CenterState Banks, Inc.
Form S-4
January 18, 2017
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As filed with the Securities and Exchange Commission on January 18, 2017.

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CENTERSTATE BANKS, INC.

(Name of Registrant as specified in its charter)

Florida	6022	59-3606741
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code)	(I.R.S. Employer Identification Number)

1101 First Street South, Winter Haven, Florida 33880

(863) 293-4710

(Address and telephone number of principal executive offices)

Jennifer Idell

Senior Vice President and Chief Financial Officer

CenterState Banks, Inc.

1101 First Street South, Winter Haven, Florida 33880

(863) 293-4710

(Name, address and telephone number of agent for service)

Copy to:

John P. Greeley, Esquire

Smith Mackinnon, PA

255 South Orange Avenue, Suite 1200

Orlando, Florida 32801

Phone: (407) 843-7300; Facsimile (407) 843-2448

Gustav L. Schmidt, Esquire

Gunster, Yoakley & Stewart, PA

Las Olas Centre

450 East Las Olas Boulevard, Suite 1400

Fort Lauderdale, Florida 33301-4206

Phone: (954) 468-1373; Facsimile (954) 888-2002

Approximate date of commencement of the proposed sale of the securities to the public: As soon as practicable after this Registration Statement has become effective.

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, 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.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filed, or a small reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

If applicable, please an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 14e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-party Tender Officer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to Be Registered (1)**	**Proposed Maximum Offering Price Per Unit**	**Proposed Maximum Aggregate Offering Price (2)**	**Amount of Registration Fee (2)**
Common Stock $.01 par value	5,052,840 shares	Not applicable	$55,581,235	$6,442

(1) The maximum number of full shares issuable upon consummation of the transaction described herein. Pursuant to Rule 416, this registration statement also covers additional shares that may be issued as a result of stock splits, stock dividends or similar transactions.

(2) Computed in accordance with Rule 457(f)(2) solely for the purpose of calculating the registration fee and based on the book value as of December 31, 2016 of the maximum number of shares of Gateway Financial Holdings of Florida, Inc. common stock that may be cancelled and exchanged in the merger ($96,611,812), less $41,030,577 (the approximate amount of cash to be paid by the Registrant for the Gateway Financial Holdings of Florida, Inc. common stock in the merger).

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 which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission,

acting pursuant to said Section 8(a), may determine.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell nor shall there be any sale of these securities in any jurisdiction in which such offer or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED JANUARY 18, 2017.

CENTERSTATE BANKS, INC. GATEWAY FINANCIAL HOLDINGS OF FLORIDA, INC.

Proxy Statement of the Gateway Banks Financial Holdings of Florida, Inc./Prospectus of CenterState Banks, Inc.

Up to 5,052,840 Shares of CenterState Banks, Inc. Common Stock

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

To the Shareholders of the Gateway Financial Holdings of Florida, Inc.:

Gateway Financial Holdings of Florida, Inc. (Gateway) and CenterState Banks, Inc. (CenterState) entered into an Agreement and Plan of Merger dated November 30, 2016 that provides for the combination of the two companies. Under the merger agreement, Gateway will merge with and into CenterState, with CenterState as the surviving company. Before the merger can be completed, Gateway shareholders must approve the merger agreement pursuant to Florida law. Holders of shares of Gateway common stock and Series A preferred stock (which we collectively refer to with the common stock as the Gateway voting stock) will vote to approve the merger agreement at a special meeting of shareholders to be held on , 2017 at .m. No vote of CenterState shareholders is required to complete the merger. This document, which serves as Gateway s proxy statement for the special meeting of its shareholders and as a prospectus for the shares of CenterState common stock to be issued in the merger to Gateway shareholders, gives you detailed information about the special meeting and the merger.

In the merger, each share of Gateway common stock (except for specified shares of Gateway common stock held by Gateway or CenterState and any dissenting shares) will be converted into the right to receive, at the shareholder s election, either: (a) $18.00 in cash (which we refer to as the Cash Consideration), or (b) 0.95 shares of CenterState common stock (which we refer to as the Stock Consideration). Both the Cash Consideration and the Stock Consideration are subject to proration and adjustment procedures to ensure that 30% of the shares of Gateway common stock outstanding upon the closing of the merger receive the Cash Consideration.

The precise consideration that Gateway shareholders will receive if they elect the Cash Consideration or the Stock Consideration will not be known at the time that Gateway shareholders vote on the approval of the merger agreement or make an election. For a description of the consideration that Gateway shareholders will receive if they elect the Cash Consideration or the Stock Consideration, and the potential adjustments to this consideration, see The Merger Agreement Merger Consideration beginning on page 72 of this proxy statement/prospectus and The Merger Agreement Election and Proration Procedures beginning on page 74 of this proxy statement/prospectus.

Gateway may terminate the merger agreement if (i) the average closing price of CenterState common stock for a specified period prior to completion of the merger is less than $18.53, (ii) CenterState s common stock under performs the Nasdaq Bank Index by more than 17.5% and (iii) CenterState does not elect to increase the Cash Consideration by a formula-based amount outlined in the merger agreement, as discussed in further detail on page 90 of this proxy statement/prospectus.

Based on the closing price of CenterState common stock on the Nasdaq Global Select Market on November 29, 2016, the last trading day before public announcement of the merger, of $22.46 the 0.95 exchange ratio represented $21.34 in value for each share of Gateway common stock. Based on the closing stock price of CenterState common stock on the Nasdaq Global Select Market on , 2017, a date shortly before the date of this proxy statement/prospectus, the value of the Stock Consideration was $. Because the value of CenterState s stock is subject to fluctuation, the relative value of the Stock Consideration to be issued in the merger may be different than the Cash Consideration to be issued in the merger. **We urge you to obtain current sale prices for the CenterState common stock**. The CenterState common stock is traded on the Nasdaq Global Select Market under the symbol CSFL. The Gateway common stock is not traded on any established trading market.

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The merger cannot be completed unless all necessary regulatory approvals are obtained and the shareholders of Gateway approve the merger agreement. Gateway is asking its shareholders to consider and vote on the merger proposal at a special meeting of shareholders and on a proposal to adjourn the special meeting, if necessary or appropriate, to permit further solicitation of proxies if there are not sufficient votes to approve the merger agreement at the time of the special meeting. Approval of the merger agreement requires the affirmative vote of the holders of the majority of the outstanding shares of Gateway voting stock.

