

CLASSIC BANCSHARES INC
Form SC 13D
April 25, 2005

U. S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

Classic Bancshares, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

18272 M 10 4

(CUSIP Number)

Charles R. Hageboeck

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President & Chief Executive Officer

City Holding Company

25 Gatewater Road

Cross Lanes, WV 25313

(304) 769-1100

(Name, Address and Telephone Number of Person authorized to Receive Notices and Communications)

April 15, 2005

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Section 240.13d-1(e), (f) or (g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of this schedule, including all exhibits. See Section 240.13d-7(b) for other parties to whom copies are to be sent.

CUSIP NO. 18272 M 10 4

1. Name of Reporting Person

City Holding Company

2. Check the Appropriate Box if a Member of a Group

(a)

(b)

3. SEC Use Only

4. Source of Funds

WC

5. Check Box if Disclosure of Legal Proceedings is Required Pursuant to items 2(d) or 2(e)

6. Citizenship or Place of Organization

West Virginia

7. Sole Voting Power

94,819

Shares

8. Shared Voting Power

Beneficially

Owned by

0

Each

9. Sole Dispositive Power

Reporting

Person

94,819

With

10. Shared Dispositive Power

0

11. Aggregate Amount Beneficially Owned by Each Reporting Person

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94,819

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13. Percent of Class Represented by Amount in Row (11)

5.93%

14. Type of Reporting Person

CO

Item 1. Security and Issuer.

This Schedule 13D relates to shares of common stock, par value \$0.01 per share (Common Stock), of Classic Bancshares, Inc., a Delaware corporation (the Corporation or Issuer), whose principal executive offices are located at 344 Seventeenth Street, Ashland, KY 41101.

Item 2. Identity and Background.

(a)-(c) This Schedule 13D is filed on behalf of City Holding Company (City), a West Virginia corporation headquartered in Charleston, West Virginia. City is a bank holding company that provides diversified financial products and services to consumers and local businesses through its wholly-owned subsidiary, City National Bank of West Virginia. City s principal executive offices are located at 25 Gatewater Road, Cross Lanes, WV 25313.

Pursuant to General Instruction C of Schedule 13D, the information shown below is being provided with respect to each executive officer and director of City (collectively, Insiders) as of the date of this filing.

Directors:

(Note: The business address of each director is 25 Gatewater Road, Cross Lanes, WV 25313)

| <u>Name</u> | <u>Principal Occupation</u> |
|----------------------|--|
| Samuel M. Bowling | President and Owner, Dougherty Company, Inc., Charleston, WV. Vice Chairman of the Board, City Holding Company and City National Bank of West Virginia, Charleston, WV |
| Hugh R. Clonch | President, Clonch Industries, Dixie, WV |
| Oshel B. Craig | Owner and Operator, Better Foods, Inc., Nitro, WV |
| William H. File, III | Partner, File Payne Scherer & File, Beckley, WV |
| Robert D. Fisher | Partner, Adams Fisher & Boggs, PLLC, Ripley, WV |
| Gerald R. Francis | CEO, First National Bank & Trust, Indianapolis, IN. Chairman of the Board, City Holding Company and City National Bank of West Virginia, Charleston, WV |
| Jay C. Goldman | President, Goldman Associates, Inc., Charleston, WV |
| Charles R. Hageboeck | President and Chief Executive Officer, City Holding Company and City National Bank of West Virginia, Charleston, WV |
| David W. Hambrick | Self-employed Attorney, Alderson, WV |
| Tracy W. Hylton, II | President, Eller, Inc., Beckley, WV |

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| <u>Name</u> | <u>Principal Occupation</u> |
|-----------------------|--|
| C. Dallas Kayser | Senior Partner, Kayser Layne & Clark, PLLC, Point Pleasant, WV |
| Philip L. McLaughlin | Retired Chairman of the Board, City Holding Company, Charleston, WV |
| Edward M. Payne, III | President, Piney Land Company, Beckley, WV |
| Robert T. Rogers | President and Chief Executive Officer, R. T. Rogers Oil Company, Hinton, WV |
| James L. Rossi | President, James Rossi, CPA, A.C., Point Pleasant, WV |
| Sharon H. Rowe | Vice President of Communications, The Greenbrier Resort and Club Management Company, White Sulphur Springs, WV |
| James E. Songer, II | President, Songer Insurance Agency, Beckley, WV |
| Albert M. Tieche, Jr. | General Manager, Black Knight Country Club, Beckley, WV |
| Mary H. Williams | Owner and Partner, Bistro Gourmet, LLC, Charleston, WV |

