

# Section 1: 8-K (TARP APPROVAL RELEASE)

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 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): 12/03/2008

### StellarOne Corporation

(Exact name of registrant as specified in its charter)

Commission File Number: 000-22283

VA

(State or other jurisdiction of  
incorporation)

541829288

(IRS Employer  
Identification No.)

590 Peter Jefferson Parkway, Suite 250  
Charlottesville, VA 22911

(Address of principal executive offices, including zip code)

(434) 964-2211

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- 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))
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**Item 8.01. Other Events**

On December 3, 2008, StellarOne Corporation issued a press release announcing that it has received preliminary approval of its application for a \$30 million investment by the United States Department of the Treasury under its Capital Purchase Program. The text of this press release is included as Exhibit 99.1 to this report.

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**Signature(s)**

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.

StellarOne Corporation

Date: December 04, 2008

By: /s/ Jeffrey W. Farrar

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Jeffrey W. Farrar  
Executive Vice President and Chief Financial  
Officer

## Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
EX-99.1	Press Release

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## Section 2: EX-99.1 (PRESS RELEASE)



### ***NEWS RELEASE***

FOR IMMEDIATE RELEASE

*Contact:*

*Jeffrey W. Farrar*

*Executive Vice President and CFO*

*(434) 964-2217*

*jfarrar@StellarOneCorp.com*

## **STELLARONE CORPORATION**

### **RECEIVES PRELIMINARY APPROVAL FOR \$30 MILLION UNDER TREASURY CAPITAL PURCHASE PROGRAM**

Charlottesville, VA, December 3, 2008 - StellarOne Corporation (NASDAQ: STEL - News) (StellarOne) today announced that it has received preliminary approval of its application for a \$30 million investment by the United States Department of the Treasury under its Capital Purchase Program (the TARP Program). Under the TARP program, qualifying banks may request additional capital of up to 3% of risk weighted assets. StellarOne's request amounts to roughly 1.15% of risk weighted assets at September 30, 2008.

Under the TARP Program, StellarOne would issue up to \$30 million of preferred stock, and warrants to purchase approximately \$4.5 million of StellarOne common stock to the Treasury. The additional capital will increase the company's total risk-based capital ratio to approximately 14.50% as of September 30, 2008.

O. R. Barham, Jr., President and Chief Executive Officer, commented, "StellarOne's primary responsibility is to protect the assets of our customers, while continuing to serve the financial needs of our local communities. While StellarOne is certainly well capitalized, the board along with management felt that this additional government funding supported these objectives. While the remainder of 2008 and 2009 will present a difficult operating environment for all banks, we believe this capital will accentuate our ability to provide credit to businesses and consumers throughout our franchise."

The non-voting senior preferred shares to be issued to the Treasury will pay a dividend of 5% annually for the first five years after issuance and 9% annually after the fifth year, if they are not redeemed. Participation in the TARP Program is

subject to the Treasury Department's standard terms and conditions, and the sale of preferred shares and warrants is subject to the completion and review of necessary documentation. Although StellarOne currently intends to participate in the Program, it will continue to monitor and evaluate any additional governmental requirements and activities up to closing, which is expected to occur within thirty days.

### **About StellarOne**

StellarOne Corporation is the holding company for StellarOne, a traditional community bank offering a full range of business and consumer banking services, including trust and asset management services, via its wealth management division. StellarOne operates 63 full-service financial centers, one loan production office, and over 80 ATMs serving the New River Valley, Roanoke Valley, Shenandoah Valley, and Central and North Central Virginia.

### **Forward-Looking Statements**

In addition to historical information, this press release contains forward-looking statements. The forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical results, or those anticipated. When we use words such as "believes", "expects", "anticipates" or similar expressions, we are making forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date thereof. StellarOne wishes to caution the reader that factors, such as those listed below, in some cases have affected and could affect StellarOne's actual results, causing actual results to differ materially from those in any forward looking statement. These factors include: (i) expected cost savings from StellarOne's acquisitions and dispositions, (ii) competitive pressure in the banking industry or in StellarOne's markets may increase significantly, (iii) changes in the interest rate environment may reduce margins, (iv) general economic conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, credit quality deterioration, (v) changes may occur in banking legislation and regulation (vi) changes may occur in general business conditions and (vii) changes may occur in the securities markets. Please refer to StellarOne's filings with the Securities and Exchange Commission for additional information, which may be accessed at [www.StellarOne.com](http://www.StellarOne.com).

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