Whether or not you plan to attend the special meeting, please take the time to vote by following the voting instructions included in the enclosed proxy card. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote **FOR** the merger agreement and **FOR** the adjournment proposal. If you do not vote your shares as instructed in the enclosed proxy card, or if you do not instruct your broker how to vote any shares held for you in street name (i) the effect will be a vote against the merger agreement, and (ii) there will be no effect as to the adjournment proposal.

The Gateway board of directors has determined that the merger is fair to, and in the best interest of, Gateway and its shareholders and unanimously recommends that Gateway shareholders vote FOR approval of the merger agreement and FOR the approval of the other proposals described in this proxy statement/prospectus.

You should read this entire proxy statement/prospectus, including the appendices and the documents incorporated herein by reference, carefully because it contains important information about the special meeting and the merger. **In particular, you should read carefully the information set forth under Risk Factors beginning on page 19 and which discusses the risks relating to the proposed merger.**

On behalf of the Gateway board of directors, thank you for your prompt attention to this important matter.

Sincerely,

Shaun P. Merriman

Shaun P. Merriman

Chief Executive Officer

Gateway Financial Holdings of Florida, Inc.

The shares of CenterState common stock to be issued in the merger are not savings or deposit accounts or other obligations of any bank or nonbank subsidiary of CenterState or Gateway, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities to be issued in the merger or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated , 2017, and is being first mailed to Gateway shareholders on or about , 2017.

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GATEWAY FINANCIAL HOLDINGS OF FLORIDA, INC.

1950 W. INTERNATIONAL SPEEDWAY BOULEVARD

DAYTONA BEACH, FLORIDA 32114

(368) 947-5404

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON , 2017

NOTICE IS HEREBY GIVEN that a Special Meeting of Shareholders of Gateway Financial Holdings of Florida, Inc. (Gateway) will be held at the main office of Gateway at 1950 W. International Speedway Boulevard, Daytona Beach, Florida 32114 on , 2017, at .m. local time, for the following purposes:

1. Approve Agreement and Plan of Merger. For holders of shares of Gateway common stock and Series A preferred stock to consider and vote upon a proposal to approve the Agreement and Plan of Merger dated November 30, 2016 (merger agreement) by and between Gateway and CenterState Banks, Inc. (CenterState) pursuant to which Gateway will merge with and into CenterState, with CenterState as the surviving company, as more fully described in the attached proxy statement/prospectus. You will find a copy of the merger agreement in Appendix A to this document.

2. Adjourn or postpone the Special Meeting. For holders of Gateway common stock to consider and vote upon any proposal of the Gateway board of directors to adjourn or postpone the Special Meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

3. Other business. To transact such other business as may properly come before the Special Meeting or any adjournments or postponements thereof.

We have fixed the close of business on , 2017 as the record date for the Special Meeting. Only Gateway shareholders of record on that date are entitled to notice of, and to vote at, the Special Meeting. Approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Gateway common stock and Series A preferred stock, voting together as a single class.

Holders of Gateway common stock and Series A preferred Stock who comply with the provisions of Florida law relating to appraisal rights applicable to the Merger are entitled to assert appraisal rights under the Florida appraisal rights law, a copy of which is attached as Appendix D to this document.

The attached proxy statement/prospectus provides a detailed description of the Special Meeting, the merger, the documents related to the merger, and other related matters. We urge you to read carefully the proxy statement/prospectus, including any document incorporated by reference and its Appendices.

Your vote is very important. We cannot complete the proposed merger unless Gateway shareholders approve the merger agreement. You are cordially invited to attend the Special Meeting in person. Please vote, sign, date and return the enclosed proxy card in the self-addressed envelope as soon as possible, even if you plan to attend the Special Meeting. No additional postage is required if mailed within the United States. If you choose to attend the Special Meeting, then you may vote your shares in person, even if you have previously signed and returned your proxy card. If you hold your Gateway shares through a bank, broker or other nominee (commonly referred to as held in street name), then you must direct your bank, broker or other nominee to vote in accordance with the instructions you have received from them. You may revoke your proxy at any time prior to the Special Meeting as specified in the accompanying proxy statement/prospectus.

The Gateway board of directors has determined that the merger is fair to, and in the best interest of, Gateway and its shareholders. **The Gateway board of directors unanimously recommends that Gateway shareholders vote FOR approval of the merger agreement and FOR approval of any proposal of the Gateway board of directors to adjourn or postpone the Special Meeting, if necessary.**

By Order of the Board of Directors

Shaun P. Merriman

Shaun P. Merriman

Chief Executive Officer

, 2017

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YOUR VOTE IS VERY IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING, PLEASE COMPLETE, DATE, AND SIGN THE ENCLOSED FORM OF PROXY AND RETURN IT IN THE ENCLOSED RETURN ENVELOPE IN ORDER TO ENSURE THAT YOUR SHARES WILL BE REPRESENTED AT THE SPECIAL MEETING. THE AFFIRMATIVE VOTE OF HOLDERS OF AT LEAST A MAJORITY OF THE OUTSTANDING SHARES OF GATEWAY COMMON STOCK AND SERIES A PREFERRED STOCK, VOTING TOGETHER AS A SINGLE CLASS, IS REQUIRED FOR APPROVAL OF THE AGREEMENT.

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WHERE YOU CAN FIND MORE INFORMATION

CenterState files annual, quarterly and special reports, proxy statements and other business and financial information with the Securities and Exchange Commission (SEC). You may read and copy any materials that CenterState files with the SEC at its Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the SEC at (800) SEC-0330 ((800) 732-0330) for further information on the Public Reference Room. In addition, CenterState files reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at http://www.sec.gov containing this information. You will also be able to obtain these documents, free of charge, from CenterState by accessing CenterState s website at www.centerstatebanks.com. Copies can also be obtained, free of charge, by directing a written request to:

CenterState Banks, Inc.