Executive Officers Who Are Not Directors:

(Note: The business address of each executive officer is 25 Gatewater Road, Cross Lanes, WV 25313)

| <u>Name</u> | <u>Principal Occupation</u> |
|-----------------------|--|
| John W. Alderman, III | Senior Vice President and General Counsel, City Holding Company and City National Bank of West Virginia |
| David L. Bumgarner | Chief Financial Officer, City Holding Company and City National Bank of West Virginia |
| John A. DeRito | Executive Vice President of Commercial Banking, City Holding Company and City National Bank of West Virginia |
| Craig G. Stilwell | Executive Vice President of Retail Banking, City Holding Company and City National Bank of West Virginia |

Other than its executive officers and directors, to the best of City's knowledge, there are no persons controlling or ultimately in control of City. However, City notes that Barclay's Global Investors, N.A., filed a Schedule 13G on February 14, 2005 disclosing its ownership of 5.63% of the common stock of City.

(d) During the last five years, neither City nor any of the Insiders has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, neither City nor any of the Insiders has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or findings of any violation with respect to such laws.

(f) All of the Insiders are U. S. citizens.

Item 3. Source and Amount of Funds or Other Consideration.

The aggregate amount of funds that have been required to purchase the common shares described in Item 5(a) was \$3,847,059. These funds have been obtained from City's internally generated working capital.

Item 4. Purpose of Transaction.

(a)-(b) On December 29, 2004, the Corporation, City, City National Bank of West Virginia and Classic Bank entered into an Agreement and Plan of Reorganization (the "Merger Agreement") pursuant to which the Corporation will be merged into City (the "Merger") with City continuing as the surviving corporation ("Surviving Corporation") and the Corporation will cease to have a separate legal existence. The Merger was approved by the Boards of Directors of the Corporation and City. The Merger Agreement provides that the Corporation's shareholders will be entitled to receive 0.9624 shares of City common stock and \$11.08 in cash for each share of the Corporation's common stock owned by them at the effective time ("Effective Time") of the Merger. The Merger is subject to various contingencies, including the approval of the Corporation's shareholders. Following the Merger, the Corporation's wholly-owned subsidiary, Classic Bank, a Kentucky state-chartered bank headquartered in Ashland, Kentucky, will merge with City's wholly-owned banking subsidiary, City National Bank, and Classic Bank will cease to have a separate legal existence. Consistent with its plans to acquire the Corporation, City has been purchasing shares on the open market.

The description of the Merger Agreement contained herein is qualified in its entirety by reference to the full text of the Merger Agreement filed as Exhibit 1 to this Schedule 13D and incorporated herein by reference.

(c) Not applicable.

(d) If the Merger is consummated, the Corporation will cease to have a separate legal existence and the Surviving Corporation's Board of Directors shall consist of the Board of Directors of City immediately prior to the Effective Time.

(e) Other than as a result of the Merger described in this Item 4, not applicable.

(f) Not applicable

(g) Upon consummation of the Merger, the Articles of Incorporation and the By-laws of the Corporation immediately prior to the Effective Time shall be the Articles of Incorporation and By-laws of the Surviving Corporation.

(h)-(i) Upon consummation of the Merger, the Corporation's common shares will be delisted from the NASDAQ Small Cap Market and will become eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act.

(j) Other than as described above, City has no plans or proposals that relate to, or may result in, any of the matters listed in Items 4(a)-(i) of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a)-(b) City's responses with respect to Rows 11, 12 and 13 of the cover pages to this Schedule 13D that relate to the aggregate amount and percentage of the Corporation's common shares beneficially owned by City are incorporated herein by reference. City's responses with respect to Rows 7, 8, 9 and 10 of the cover pages of this Schedule 13D that relate to the amount of the Corporation's common shares as to which City has: (i) sole voting power, (ii) shared voting power, (iii) sole dispositive power, and (iv) shared dispositive power are incorporated herein by reference. To the best of City's knowledge, as of April 25, 2005 City beneficially owns a total of 94,819 of the Corporation's common shares, and possesses the right to vote and the right to dispose of such shares and none of the Insiders beneficially owns any of the Corporation's securities.

