of the Merger Agreement (See page 26)**

The board of directors of Allied has approved the merger agreement and believes that the merger is in the best interests of Allied's shareholders. The board unanimously recommends that you vote **FOR** approval of the merger agreement.

### **Information About the Shareholders Meeting (See page 25)**

A special meeting of the shareholders of Allied will be held on \_\_\_\_\_, 2007, at \_\_\_\_\_ m., local time. The meeting will be held at \_\_\_\_\_. At the meeting, the shareholders of Allied will vote on the merger agreement described above and in the notice for the meeting. If you approve the merger agreement and the other conditions to completing the merger are satisfied, we expect to complete the merger during the third quarter of 2007, shortly after the special shareholders meeting.

### **Quorum and Vote Required at the Meeting (See page 25)**

Shareholders who own Allied common stock at the close of business on \_\_\_\_\_, 2007, the record date, will be entitled to vote at the meeting. A majority of the issued and outstanding shares of Allied common stock, as of the record date for the meeting, must be present in person or by proxy at the meeting in order for a quorum to be present. If a quorum is not present at the meeting, the meeting will be adjourned, and no vote will be taken until and unless a quorum is present.

Approval of the merger agreement requires the affirmative vote of a majority of the shares of Allied common stock outstanding on the record date.

### **Share Ownership of Management (See page 25)**

As of the record date for the special meeting, directors and executive officers of Allied had or shared voting or dispositive power over approximately 21.1% of the issued and outstanding Allied common stock. These individuals have agreed with Buckhead Community that they will vote the shares over which they have voting power, subject to their fiduciary duties, in favor of the merger agreement.

As of the record date for the meeting, directors and executive officers of Buckhead Community had or shared voting or dispositive power over 29,900 shares, approximately 1.9%, of the issued and outstanding shares of Allied common stock. Directors and executive officers of Buckhead Community with voting power over shares of Allied common stock have indicated that they intend to vote all of their shares in favor of the merger. See, *Information About Buckhead Community - Material Contacts With Allied*, at page 138.

Following the completion of the merger, directors and executive officers of the combined entity will have or share voting or dispositive power over a significant portion of the issued and outstanding stock of the combined entity. The actual percentage of shares of the common stock of the combined entity held by directors and executive officers of the combined entity will depend upon the ultimate ratio of cash and stock consideration that will be paid in connection with the merger, which in turn will be determined by the consideration elections made by Allied shareholders and the proration procedures necessary to ensure that no more than \$13.375 million in

## **Table of Contents**

cash consideration is paid. See The Merger Agreement - What Allied's Shareholders Will Receive in the Merger, at page 43, and - Allocation and Proration Procedures, at page 44 for more information. If all Allied shareholders elect to receive all stock consideration in the merger, directors and executive officers of the combined entity will beneficially own approximately 41.7% of the issued and outstanding shares of the combined entity. If sufficient Allied shareholders elect to receive cash such that the maximum cash consideration is exhausted, directors and executive officers of the combined entity will beneficially own approximately 45.3% of the issued and outstanding shares of the combined entity.

### **Structure of the Merger (See page 27)**

Allied Bancshares, Inc. and First National Bank of Forsyth County will cease to exist after the merger.

The business of First National Bank of Forsyth County will be conducted through The Buckhead Community Bank. Andrew Walker, the current President and Chief Executive Officer of Allied, will become the regional President for branches of The Buckhead Community Bank operating in Cobb, Forsyth, and Hall Counties.

Two current Allied directors, Andrew Walker and Jackson P. Turner, will be appointed to Buckhead Community's board of directors following the merger.

### **We Must Obtain Regulatory Approval to Complete the Merger (See page 52)**

We cannot complete the merger unless we receive the approval of the Board of Governors of the Federal Reserve System (the Federal Reserve), the Federal Deposit Insurance Corporation (FDIC) and the Georgia Department of Banking and Finance (GDBF). All regulatory applications and notices required to be filed prior to the merger have been filed, and we have received prior approval for the merger from the Federal Reserve, the FDIC and the GDBF. However, our prior approval from the Federal Reserve expires December 5, 2007, and our prior approval from the FDIC expires December 22, 2007. While we have already received a three-month extension of Federal Reserve approval, and intend to apply for additional extensions of our approvals as necessary and have no reason to believe that such extensions will not be granted, there is the possibility that a necessary extension may not be granted or may impose conditions not presently anticipated.