1101 First Street South

Winter Haven, Florida 33880

Attn: Corporate Secretary

CenterState has filed a Registration Statement on Form S-4 to register with the SEC up to 5,052,840 shares of CenterState common stock to be issued pursuant to the merger. This proxy statement/prospectus is a part of that Registration Statement on Form S-4. As permitted by SEC rules, this proxy statement/prospectus does not contain all of the information included in the Registration Statement on Form S-4 or in the exhibits or schedules to the Registration Statement on Form S-4. You may read and copy the Registration Statement on Form S-4, including any amendments, schedules and exhibits, at the SEC s Public Reference Room at the address set forth above. The Registration Statement on Form S-4, including any amendments, schedules and exhibits, is also available, free of charge, by accessing the websites of the SEC and CenterState or upon written request to CenterState at the address set forth above.

Statements contained in this proxy statement/prospectus as to the contents of any contract or other documents referred to in this proxy statement/prospectus are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the Registration Statement on Form S-4. This proxy statement/prospectus incorporates important business and financial information about CenterState that is not included in or delivered with this document, including incorporating by reference documents that CenterState has previously filed with the SEC. These documents contain important information about CenterState and its financial condition. See Documents Incorporated by Reference. These documents are available free of charge upon written request to CenterState at the address listed above.

To obtain timely delivery of these documents, you must request them no later than , 2017 in order to receive them before the Special Meeting of shareholders.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. CenterState supplied all information contained in, or incorporated by reference into, this proxy statement/prospectus relating to CenterState, and Gateway supplied all information contained in this proxy statement/prospectus relating to Gateway.

You should rely only on the information contained in, or incorporated by reference into, this proxy statement/prospectus. No one has been authorized to provide you with information that is different from what is contained in this proxy statement/prospectus. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than the date of this proxy statement/prospectus, and neither the mailing of this proxy statement/prospectus to Gateway shareholders nor the issuance of CenterState common stock or the payment of cash by CenterState in the merger shall create any implication to the contrary.

No person has been authorized to give any information or make any representation about the merger or Gateway Financial Holdings of Florida, Inc. or CenterState Banks, Inc. that differs from, or adds to, the information in this proxy statement/prospectus or in documents that are publicly filed with the Securities and Exchange Commission. Therefore, if anyone does give you different or additional information, you should not rely on it.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following are some questions that you may have about the special meeting and the proposed merger, and brief answers to those questions. We urge you to read carefully the remainder of this proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the special meeting and the proposed merger. Additional important information is also contained in the documents incorporated by reference into this proxy statement/prospectus. See Where You Can Find More Information.

Q: What am I being asked to vote on?

A: You are being asked to vote to approve and adopt the Agreement and Plan of Merger, dated November 30, 2016, entered into between CenterState and Gateway, which we will refer to as the merger agreement, and provides for the merger of Gateway with and into CenterState. Immediately thereafter, Gateway s wholly owned subsidiary banks (Gateway Bank of Florida, Gateway Bank of Central Florida, and Gateway Bank of Southwest Florida, which we collectively refer to as the Gateway Banks) will be merged with and into CenterState s wholly owned subsidiary, CenterState Bank of Florida N.A. (CenterState Bank), with CenterState Bank being the surviving subsidiary bank of CenterState. Under applicable law, the shareholders of Gateway must vote to approve the merger agreement because Gateway will be merged out of existence, and Gateway shareholders receiving shares of CenterState common stock as a result of the merger will become CenterState shareholders. A copy of the merger agreement is included in this proxy statement/prospectus as Appendix A.

In addition, Gateway shareholders are being asked to approve a proposal referred to as the Adjournment Proposal, providing for one or more adjournments of the Gateway Special Meeting, if necessary or appropriate, to permit further solicitation of proxies if there are not sufficient votes to approve the merger agreement at the time of the Special Meeting.

Q: Why do CenterState and Gateway want to merge?

A: We believe the combination of CenterState and Gateway will create one of the leading and profitable community banking franchises in the State of Florida. The Gateway board of directors has determined that the merger is fair to, and in the best interest of, Gateway and its shareholders, and unanimously recommends that Gateway shareholders vote for approval of the merger agreement. You should review the reasons for the merger described in greater detail under The Merger Gateway s Reasons for the Merger; Recommendation of the Gateway Board of Directors and The Merger CenterState s Reasons for the Merger.

Q: What will I receive in the merger?

A: If the merger is completed, each issued and outstanding share of Gateway common stock will be converted into the right to receive, at the election of the holder thereof (subject to the proration procedures described below): (a) $18.00 in cash (which we refer to as the Cash Consideration); or (b) 0.95 shares of CenterState common stock (which we refer to as the Stock Consideration).

However, the foregoing does not apply to the following: (i) any shares of Gateway common stock held as treasury stock or owned by CenterState, CenterState Bank or any of the Gateway Banks or by any of their respective subsidiaries (other than any such shares owned in a fiduciary capacity or as a result of debts previously contracted), which will each be cancelled and shall cease to exist, and no consideration shall be delivered in exchange therefor (the shares in (i) are referred to as excluded shares) and (ii) shares of Gateway common stock held by Gateway shareholders who have perfected and not effectively withdrawn a demand for, or lost the right to, appraisal under Florida law, which shall be entitled to the appraisal rights provided under Florida law as described under The Merger Appraisal Rights for Gateway Shareholders

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beginning on page 68 of this proxy statement/prospectus (the shares in (ii) are referred to as dissenting shares). Gateway shareholders may elect to receive all cash, all stock or cash for some of their shares and stock for the remaining shares they own, subject to the election and proration procedures set forth in the merger agreement. The total number of shares of Gateway common stock that will be converted into the Cash Consideration is fixed at 30% of the total number of shares of Gateway common stock outstanding at the time the merger becomes effective. As a result, if the aggregate number of shares with respect to which a valid cash election has been made exceeds this limit, shareholders who elect the oversubscribed amount will receive a mixture of both cash and stock consideration in accordance with the proration procedures set forth in the merger agreement.

CenterState will not issue any fractional shares of CenterState common stock in the merger. Rather, Gateway shareholders who would otherwise be entitled to a fractional share of CenterState common stock upon the completion of the merger will instead receive an amount in cash equal to such fractional part of a share of CenterState common stock *multiplied by* the average closing price per share of CenterState common stock on the Nasdaq Global Select Market for the 10 trading day period ending on the later of (i) the date on which the last required regulatory approval is obtained without regard to any requisite waiting period, or (ii) the date on which the Gateway shareholders approve the merger agreement.

