

FIRST FINANCIAL BANCORP /OH/
Form PRER14A
November 12, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

- x Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- o Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

First Financial Bancorp.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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-

November 12, 2008

Dear Shareholder:

This letter is to inform you of an opportunity for our company that requires us to conduct a special meeting of shareholders.

Voluntary Capital Purchase Program

First Financial Bancorp recently received preliminary approval to participate in the U.S. Department of the Treasury's Voluntary Capital Purchase Program (Program), which is a component of the Treasury Department's Troubled Asset Relief Program. This Program, which targets "healthy institutions," was established in response to the current economic conditions and designed to encourage qualifying U.S. financial institutions to increase the flow of lending to businesses and consumers in order to restore liquidity and stability in the U.S. financial system. First Financial received preliminary approval for the maximum amount of approximately \$80 million.

Under the Program, we would issue to the Treasury:

§ Up to \$80 million Series A non-voting preferred shares that carry a 5% coupon for each of the first five years and 9% per year thereafter

§ Warrants to purchase First Financial common shares amounting to 15% of the senior preferred amount, with the exercise price based on the 20-day average trading price prior to closing

Based on an estimated average price of \$12.82, the Treasury would be eligible to exercise warrants to purchase approximately 936,000 shares, or approximately 2.5% of the shares outstanding

It is important to note that participation in the Program is voluntary and should be looked at as an investment by the U.S. Treasury, and not as a bailout plan for financial institutions.

Special Meeting of Shareholders, Proxy Statement and Voting Instructions

Your board of directors believes that it is in the best interest of First Financial and its shareholders to conduct a Special Meeting of Shareholders for the purpose of considering and voting on the adoption of a proposed amendment to our Articles of Incorporation to authorize us to issue Series A non-voting preferred shares, and thereby allow us to participate in the Program.

The Special Meeting of Shareholders will be held on December 12, 2008, for shareholders of record as of the close of business on October 28, 2008.

Enclosed with this letter are the following materials related to the special meeting:

- § Notice of the Special Meeting of Shareholders
- § Proxy Statement
- § Proxy Card
- § Business Reply Postage-Paid Envelope

We encourage you to read these materials because they contain important information about the purpose of the special meeting and the proposed amendment will require the approval of two-thirds of the outstanding common shares to be adopted. **Your failure to vote will have the effect of a vote *Against* this proposal.**

The board of directors of First Financial Bancorp urges you to vote ***For*** the amendment to our Articles of Incorporation and ***For*** a proposal to adjourn the meeting to solicit additional votes if necessary.

You may submit your vote by mail, on the internet, by telephone, or in person at the special meeting on December 12, 2008. Detailed voting instructions are included in the enclosed Proxy Statement and Proxy Card.

First Financial Bancorp - Strength and Stability

As you know, the financial services industry has been under significant stress throughout the past year. This was initially due to the sub-prime mortgage and credit crisis, but more recently is the result of overall economic deterioration and the tightening of available credit. We have continued to manage First Financial through these difficult times by:

§ Remaining focused on building stronger client relationships
§ Prudently growing loans and deposits
§ Maintaining credit quality
§ Managing our balance sheet and maintaining strong capital and liquidity positions

At September 30, 2008, our regulatory capital levels exceeded the amounts necessary to be classified as well-capitalized, and our total regulatory capital exceeded the minimum requirement by approximately \$81 million on a consolidated basis.

We believe that First Financial continues to be positioned to avoid many of the troublesome areas that our industry has encountered during these difficult times. Our credit quality metrics have remained relatively stable over the past five quarters, which we believe is a result of:

§ Maintaining strong underwriting policies
§ Proactively managing resolution strategies for problem credits

Our origins date back to 1863 when First Financial Bank first opened for business in Hamilton, Ohio. Today, we operate 80 retail banking centers serving nine regional markets and 53 communities in Ohio, Indiana and Kentucky, and we continue in our efforts to strengthen and grow our business, reach new clients and expand our market share. Recently, we further expanded our presence with a new commercial lending team in Indianapolis, Indiana, and we opened a new business office and retail banking center in Dayton, Ohio. In addition, construction is currently underway on two new retail banking centers - one in Crown Point, Indiana, and the other in Cincinnati, Ohio. These expansions are part of our strategic corporate plan, underscore our commitment to the communities we serve, and will contribute to the long-term growth of the company.