(c) Other than the transactions described in Item 4 above, neither City nor, to City's knowledge, any Insider has effected any transaction in the Corporation's common shares during the past 60 days except those transactions by City as listed below (prices exclude commissions paid):

| <u>Purchase Date</u> | <u>Number of Shares</u> | <u>Purchase Price</u> | <u>Open Mkt/ Private Trans</u> |
|----------------------|-------------------------|-----------------------|------------------------------------|
| 2/9/2005 | 1,388 | \$ 42.2500 | Open Mkt |
| 2/10/2005 | 7,600 | \$ 42.0300 | Open Mkt |
| 2/10/2005 | 800 | \$ 41.9500 | Open Mkt |
| 2/16/2005 | 4,200 | \$ 42.2000 | Open Mkt |
| 2/17/2005 | 500 | \$ 41.9500 | Open Mkt |
| 2/22/2005 | 600 | \$ 40.7700 | Open Mkt |
| 2/23/2005 | 2,800 | \$ 40.8000 | Open Mkt |
| 2/24/2005 | 7,501 | \$ 40.9200 | Open Mkt |
| 2/25/2005 | 500 | \$ 40.8500 | Open Mkt |
| 2/28/2005 | 2,600 | \$ 40.9000 | Open Mkt |
| 3/8/2005 | 1,700 | \$ 41.2153 | Open Mkt |
| 3/9/2005 | 3,329 | \$ 41.4956 | Open Mkt |
| 3/10/2005 | 5,000 | \$ 41.0000 | Open Mkt |
| 3/15/2005 | 5,000 | \$ 40.9452 | Open Mkt |
| 3/17/2005 | 1,970 | \$ 40.7500 | Open Mkt |
| 3/18/2005 | 6,330 | \$ 40.6131 | Open Mkt |

| <u>Purchase Date</u> | <u>Number of Shares</u> | <u>Purchase Price</u> | <u>Open Mkt/ Private Trans</u> |
|----------------------|-------------------------|-----------------------|------------------------------------|
| 3/21/2005 | 1,700 | \$ 40.5000 | Open Mkt |
| 3/23/2005 | 9,486 | \$ 39.8511 | Open Mkt |
| 3/24/2005 | 514 | \$ 40.0000 | Open Mkt |
| 3/28/2005 | 200 | \$ 39.4500 | Open Mkt |
| 3/29/2005 | 1,600 | \$ 39.4906 | Open Mkt |
| 3/31/2005 | 8,200 | \$ 39.4324 | Open Mkt |
| 4/4/2005 | 400 | \$ 39.3750 | Open Mkt |
| 4/6/2005 | 2,659 | \$ 39.9906 | Open Mkt |
| 4/7/2005 | 1,651 | \$ 39.9505 | Open Mkt |
| 4/8/2005 | 290 | \$ 39.9969 | Open Mkt |
| 4/11/2005 | 100 | \$ 39.0000 | Open Mkt |
| 4/12/2005 | 643 | \$ 38.9981 | Open Mkt |
| 4/14/2005 | 4,257 | \$ 38.9279 | Open Mkt |
| 4/18/2005 | 3,484 | \$ 39.6701 | Open Mkt |
| 4/19/2005 | 7,056 | \$ 40.2914 | Open Mkt |
| 4/20/2005 | 661 | \$ 40.3424 | Open Mkt |
| 4/21/2005 | 100 | \$ 41.5000 | Open Mkt |
| | 94,819 | | |

(d) Not applicable

(e) Not applicable

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

The information set forth in Item 4 is incorporated in this Item 6 by reference. Other than the Merger Agreement, there are no contracts, arrangements, understandings or relationships between City (including its Insiders) and any other entity or person with respect to the Corporation's common shares.

Item 7. Material to be Filed as Exhibits.

Exhibit 99.1 Agreement and Plan of Reorganization among Classic Bancshares, Inc. Classic Bank, City Holding Company, and City National Bank of West Virginia dated December 29, 2004 (incorporated by reference to Exhibit 2(1) of the Form 8-K of City Holding Company for the event of December 29, 2004 filed as of December 29, 2004).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: April 25, 2005

City Holding Company

By: /s/ Charles R. Hageboeck
Charles R. Hageboeck
President and Chief Executive Officer