Q: Will Gateway shareholders receive the form of consideration they elect?

A: Each Gateway shareholder may not receive the exact form of consideration that such shareholder elects in the merger. It is currently estimated that, if the merger is completed, CenterState will issue approximately 4.2 million shares of CenterState common stock and the amount of cash to be paid to Gateway shareholders will be approximately $34.4 million based on the number of Gateway shares outstanding at December 31, 2016. Under the proration and adjustment procedures provided for in the merger agreement, the total number of shares of Gateway common stock (other than excluded shares), as a whole, that will receive the Cash Consideration is 30% of the shares of Gateway common stock outstanding upon the closing of the merger. Holders of shares of Gateway common stock (other than excluded shares and dissenting shares) who make no election or an untimely election (the no election shares) will receive the Stock Consideration, subject to the proration procedure that is intended to assure that 30% of the shares of Gateway common stock outstanding upon the closing of the merger receive the Cash Consideration. The mix of consideration payable to Gateway shareholders who elect to receive the Cash Consideration or the Stock Consideration will not be known until the results of the elections made by Gateway shareholders are tallied, which will not occur until near or after the closing of the merger. The greater the oversubscription of those electing to receive the Stock Consideration, the less stock and more cash a Gateway shareholder making the stock election will receive. Conversely, the greater the oversubscription of those electing to receive the Cash Consideration, the less cash and more stock a Gateway shareholder making the cash election will receive. See The Merger Agreement Election and Proration Procedures Proration Procedures beginning on page 74 of this proxy statement/prospectus.

Q: How do Gateway shareholders make their election to receive cash, or shares of CenterState common stock or a combination of both?

A: An election form will be mailed on a date to be mutually agreed by Gateway and CenterState that is 30 to 45 days prior to the anticipated closing date of the merger or on such other date as CenterState and Gateway mutually agree (the election form mailing date) to each holder of record of shares of Gateway common stock as of the close of business on the fifth business day prior to such mailing (the election form record date). CenterState will also make one or more election forms available, if requested, to each person that subsequently becomes a holder or beneficial owner of shares of Gateway common stock. Each Gateway shareholder should complete and return the election form according to the instructions included with the form. The election form will be provided to Gateway shareholders under separate cover and is not being provided with this document. The election deadline will be 5:00 p.m., Eastern time, on the twenty-fifth day

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following the election form mailing date (or such other time and date as CenterState and Gateway shall agree) (the election deadline). CenterState and Gateway will cooperate to issue a press release announcing the date of the election deadline at least five business days prior to, and no more than 15 business days before, the election deadline. See The Merger Agreement Election and Proration Procedures Election Materials and Procedures beginning on page 74 of this proxy statement/prospectus.

If you own shares of Gateway common stock in street name through a bank, broker or other nominee and you wish to make an election, you should seek instructions from the bank, broker or other nominee holding your shares concerning how to make an election.

Q: What happens if a Gateway shareholder does not make a valid election to receive cash or CenterState common stock?

A: If a Gateway shareholder does not return a properly completed election by the election deadline, such shareholder will be deemed to have made an election to receive the Stock Consideration, and his or her shares of Gateway common stock (other than excluded shares and proposed dissenting shares) will be converted into the right to receive the Stock Consideration with respect to such shares of Gateway common stock, subject to the proration procedures that are intended to assure that 30% of the shares of Gateway common stock outstanding upon the closing of the merger receive the Cash Consideration. See The Merger Agreement Merger Consideration beginning on page 72 of this proxy statement/prospectus.

Q: Will the value of the Stock Consideration change between the date of this proxy statement/prospectus and the time the merger is completed?

A: Yes, the value of the Stock Consideration will fluctuate between the date of this proxy statement/prospectus and the completion of the merger based upon the market value of CenterState common stock. In the merger, holders of Gateway common stock who receive all or a portion of their merger consideration as Stock Consideration will receive a fraction of a share of CenterState common stock for each share of Gateway common stock they hold. Any fluctuation in the market price of CenterState common stock after the date of this proxy statement/prospectus will change the value of the shares of CenterState common stock that Gateway shareholders will receive. Based on the closing price of CenterState common stock on the Nasdaq Global Select Market on November 29, 2016, the last full trading day before the public announcement of the merger, of $22.46, the value of the Stock Consideration was $21.34. Based on the closing stock price of CenterState common stock on the Nasdaq Global Select Market on , 2017, a date shortly before the date of this proxy statement/prospectus, the value of the Stock Consideration was $. We urge you to obtain current market quotations for shares of CenterState common stock.

Q: What will happen if the trading price of CenterState common stock changes significantly prior to completion of the Merger?

A: Because the Merger Consideration is fixed, and it was based on an Initial CenterState Market Price of $22.46 in November 2016, CenterState and Gateway agreed to include provisions in the merger agreement by which

Gateway would have an opportunity to terminate the merger agreement in the event the average closing price of the CenterState common stock is (i) less than $18.53 during a specified time prior to completion of the merger and (ii) the CenterState stock price under performs an index of stock prices of banks listed on the Nasdaq Stock Market by more than 17.5%. However, Gateway may not use this provision to terminate the merger agreement unless it first gives CenterState an opportunity to pay an additional amount in cash to Gateway shareholders (as determined in accordance with a formula contained in the merger agreement) to increase the value of the consideration payable and CenterState declines to pay such additional amount.

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Q: How will this adjustment work?

A: The merger agreement includes a formula for determining (i) whether Gateway has the right to terminate the merger agreement due to a change in the price of the CenterState common stock, and (ii) the amount of any required adjustment to the merger consideration in order to preclude such termination. Pursuant to this formula:

(i) If the average closing price of the CenterState common stock during a 10-day period prior to a specified determination date close to the closing of the merger is less than $18.53 per share (that is, a decline of more than 17.5% from the Initial CenterState Market Price of $22.46 per share), and

(ii) That decline, on a percentage basis, is greater than any corresponding decline in the Nasdaq Bank Index during the same period by at least 17.5%, then

(iii) Gateway s board of directors would have the right to terminate the merger agreement unless CenterState increases the amount of the Cash Consideration by an amount sufficient to result in aggregate merger consideration equal to a maximum of $18.53 for each share of Gateway common stock (or such lesser amount as adjusted for the performance of the Nasdaq Bank Index).