Please Participate by Voting

We are proud to be among the healthy institutions that the U.S. Treasury has invited to participate in this Program that is designed to stabilize the credit markets and restore confidence in the U.S. financial system. We believe that our participation in this Program will be advantageous for the company as it will provide us with a means to:

§ Access low-cost capital that will further improve our already strong capital levels
§ Increase our lending capacity
§ Better position us to take advantage of opportunities to advance our strategic growth plans

For these reasons, whether or not you plan to attend the special meeting, **it is important that your shares be represented and voted.**

§ If you choose to vote online or by telephone, please follow the instructions that are included in the enclosed materials.

§ If you choose to vote by mail, please complete, sign, date and return the enclosed Proxy Card as soon as possible using the postage-paid envelope.

We are focused on the core fundamentals of banking and are committed to executing our strategic plans, which we believe will create superior long-term value for shareholders. We value the investment you have made in First

Financial Bancorp.

Sincerely,

Barry S. Porter
Chairman of the Board

Sincerely,

Claude E. Davis
President & Chief Executive Officer

**FIRST FINANCIAL BANCORP.
4000 Smith Road, Suite 400
Cincinnati, Ohio 45209**

**NOTICE OF SPECIAL MEETING
OF
SHAREHOLDERS**

To be held December 12, 2008

November xx, 2008

To our Shareholders:

You are cordially invited to attend a Special Meeting of Shareholders of First Financial Bancorp. ("First Financial"), to be held at 4000 Smith Road, Suite 400, Cincinnati, OH 45209, on Friday, December 12, 2008, at 3:00 p.m., local time, for the following purposes:

1. To consider and act upon an amendment to Article FOURTH of First Financial's Articles of Incorporation, as amended, to authorize the issuance of up to 80,000 shares of a new class of preferred stock (the "Preferred Stock"), which stock First Financial may use to participate in the TARP Capital Purchase Program instituted under the Emergency Economic Stabilization Act of 2008 ("Proposal No. 1").
2. To approve the adjournment or postponement of the Special Meeting, if necessary, to solicit additional proxies, in the event (a) there are not sufficient votes at the time of the Special Meeting to adopt Proposal No. 1, or (b) a quorum is not present at the time of the Special Meeting ("Proposal No. 2" and together with Proposal No. 1, the "Proposals").
3. To consider and act upon such other matters as may properly come before the Special Meeting or any adjournment thereof.

Important notice regarding the availability of Proxy Materials for the Special Meeting of Shareholders: This Proxy Statement is available on our website at www.bankatfirst.com under the "Investor Relations" link by clicking "SEC Filings" or by going directly <http://www.snl.com/irweblinkx/docs.aspx?iid=100255>

Shareholders of record of First Financial at the close of business on October 28, 2008, are entitled to notice of and to vote at the Special Meeting and at any adjournment thereof. Each shareholder is entitled to one vote for each common share held regarding each matter properly brought before the Special Meeting.

Your vote is important, regardless of the number of common shares you own. Whether or not you plan to attend the Special Meeting in person, it is important that your common shares be represented. Please sign, date and return your proxy card. A return envelope, which requires no postage if mailed in the United States, has been provided for your use. Alternatively, you may vote electronically via the Internet or by telephone. Please see the accompanying Proxy Statement and proxy card for details about electronic voting. If you later decide to revoke your proxy for any reason, you may do so in the manner described in the accompanying Proxy Statement.

By Order of the Board of
Directors,

Gregory A. Gehlmann

General Counsel &
Secretary

EVERY SHAREHOLDER'S VOTE IS IMPORTANT. IF YOU ARE UNABLE TO BE PRESENT AT THE SPECIAL MEETING, YOU ARE REQUESTED TO COMPLETE AND RETURN PROMPTLY THE ENCLOSED PROXY SO THAT YOUR SHARES WILL BE REPRESENTED. A STAMPED, ADDRESSED ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE.