### **We Must Meet Several Conditions to Complete the Merger (See page 46)**

In addition to the required regulatory approvals, the merger will only be completed if certain mutual conditions are met, including the following:

approval by Allied's shareholders of the merger agreement by the required vote;

receipt by Buckhead Community and Allied of an opinion from Powell Goldstein LLP that the merger qualifies as a tax-free reorganization;

receipt by Allied of an opinion from Burke Capital that the merger consideration is fair, from a financial point of view, to Allied's shareholders;

receipt by Buckhead Community of an agreement not to compete and an affiliate agreement from each Allied director;

all representations and warranties of the parties to the merger agreement must be true and correct, except as to such inaccuracies as would not reasonably be expected to have a material adverse effect in the aggregate, and the parties must have performed in all material respects all of their obligations under the merger agreement;

delivery of certified copies of resolutions adopted by Allied's board of directors; and

additional conditions customary in transactions of this type.



## **Table of Contents**

If all regulatory approvals are received and the other conditions to completion are satisfied, Buckhead Community and Allied contemplate that they will complete the merger shortly after the special shareholders' meeting.

### **Termination and Termination Fee (See page 48)**

The merger agreement may be terminated, either before or after shareholder approval, under certain circumstances described in detail later in this proxy statement-prospectus. If Buckhead Community terminates the merger agreement because Allied's board withdraws or changes its recommendation of the merger agreement, or recommends or approves an acquisition transaction other than the Buckhead Community merger, or if Allied terminates the merger agreement because it receives an acquisition offer, Allied (or its successor) must pay to Buckhead Community a termination fee of \$2.5 million.

### **Allied's Directors and Executive Officers Have Financial Interests in the Merger that Differ from Your Interests (See page 49)**

The executive officers and directors of Allied have financial interests in the merger in addition to their interests as shareholders of Allied generally. The members of the Allied board of directors knew about these additional financial interests and considered them when they adopted the merger agreement. Such interests include, among others:

the continuation of employee benefits with aggregate annual salaries estimated to be approximately \$515,000 during the 2008 fiscal year;

provisions in the merger agreement relating to director and officer liability insurance and the indemnification of officers and directors of Allied for certain liabilities; and

potential change of control payments that may be owed following the merger, which in the aggregate could amount to \$515,000. These financial interests are more fully described in this proxy statement-prospectus under the heading "The Merger Agreement - Interests of Certain Persons in the Merger" at page 49.

### **Employee Benefits of Allied Employees after the Merger (See page 49)**

Buckhead Community has agreed to offer to all current employees of Allied who become Buckhead Community employees as a result of the merger substantially similar employee benefits to those that Buckhead Community offers to its employees in similar positions.

### **Differences in Rights of Allied's Shareholders after the Merger (See page 57)**

Allied shareholders who receive Buckhead Community common stock in the merger will become Buckhead Community shareholders as a result of the merger. Their rights as shareholders after the merger will be governed by Georgia law and by Buckhead Community's articles of incorporation and bylaws. The rights of Buckhead Community shareholders are different in certain respects from the rights of Allied's shareholders. Specifically, Allied's governance documents currently include certain anti-takeover provisions - a classified board of directors and heightened approval requirements for a merger or sale of the company - that Buckhead Community's governance documents do not. This could make it easier for an individual or group of shareholders to gain control of Buckhead Community than would be possible with respect to Allied before the merger. These material differences are more thoroughly described later in this proxy statement-prospectus.

### **Accounting Treatment (See page 53)**

Buckhead Community is required to account for the merger as a purchase transaction for accounting and financial reporting purposes under accounting principles generally accepted in the United States of America (GAAP).



**Table of Contents****SELECTED CONSOLIDATED FINANCIAL INFORMATION OF BUCKHEAD COMMUNITY**

The following table sets forth certain consolidated financial information of Buckhead Community. This information is based on, and should be read in conjunction with, the audited consolidated financial statements and related notes and the unaudited consolidated financial statements of Buckhead Community in the section of this proxy statement-prospectus titled *Audited Financial Statements for the Year Ended December 31, 2006*, at page 72, and *Unaudited Financial Statements for the Six Month Period Ended June 30, 2007*, at page 98.