For additional information on this termination provision, please see page 90 of this proxy statement/prospectus.

The value of the shares of CenterState common stock to be issued in the merger will fluctuate between now and the closing date of the merger. You should obtain current sale prices for the CenterState common stock. The CenterState common stock is traded on the Nasdaq Global Select Market under the symbol CSFL.

Q: Should I send in my stock certificates now?

A: No. You should wait until you receive the election form that will be mailed on the date that is 30 to 45 days prior to the anticipated closing date of the merger, and then you should submit your Gateway stock certificates along with the completed election form. At the time the election form is sent to you, it will be accompanied by instructions explaining how to complete the form and deliver the form and your stock certificates to Continental Stock Transfer and Trust Company, the exchange agent, in an envelope that will be provided.

Q: How will the merger impact Gateway option awards?

A: If the merger is completed, each option to acquire shares of Gateway common stock which is then outstanding will automatically become vested and be converted into an option to purchase that number of shares of CenterState common stock equal to the number of shares of Gateway common stock to which the option holder is entitled to purchase multiplied by the Stock Consideration of 0.95 (rounded to the nearest whole share). The exercise price will equal the Gateway exercise price divided by 0.95 (rounded to the nearest cent). Gateway had a total of 1,220,348 stock options outstanding at December 31, 2016, of which 1,058,093 were vested and 162,255 were not vested.

Q: What will happen to the Gateway Series B Preferred Stock?

A: At or prior to the merger and subject to the receipt of any necessary regulatory approval, Gateway will redeem the outstanding shares of Series B Preferred Stock for an amount not to exceed the $2,596,000 face amount of such securities plus accrued and unpaid dividends through the date of redemption.

Q: What will happen to the Gateway Banks following the merger?

A. Immediately following the merger, each of the Gateway Banks will be merged with and into CenterState Bank.

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Q: Does the Gateway board of directors support the merger?

A: Yes. The Gateway board of directors has determined that the merger is fair to, and in the best interest of, Gateway s shareholders and unanimously recommends that shareholders vote for approval and adoption of the merger agreement and the merger. In that regard, Gateway s directors have entered into shareholder voting agreements with CenterState under which they have agreed, among other things, to vote all of the shares they beneficially own for approval of the merger agreement. A total of 1,237,680 shares of Gateway voting stock, representing approximately 19.4% of the outstanding shares of Gateway voting stock entitled to vote at the Special Meeting, are subject to these shareholder voting agreements.

Q: When and where is the Special Meeting of Gateway shareholders?

A: The Gateway Special Meeting will take place on , 2017, at .m., local time, at the main office of Gateway at 1950 W. International Speedway Boulevard, Daytona Beach, Florida 32114.

Q: Who can vote at the Special Meeting of Gateway shareholders?

A: You can vote at the Special Meeting if you own shares of Gateway voting stock at the close of business on , 2017, the record date for the Special Meeting. As of the close of business on that date, approximately 6,376,175 shares of Gateway voting stock were outstanding.

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

A: Approval of the merger agreement requires the affirmative vote of the holders of a majority of the shares of Gateway voting stock (i.e., common stock and Series A preferred stock) outstanding on the record date, voting together as a single class. Shareholders will have one vote for each share of Gateway voting stock owned by them.

Q: What do I need to do now?

A: Please read this proxy statement/prospectus and decide how you wish to vote your shares and then indicate that vote on the proxy card included with this proxy statement/prospectus. Sign and return the proxy card in the enclosed prepaid return envelope marked Proxy as soon as possible, so that your shares may be represented and voted at the Special Meeting to be held on , 2017.

Q: What if I do not vote?

A: If you do not vote, it (i) will have the same effect as voting your shares against the merger, and (ii) will have no effect on the Adjournment Proposal.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: No. Your broker will not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares, following the directions provided by your broker.

Q: Can I change my vote after I have mailed my signed proxy card?

A: Yes. There are three ways in which you may revoke your proxy and change your vote. First, you may send a written notice to the Corporate Secretary of Gateway, stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card. Third, you may attend the Special Meeting and vote in person. Simply attending the Special Meeting, however, will not revoke your proxy.

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

A: We expect the merger to be completed in the second quarter of 2017. We are working towards completing the merger as quickly as possible. To do so, the shareholders of Gateway must approve the merger agreement and CenterState must obtain the bank regulatory approvals that are necessary to complete the merger and other conditions must be satisfied. See The Merger Agreement Conditions to Completion of the Merger.

Q: Can I exercise dissenters rights in connection with the merger?

A: Yes. If you want to exercise appraisal rights and receive fair value of shares of Gateway voting stock in cash instead of the merger consideration, then you must file a written objection with Gateway prior to the Special Meeting stating, among other things, that you will exercise your right to dissent if the merger is completed. Also, you may not vote in favor of the merger agreement and must follow other procedures, both before and after the Special Meeting, as described in Appendix D to this proxy statement/prospectus. Note that if you return a signed proxy card without voting instructions or with instructions to vote FOR the merger agreement, then your shares will automatically be voted in favor of the merger agreement and you will lose all appraisal rights available under Florida law. See The Merger Appraisal Rights for Gateway Shareholders.

Q: What are the U.S. federal income tax consequences of the merger to Gateway shareholders?

A: The merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer as the Code. Accordingly, a Gateway shareholder generally will recognize gain, but not loss, in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash and the fair market value of the CenterState common stock received pursuant to the merger over that holder s adjusted tax basis in its shares of Gateway common stock surrendered) and (2) the amount of cash received pursuant to the merger. Further, a Gateway shareholder generally will recognize gain or loss with respect to cash received instead of fractional shares of CenterState common stock that the Gateway common shareholder would otherwise be entitled to receive. For further information, please refer to Material U.S. Federal Income Tax Consequences of the Merger.

Q: Whom should I call with questions or to obtain additional copies of this proxy statement/prospectus?