FIRST FINANCIAL BANCORP.
4000 Smith Road, Suite 400
Cincinnati, Ohio 45209
(513) 979-5837

PROXY STATEMENT FOR SPECIAL MEETING OF SHAREHOLDERS
Approximate Date to Mail – November xx, 2008

INTRODUCTION

We are sending this Proxy Statement and the accompanying proxy card to you as a shareholder of First Financial Bancorp., an Ohio corporation (“First Financial”), in connection with the solicitation of proxies for the Special Meeting of Shareholders (the “Special Meeting”) to be held at the offices of First Financial Bancorp, 4000 Smith Road, Suite 400, Cincinnati, Ohio, on Friday, December 12, 2008, at 3 p.m., local time. First Financial’s Board of Directors is soliciting proxies for use at the Special Meeting, or any adjournment thereof. Only shareholders of record as of the close of business on October 28, 2008, which we refer to as the record date, will be entitled to vote at the Special Meeting. The proxy solicitation materials for the Special Meeting will be distributed to shareholders of record on or about November xx, 2008.

INFORMATION ABOUT THE SPECIAL MEETING

Why is First Financial holding a Special Meeting of Shareholders?

The recent challenges experienced as a result of turbulence in the financial markets make it necessary for financial institutions to not only preserve existing capital, but also to supplement such capital as a protection against further economic difficulties. Recently, certain capital-raising opportunities have been presented by the United States Department of the Treasury (the “U.S. Treasury”) that provide us with options to raise capital in a low-cost manner. While our capital position is already sound, management would like to be in a position to take advantage of these opportunities to ensure that during these uncertain times, we are well-positioned to support its existing operations as well as anticipated future growth.

When is the Special Meeting?

Friday, December 12, 2008 at 3:00 p.m., local time.

Where will the Special Meeting be held?

At the offices of First Financial, 4000 Smith Road, Suite 400, Cincinnati, Ohio 45209.

What matters will be voted upon at the Special Meeting?

You will be voting on the following matters:

1. A proposal to adopt an amendment to Article FOURTH of First Financial’s Articles of Incorporation to authorize First Financial to issue up to 80,000 of preferred shares — Proposal No. 1 on the accompanying proxy card.
2. A proposal to approve the adjournment of the Special Meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the Special Meeting to adopt the proposed amendment to Article FOURTH of First Financial’s Articles of

Incorporation — Proposal No. 2 on the accompanying proxy card.

Why is the amendment to Article FOURTH of First Financial's Articles of Incorporation necessary?

The Board of Directors currently anticipates that it will apply to participate in the U.S. Treasury's recently announced TARP Capital Purchase Program (the "Program") instituted under the Emergency Economic Stabilization Act of 2008 ("EESA"). Under the Program, eligible healthy financial institutions, such as First Financial, will be able to sell senior preferred shares on standardized terms to the U.S. Treasury in amounts equal to between 1% and 3% of an institution's risk-weighted assets. The Program is completely voluntary, and although we are currently profitable, have adequate sources of liquidity, and are well-capitalized under regulatory guidelines, the Board of Directors believes it is advisable to take advantage of the voluntary Program to raise additional low cost capital to ensure that during these uncertain times, we are well-positioned to support existing operations as well as anticipated future growth. Because First Financial is not currently authorized to issue preferred shares under its Articles of Incorporation, it is necessary for us to amend the Articles of Incorporation to authorize preferred shares in order to participate in the Program. Even if the proposed amendment to the Articles of Incorporation is adopted, however, there can be no assurance that we will issue any senior preferred shares to the Treasury thereunder. On October 30, 2008, the Treasury notified us that we had received preliminary approval to issue \$80,000,000 of such preferred stock.

Who can vote?

You are entitled to vote if you held First Financial common shares as of the close of business on October 28, 2008, the record date for the Special Meeting.