	As of and for the Six Months Ended			As of and for the Years Ended December 31,			
	June 30, 2007	2006	2006	2005	2004	2003	2002
(Dollar amounts in thousands, except per share amounts)							
<b>Income Statement Data:</b>							
Total interest and dividend income	\$ 23,096	\$ 16,665	\$ 37,888	\$ 21,984	\$ 12,454	\$ 8,999	\$ 6,842
Gross interest expense	12,348	7,554	18,346	9,012	3,659	3,022	3,180
Net interest income before provision for loan losses	10,748	9,111	19,542	12,972	8,795	5,977	3,662
Provision for loan losses	750	1,000	2,050	1,775	975	803	314
Net interest income after provision for loan losses	9,998	8,111	17,492	11,197	7,820	5,174	3,348
Noninterest income	817	962	1,829	1,778	581	691	545
Noninterest expense	6,654	5,311	11,239	7,953	5,480	3,943	2,878
Income (loss) before income taxes	4,161	3,762	8,082	5,022	2,921	1,922	1,015
Income tax provision (benefit)	1,441	1,317	2,820	1,744	881	603	248
Net income (loss)	2,720	2,445	5,262	3,278	2,040	1,319	767
<b>Per Common Share:</b>							
Net income (loss) basic	\$ 0.59	\$ 0.61	\$ 1.24	\$ 0.94	\$ 0.63	\$ 0.41	\$ 0.33
Net income (loss) diluted	0.59	0.59	1.18	0.86	0.58	0.38	0.30
Cash dividends declared	0	0	0	0	0	0	0
Book value	8.99	7.29	8.71	7.44	5.71	5.12	4.85
<b>Period End Balances:</b>							
Loans (net of loan loss reserve)	\$ 425,538	\$ 338,281	\$ 373,808	\$ 259,805	\$ 183,862	\$ 123,271	\$ 91,890
Earning assets <sup>2</sup>	581,441	460,860	523,238	381,062	258,369	187,129	130,879
Total Assets	603,760	476,892	541,226	391,270	264,832	190,958	135,728
Deposit	528,207	416,497	472,089	348,259	219,847	159,328	106,412
Shareholders' equity	41,151	31,553	39,791	28,955	18,744	16,429	15,545
<b>Average Balances:</b>							
Loans	\$ 407,437	\$ 306,738	\$ 335,487	\$ 233,039	\$ 150,405	\$ 107,887	\$ 77,873
Earning assets <sup>2</sup>	551,324	412,876	457,741	312,337	212,780	156,167	123,085
Total assets	568,725	427,156	470,482	320,330	221,003	160,392	114,845
Deposits	498,328	375,967	414,623	280,929	182,638	131,629	92,761
Shareholders' equity	41,003	30,158	32,444	23,806	17,587	15,867	9,580
Shares outstanding basic	4,570,852	3,991,519	4,227,932	3,491,643	3,226,648	3,208,248	2,346,615
Shares outstanding diluted	4,624,560	4,155,980	4,447,240	3,823,320	3,514,107	3,502,548	2,577,203
<b>Performance Ratios:</b>							
Return on average assets	0.96%	1.15%	1.12%	1.02%	0.92%	0.82%	0.67%
Return on average equity	13.37%	16.34%	16.22%	13.77%	11.60%	8.31%	8.01%
Net interest margin	3.90%	4.41%	4.27%	4.15%	4.13%	3.75%	3.12%
Efficiency ratio <sup>3</sup>	57.54%	52.74%	52.59%	53.92%	58.45%	59.13%	68.41%
Average loans to average deposits	87.49%	88.80%	80.91%	82.95%	82.35%	81.96%	83.95%
Average equity to average assets	7.21%	7.06%	6.90%	7.43%	7.96%	9.89%	8.34%
<b>Capital Ratios:</b>							
Dividend payout ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tier I capital to risk adjusted assets	9.50%	9.96%	12.28%	10.97%	11.09%	11.58%	14.54%
Total capital to risk adjusted assets	10.50%	11.03%	13.63%	12.00%	12.18%	12.56%	15.44%
Tier I capital to average tangible assets							