A: Gateway shareholders should contact David Maholias, at Gateway Financial Holdings of Florida, Inc., 1950 W. International Speedway Boulevard, Daytona Beach, Florida 32114; telephone (368) 947-5404.

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SUMMARY

This following summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that is important to you. Each item in this summary refers to the page where that subject is discussed in more detail. You should carefully read the entire proxy statement/prospectus and the other documents to which we refer to understand fully the merger. See Where You Can Find More Information on how to obtain copies of those documents. In addition, the merger agreement is attached as Appendix A to this proxy statement/prospectus. Gateway and CenterState encourage you to read the merger agreement because it is the legal document that governs the merger.

Risk Factors (see page 19)

You should consider in particular the factors as described under Risk Factors .

Information regarding CenterState and Gateway (see pages 93 and 94)

CenterState Banks, Inc.

1101 First Street South

Winter Haven, Florida

33880(863) 293-4710

CenterState is a financial holding company under the Bank Holding Company Act of 1956, as amended (the BHC Act), which owns all the outstanding shares of CenterState Bank. Headquartered in Winter Haven, Florida between Orlando and Tampa, CenterState provides a full range of consumer and commercial banking services to individuals, businesses and industries through its 68 full service banking locations in 23 counties throughout Florida and through a loan production office in Macon, Georgia. CenterState Bank also operates a correspondent banking and bond sales division and owns R4ALL, Inc. (R4ALL), which acquires and disposes of troubled assets from CenterState Bank. At September 30, 2016, CenterState had total consolidated assets of $5.0 billion, total consolidated loans of $3.3 billion, total consolidated deposits of $4.1 billion, and total consolidated shareholders equity of $552.8 million. CenterState s common stock is listed on the Nasdaq Global Select Market under the symbol CSFL .

Gateway Financial Holdings of Florida, Inc.

1950 W. International Speedway Boulevard

Daytona Beach, Florida 32114

(368) 947-5404

Gateway is a multi-bank holding company incorporated under the laws of the State of Florida in 2005, which owns all of the outstanding shares of the Gateway Banks, which are state chartered commercial banks that are engaged in providing a variety of commercial banking and related financial products and services through their nine banking locations in East, Central and West Florida. At September 30, 2016, Gateway had total consolidated assets of $879.7 million, total consolidated loans of $542.6 million and total consolidated deposits of $721.3 million. Total shareholders equity at September 30, 2016 was $85.0 million.

Pending Acquisition of Platinum Bank Holding Company

On October 17, 2016, CenterState entered into an agreement to acquire Platinum Bank Holding Company (PBHC), the holding company of Platinum Bank. The transaction was approved by the boards of directors of each of CenterState and PBHC and is expected to close in the second quarter of 2017. Completion of the transaction is subject to customary closing conditions, including receipt of required regulatory approvals and

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approval of PBHC s shareholders. Under the terms of the agreement, holders of PBHC common stock will receive 3.7832 shares of CenterState common stock and $7.60 in cash for each share of PBHC common stock, which equates to an aggregate transaction value of approximately $83.8 million (comprised of approximately 74.5 million of CenterState common stock and $9.3 million of cash).

At September 30, 2016, PBHC had total consolidated assets of approximately $584.1 million, total consolidated loans, net of allowance for loan losses, of approximately $447.3 million, and total consolidated deposits of approximately $493.1 million. PBHC s total common shareholders equity at September 30, 2016 was approximately $47.4 million.

Gateway Special Meeting (see page 34)

The Special Meeting of Gateway shareholders will be held on , 2017, at .m., local time, at its corporate headquarters, located at 1950 W. International Speedway Boulevard, Daytona Beach, Florida 32114. At the Special Meeting:

- holders of Gateway common stock and Series A preferred stock will be asked to vote on the proposal to approve the merger agreement;

- holders of Gateway common stock will be asked to vote on any proposal of the Gateway board of directors to adjourn or postpone the Special Meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Special Meeting to approve the merger agreement; and

- holders of Gateway common stock will be asked to vote on any other matters as may properly be brought before the Special Meeting or any adjournment or postponement of the Special Meeting.

You can vote at the Special Meeting if you owned Gateway voting stock as of the close of business on , 2017. On that date, there were an aggregate of 6,376,175 shares of Gateway voting stock outstanding and entitled to vote, approximately 11.8% of which were owned and entitled to be voted by Gateway directors and executive officers and their affiliates. As of the record date, neither CenterState nor any of its directors or executive officers owned or had the right to vote any of the outstanding shares of Gateway voting stock. You can cast one vote for each share of Gateway voting stock you owned on that date.

In order to approve the merger agreement, the holders of at least a majority of the outstanding shares of Gateway voting stock entitled to vote, and voting together as a single class, must vote in favor of doing so. Gateway s directors have entered into shareholder voting agreements with CenterState under which they have agreed, among other things, to vote all of the shares they beneficially own for approval of the merger agreement. A total of 1,237,680 shares of Gateway voting stock, representing approximately 19.4% of the outstanding shares of Gateway voting stock entitled to vote at the Special Meeting, are subject to these shareholder voting agreements.

The Merger (see page 38)

The terms and conditions of the merger are contained in the merger agreement, a copy of which is included as Appendix A to this proxy statement/prospectus and is incorporated by reference herein. You should read the merger agreement carefully and in its entirety, as it is the legal document governing the merger.

In the merger, Gateway will merge with and into CenterState, with CenterState as the surviving company. It is expected that immediately after the effective time of the merger each of, the Gateway Banks will merge into CenterState Bank, with CenterState Bank as the surviving bank. We refer to the merger of CenterState Bank and the Gateway Banks as the bank merger.

Closing and Effective Time of the Merger (see page 72)

The closing date is expected to occur during the second quarter of 2017. The merger will become effective at such time as the articles of merger are filed with the Secretary of State of Florida or such other time as may be specified in the articles of merger.