Each shareholder is entitled to one vote for each common share held on October 28, 2008. At the close of business on October 28, 2008, there were 37,474,604 common shares outstanding and entitled to vote. The common shares are First Financial's only voting securities.

Regardless of the number of shares you own, it is important that you vote on the proposals.

How do I vote?

Your common shares may be voted by one of the following methods:

- by traditional proxy card;
- by submitting a proxy via the internet;
- by submitting a proxy by phone; or
- in person at the meeting.

Submitting a Proxy by Telephone or via the Internet. If you are a shareholder of record (that is, if your common shares are registered with First Financial in your own name), you may submit a proxy by telephone, or via the Internet, by following the instructions included with your proxy card. To do so, access www.proxyvotenow.com/ffbc and follow the on screen instructions. Have your control number from your proxy card available when you access the web page. Telephone voting is also available, toll free, by calling 1-866-809-5292 from a touch tone phone.

If your common shares are registered in the name of a broker, a financial institution or another nominee (i.e., you hold your common shares in "street name"), your nominee may be participating in a program that allows you to submit a proxy by telephone or via Internet. If so, the voting form your nominee sent you will provide instructions for submitting your proxy by telephone or via the Internet. The last-dated proxy you submit (by any means) will supersede any previously submitted proxy. Also, if you submit a proxy by telephone or via the Internet, and later decide to attend the Special Meeting, you may revoke your previously submitted proxy and vote in person at the Special Meeting.

The deadline for submitting a proxy by telephone or via the Internet as a shareholder of record is 3:00 a.m., Eastern Standard Time, on December 12, 2008. For shareholders whose common shares are registered in the name of a broker, a financial institution or another nominee, please consult the instructions provided by your nominee for information about the deadline for submitting a proxy by telephone or via the Internet.

Voting in Person. If you attend the Special Meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the Special Meeting.

If you hold your common shares in “street name” through a broker, a financial institution or another nominee, then that nominee is considered the shareholder of record for voting purposes and should give you instructions for voting your common shares. As a beneficial owner, you have the right to direct that nominee how to vote the common shares held in your account. Your nominee may only vote the common shares of First Financial that it holds for you in accordance with your instructions. If you have instructed a broker, a financial institution or another nominee to vote your common shares, the above-described options for revoking your proxy do not apply and instead you must follow the instructions provided by your nominee to change your vote.

If you hold your common shares in “street name” and wish to attend the Special Meeting and vote in person, you must bring an account statement or letter from your broker, financial institution or other nominee authorizing you to vote on behalf of such nominee. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on October 28, 2008, the record date for voting at the Special Meeting.

How will my common shares be voted?

Those common shares represented by properly executed proxy cards that are received prior to the Special Meeting or by properly authenticated Internet or telephone votes that are submitted prior to the deadline for doing so, and not subsequently revoked, will be voted in accordance with your instructions by your proxy. If you submit a valid proxy card prior to the Special Meeting, or timely submit your proxy by telephone or via the Internet, but do not complete the voting instructions, your proxy will vote your common shares as recommended by the Board of Directors, except in the case of broker non-votes where applicable, as follows:

- **“FOR”** the adoption of the amendment to Article FOURTH of First Financial’s Articles of Incorporation to authorize First Financial to issue up to 200,000 preferred shares; and
- **“FOR”** the approval of the adjournment of the Special Meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the Special Meeting to adopt the proposed amendment to Article FOURTH of First Financial’s Articles of Incorporation.

If you hold your shares in a bank or brokerage account you should be aware that if you fail to instruct your bank or broker how to vote within 10 days of the Special Meeting, the bank or broker is not permitted to vote your shares in its discretion on your behalf on non-routine items. If you want to assure that your shares are voted in accordance with your wishes on the non-routine matters in this proxy statement, you should complete and return your voting instruction form before December 2, 2008.

No appraisal rights exist for any action proposed to be taken at the Special Meeting. If any other matters are properly presented for voting at the Special Meeting, the persons named as proxies will vote on those matters, to the extent permitted by applicable law, in accordance with their best judgment.

What if my common shares are held through the First Financial Employees Stock Ownership Plan?

