

FNCB Bancorp, Inc.
Form 8-K
February 21, 2017

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): **February 16, 2017**

FNCB Bancorp, Inc.

(Exact name of registrant as specified in its Charter)

| | | |
|---|--------------------------|--|
| Pennsylvania | 000-53869 | 23-2900790 |
| (State or other jurisdiction of incorporation) | (Commission file number) | (IRS Employer Identification No.) |

102 E. Drinker St., Dunmore, PA, 18512

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **570.346.7667**

N/A

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(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry Into a Definitive Material Agreement.

On February 16, 2017, FNCB Bancorp, Inc. (OTCQX-FNCB) (the “Company”) and its wholly owned subsidiary, FNCB Bank (the “Bank”) (collectively, the Company and the Bank are hereinafter referred to as “FNCB”) entered into a Class Action Settlement Agreement and Release (the “Settlement Agreement”) in the matters filed in the Court of Common Pleas of Lackawanna County to *Steven Antonik, Individually, and as Administrator of the Estate of Linda Kluska, William R. Howells and Louise A. Howells, Summer Benjamin, and Joshua Silfee, on behalf of themselves and all others similarly situated vs. First National Community Bancorp, Inc. and First National Community Bank*, Civil Action No. 2013-CV-4438 and *Charles Saxe, III, Individually and on behalf of all others similarly situated vs. First National Community Bank* No. 2013-CV-5071 (collectively, the “Actions”).

By entering into this Settlement Agreement, the parties to the Actions have resolved the claims made in the complaints to their mutual satisfaction. FNCB has not admitted to the validity of any claims or allegations and deny any liability in the claims made and the Plaintiffs have not admitted that any claims or allegations lack merit or foundation. Under the terms of the Settlement Agreement, the parties have agreed to the following: 1) FNCB is to pay the Plaintiffs’ class members the aggregate sum of Seven Hundred Fifty Thousand and 00/100 (\$750,000.00)(an amount which FNCB recorded as a liability and corresponding expense in its 2015 operating results); 2) Plaintiffs shall release all claims against FNCB related to the Actions; 3) FNCB shall move to vacate or satisfy any judgments against any class members arising from the vehicle loans that are the subject of the Actions; 4) FNCB shall waive the deficiency balance of each class member and remove the trade lines on each class members’ credit report associated with the subject vehicle loans that are at issue in the Actions for Experian, Equifax and Transunion. The Settlement Agreement provides for an Incentive Award for the representative Plaintiffs and an award to Plaintiffs’ counsel of attorney’s fees and reimbursement of expenses in connection with their roles in these Actions, subject to Court Approval.

The Settlement Agreement remains subject to approval by the Court after notice to the class members and a final settlement hearing. The hearing on the terms of the proposed Settlement Agreement will be to determine whether 1) the terms and conditions of the settlement provided for in the Settlement Agreement are fair, reasonable and adequate and in the best interests of the class members; 2) the judgment dismissing the claims of the class members, as provided for in the Settlement Agreement, shall be entered, and 3) the request of the representative Plaintiffs for the Incentive Award and the Plaintiffs’ counsel for an award for attorney’s fees and reimbursement of expenses shall be granted.

The foregoing summary of the Settlement Agreement is not complete and is qualified in its entirety by reference to the complete text of the subject document, which is filed as Exhibit 10.1 to this Form 8-K and which is incorporated herein by reference.

As previously mentioned above and in connection with the primary terms of the tentative settlement agreement entered by Order of Court on December 17, 2015, FNCB recorded a liability and corresponding expense in the

amount of Seven Hundred Fifty Thousand and 00/100 (\$750,000.00), which was included in FNCB's 2015 operating results.

Item 9.01 Financial Statements and Exhibits

Exhibits:

10.1 Class Action Settlement Agreement and Release

Signature

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

FIRST NATIONAL COMMUNITY BANCORP, INC.

By: /s/ James M. Bone, Jr., CPA
James M. Bone, Jr., CPA
Executive Vice President and Chief Financial Officer

Dated: February 21, 2017