Merger Consideration (see page 72)

Gateway shareholders have a choice that will impact the consideration that they will receive in the merger. Gateway shareholders will have the right to make either a cash election to receive the Cash Consideration, which is $18.00 in cash, or a stock election to receive the Stock Consideration, which is 0.95 of a share of CenterState common stock, for each of their Gateway shares. In the election, Gateway shareholders may elect to receive all cash, all stock or cash for some of their shares and stock for the remainder of the shares they own, and subject to the election and proration procedures set forth in the merger agreement. The total number of shares of Gateway common stock that will be converted into the Cash Consideration is fixed at 30% of the total number of shares of Gateway common stock outstanding at the time the merger becomes effective. As a result, if the aggregate number of shares with respect to which a valid cash or stock election has been made exceeds the limit, shareholders who elect the form of consideration that has been oversubscribed will receive a mixture of both cash and stock consideration in accordance with the proration procedures set forth in the merger agreement and described further under The Merger Agreement Election and Proration Procedures beginning on page 74 of this proxy statement/prospectus. Holders of shares of Gateway common stock (other than excluded shares and dissenting shares) who make no election or an untimely election will receive the Stock Consideration, subject to these proration procedures.

No holder of Gateway common stock will be issued fractional shares of CenterState common stock in the merger. Each holder of Gateway common stock who would otherwise have been entitled to receive a fraction of a share of CenterState common stock will receive, in lieu thereof, cash, without interest, in an amount equal to such fractional part of a share of CenterState common stock multiplied by the average closing price of CenterState common stock, as recorded on the Nasdaq Global Select Market, for the ten trading day period ending on the later of (i) the date on which the last required regulatory approval is obtained without regard to any requisite waiting period, or (ii) the date on which the Gateway shareholders approve the merger agreement. See The Merger Agreement Merger Consideration beginning on page 72 of this proxy statement/prospectus.

The precise consideration that Gateway shareholders will receive if they elect the Cash Consideration or the Stock Consideration will not be known at the time that Gateway shareholders vote on the approval of the merger agreement or make an election. For a description of the consideration that Gateway shareholders will receive if they elect the Cash Consideration or the Stock Consideration, and the potential adjustments to this consideration, see The Merger Agreement Merger Consideration beginning on page 72 of this proxy statement/prospectus and The Merger Agreement Election and Proration Procedures beginning on page 74 of this proxy statement/prospectus.

Gateway may terminate the merger agreement if (i) the average closing price of CenterState common stock for a specified period prior to completion of the merger is less than $18.53, and (ii) CenterState s common stock under performs that Nasdaq Bank Index by more than 17.5%. However, Gateway may not use this provision to terminate the merger agreement unless it first gives CenterState an opportunity to make an adjustment of the merger consideration so that, at the closing of the merger, the aggregate merger consideration will be within the allowable range (17.5%) of the merger consideration as determined by reference to the $22.46 Initial CenterState Market Price.

For additional information on this termination provision, please see page 90 of this proxy statement/prospectus.

The value of the shares of CenterState common stock to be issued in the merger will fluctuate between now and the closing date of the merger. You should obtain current sale prices for the CenterState common stock. The CenterState common stock is traded on the Nasdaq Global Select Market under the symbol CSFL. The Gateway common stock is not traded on any established trading market.

Election and Proration Procedures (see page 74)

Both the Cash Consideration and the Stock Consideration are subject to proration and adjustment procedures, depending on the aggregate elections of the Gateway shareholders. If a Gateway shareholder elects cash, and the product of the number of shares with respect to which cash elections have been made *multiplied by* the Cash Consideration of $18.00 (such product, the cash election amount) is greater than the product of $18.00 *multiplied by* the total number of shares of Gateway common stock (other than excluded shares) issued and outstanding immediately prior to the effective time of the merger, and *multiplied further by* 30% (the available cash election amount), such shareholder will receive for each share of Gateway common stock for which such shareholder elects cash:

- an amount in cash (without interest) equal to $18.00 *multiplied by* a fraction, the numerator of which shall be the available cash election amount and the denominator of which shall be the cash election amount (such fraction, the cash fraction); and

- a number of validly issued, fully paid and non-assessable shares of CenterState common stock equal to the product of the Stock Consideration of 0.95 *multiplied by* a fraction equal to one *minus* the cash fraction

If the available cash election amount is greater than the cash election amount, then the exchange agent shall select first among the no election shares by a pro rata selection process, and then (if necessary) from among the remaining stock election shares, by a pro rata selection process, a sufficient number of stock election shares to instead receive the Cash Consideration such that the cash election amount equals as closely as practicable, but does not exceed, the available cash election amount. Accordingly, for such a Gateway shareholder electing the Stock Consideration, but subject to proration, such shareholder will receive for each share of Gateway common stock for which such shareholder elects stock:

- an amount of cash (without interest) equal to the amount of the excess of the available cash election amount over the cash election amount *divided by* the number of shares of Gateway common stock for which stock elections were made; and

- a number of validly issued, fully paid and non-assessable shares of CenterState common stock equal to the product of (i) the Stock Consideration of 0.95 *multiplied by* (ii) a fraction, the numerator of which shall be the difference between (a) $18.00 *minus* (b) the amount of cash calculated in the immediately preceding bullet, and the denominator of which shall be $18.00.

The greater the oversubscription of the stock election, the less stock and more cash a Gateway shareholder making the stock election will receive. Conversely, the greater the oversubscription of the cash election, the less cash and more stock a Gateway shareholder making the cash election will receive. For additional detail and for illustrative examples, see The Merger Agreement Election and Proration Procedures beginning on page 74 of this proxy statement/prospectus.

Equivalent Gateway Per Share Value

CenterState common stock trades on the Nasdaq Global Select Market under the symbol CSFL. The Gateway common stock is not listed or traded on any established securities exchange or quotation system. The following table presents the closing price of CenterState common stock on November 29, 2016, the last trading

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day before the date of the public announcement of the merger agreement, and , 2017, a date shortly before the date of this proxy statement/prospectus. The table also presents the equivalent value of the merger consideration per share of Gateway common stock on those dates, calculated by multiplying the closing sales price of CenterState common stock on those dates by 0.95.

Date	CenterState closing sale price	Equivalent Gateway per share value
November 29, 2016	$ 22.46	$ 21.34
, 2017	$	$

The value of the shares of CenterState common stock to be issued in the merger will fluctuate between now and the closing date of the merger. You should obtain current sale prices for the CenterState common stock.