If you participate in the First Financial Profit Sharing and Employee Stock Ownership Plan (the “401(k) Plan”) and common shares have been allocated to your account in the 401(k) Plan, you will be entitled to instruct the trustee of the 401(k) Plan, confidentially, as to how to vote those common shares. If you are such a participant, you may receive your voting instructions card separately. If you give no voting instructions to the trustee of the 401(k) Plan, the trustee will vote the common shares allocated to your 401(k) Plan account pro rata in accordance with the instructions received from other participants in the 401(k) Plan who have voted.

Can the proxy materials be accessed electronically?

We are sending the proxy materials for the special meeting to shareholders on or about November xx, 2008. Our proxy statement for the special meeting and a sample of the form of proxy card sent to our shareholders by us are available at: <http://www.snl.com/irweblinkx/docs.aspx?iid=100255> Alternatively, these documents can be viewed by going to First Financial’s Internet website at www.bankatfirst.com and selecting the “SEC Filings” section of the “Investor Relations” page.

How do I change or revoke my proxy?

Shareholders who submit proxies retain the right to revoke them at any time before they are exercised. Unless revoked, the common shares represented by such proxies will be voted at the Special Meeting and any adjournment thereof. You may revoke your proxy at any time before it is actually exercised at the Special Meeting by giving notice of revocation to First Financial in writing, by accessing the Internet site prior to the deadline for submitting proxies electronically, by using the toll-free telephone number stated on the proxy card prior to the deadline for transmitting proxies electronically or by attending the Special Meeting and giving notice of revocation in person. The last-dated proxy you submit (by any means) will supersede any previously submitted proxy. If you hold your common shares in “street name” and instructed your broker, financial institution or other nominee to vote your common shares and you would like to revoke or change your vote, then you must follow the instructions of your nominee.

If I vote in advance, can I still attend the Special Meeting?

Yes. You are encouraged to vote promptly, by returning your signed proxy card by mail or by submitting your proxy electronically by telephone or via the Internet, so that your common shares will be represented at the Special Meeting. However, voting your common shares does not affect your right to attend the Special Meeting and vote your common shares in person.

What constitutes a quorum and how many votes are required for adoption of the proposals?

Under First Financial’s Regulations, a quorum is a majority of the common shares outstanding. Common shares may be present in person or represented by proxy at the Special Meeting. Both abstentions and broker non-votes are counted as being present for purposes of determining the presence of a quorum. There were 37,474,604 First Financial common shares outstanding and entitled to vote on October 28, 2008, the record date. A majority of the outstanding common shares, or 18,737,303 common shares, present in person or represented by proxy, will constitute a quorum. A quorum must exist to conduct business at the Special Meeting.

If a broker indicates on the form of Proxy that it does not have discretionary authority as to certain common shares to vote on a particular matter, those common shares will be considered as present for the purpose of determining the presence of a quorum but not entitled to vote with respect to that matter. New York Stock Exchange (“NYSE”) rules determine whether proposals presented at shareholder meetings are routine or not routine. If a proposal is routine, a broker or other entity holding shares for an owner in street name may vote on the proposal without receiving voting

instructions from the owner. If a proposal is not routine, the broker or other entity may vote on the proposal only if the owner has provided voting instructions. A broker non-vote occurs when the broker or other entity is unable to vote on a proposal because the proposal is not routine and the owner does not provide any instructions. We have been advised by the NYSE that the amendment to the Articles of Incorporation and the proposal to adjourn, postpone or continue the Special Meeting are non-routine items.

Votes Required for the Approval of the Proposals. To approve the two proposals, the following proportion of votes is required:

Item	Vote Required	Impact of Abstentions and Broker Non-Votes, if any
Amendment to Article FOURTH of First Financial's Articles of Incorporation	Approval of two-thirds of the outstanding common shares	Abstention will not count as a vote cast on the proposal but has the same effect as a vote " AGAINST " the proposal Broker non-vote will have the same effect as a vote " AGAINST " the proposal
Adjournment of the Special Meeting		