Surrender of Stock Certificates (see page 77)

Promptly after the effective time of the merger, CenterState s exchange agent, Continental Stock Transfer and Trust Company, will mail to each holder of record of Gateway common stock (other than a holder of dissenting shares) a letter of transmittal and instructions for the surrender of the holder s Gateway stock certificate(s) for the merger consideration (including cash in lieu of any fractional CenterState shares) and any dividends or distributions to which such holder is entitled to pursuant to the merger agreement.

Please do not send in your certificate until you receive these instructions.

Material U.S. Federal Income Tax Consequences of the Merger (see page 65)

It is expected that the merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). As a tax-free reorganization, the holders of shares of Gateway common stock are not expected to recognize any gain or loss for U.S. federal income tax purposes on the exchange of their shares in the merger, except to the extent of the total Cash Consideration and cash in lieu of any fractional shares of CenterState common stock. The U.S. federal income tax consequences described above may not apply to all holders of Gateway common stock. Tax matters are very complicated and the consequences of the merger to any particular Gateway shareholder will depend on that shareholder s particular facts and circumstances. You should consult your own tax advisor to determine the particular tax consequences of the merger to you.

Appraisal Rights (see page 68 and Appendix D to this proxy statement/prospectus)

Under Florida law, Gateway shareholders have the right to dissent from the merger and receive a cash payment equal to the fair value of their shares of Gateway common stock instead of receiving the merger consideration. To exercise appraisal rights, Gateway shareholders must strictly follow the procedures established by Sections 607.1301 through 607.1333 of the Florida Business Corporation Act (FBCA), which include filing a written objection with Gateway prior to the Special Meeting stating, among other things, that the shareholder will exercise his or her right to dissent if the merger is completed, and not voting for approval of the merger agreement.

Gateway s Reasons for the Merger; Recommendation of the Gateway Board of Directors (see page 42)

The Gateway board of directors has determined that the merger is fair, and in the best interests of, Gateway and its shareholders and unanimously recommends that Gateway shareholders vote **FOR** approval of the merger agreement and **FOR** the approval of the other proposals described in this proxy statement/prospectus.

In determining whether to approve the merger agreement, the Gateway board of directors consulted with certain of its senior management and with its legal and financial advisors. In arriving at its determination, the Gateway board of directors also considered the factors described under The Merger Gateway s Reasons for the Merger; Recommendation of the Gateway Board of Directors.

Opinion of Hovde Group, LLC, Financial Advisor of Gateway (see page 43 and Appendix B)

On November 30, 2016, Hovde Group, LLC (Hovde) provided the Gateway board of directors with a written opinion regarding the fairness of the merger consideration to be received by Gateway shareholders from a financial point of view.

The Hovde opinion was directed to the Gateway board of directors and relates only to the fairness of the merger consideration to be received by Gateway shareholders, from a financial point of view. Hovde s opinion does not address any other aspect of the merger and is not a recommendation to any Gateway shareholder as to how such shareholder should vote at the Special Meeting.

The full text of the Hovde s November 30, 2016 opinion is included as Appendix B to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Hovde in rendering its opinion. The description of the opinion is qualified in its entirety by reference to the opinion. Gateway shareholders are urged to read the entire opinion carefully in connection with their consideration of the merger agreement.

Opinion of Monroe Financial Partners, Inc., Financial Advisor of Gateway (see page 50 and Appendix C)

On November 30, 2016, Monroe Financial Partners, Inc. (Monroe) provided the Gateway board of directors with a written opinion regarding the fairness of the merger consideration to be received by Gateway shareholders from a financial point of view.

The Monroe opinion was directed to the Gateway board of directors and relates only to the fairness of the merger consideration to be received by Gateway shareholders, from a financial point of view. Monroe s opinion does not address any other aspect of the merger and is not a recommendation to any Gateway shareholder as to how such shareholder should vote at the Special Meeting.

The full text of the Monroe s November 30, 2016 opinion is included as Appendix C to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Monroe in rendering its opinion. The description of the opinion is qualified in its entirety by reference to the opinion. Gateway shareholders are urged to read the entire opinion carefully in connection with their consideration of the merger agreement.

Interests of Gateway Directors and Executive Officers in the Merger (see page 62)

Some of the executive officers and directors of Gateway have interests in the merger that are in addition to, or different from, the interests of Gateway s shareholders generally. These interests include the following:

The merger agreement provides for the acceleration of the vesting of the Gateway stock options and the conversion of such options into options exercisable for shares of CenterState common stock;

Certain Gateway executives are entitled to certain payments pursuant to the termination of their existing change in control agreements and supplemental retirement plan agreements between the executives and Gateway;

- Certain the Gateway Banks officers have entered into employment agreements with CenterState Bank, effective as of the closing of the merger; and

- Gateway s directors and executive officers will be entitled to indemnification by CenterState with respect to claims arising from matters occurring at or prior to the closing of the merger and to coverage under a directors and officers liability insurance policy for six years after the merger.

These interests are discussed in more detail in the Section entitled The Merger Interests of Gateway Executive Officers and Directors in the Merger. The Gateway board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and the transactions contemplated by the merger agreement.

Treatment of Gateway Stock Options (see page 78)

If the merger is completed, each option to acquire shares of Gateway common stock which is then outstanding will automatically become vested and be converted into an option to purchase that number of shares of CenterState common stock equal to the number of shares of Gateway common stock to which the option holder is entitled to purchase multiplied by the Stock Consideration of 0.95 (rounded to the nearest whole share). The exercise price will equal the Gateway exercise price divided by 0.95 (rounded to the nearest cent).

Regulatory Approvals (see page 67)

The merger and the bank mergers are subject to various regulatory approvals, including approvals from the Board of Governors of the Federal Reserve System (the Federal Reserve) and the Office of the Comptroller of the Currency (OCC). Notifications and/or applications requesting approvals for the merger or for the bank mergers may also be submitted to other federal and state regulatory authorities and self-regulatory organizations. The parties have filed notices and applications to obtain the necessary regulatory approvals. Although the parties currently believe they should be able to obtain all regulatory approvals in a timely manner, they cannot be certain when or if they will obtain them or, if obtained, whether they will contain terms, conditions or restrictions not currently contemplated that will be detrimental to or have a material adverse effect on the combined company after the completion of the merger. We make no assurance that the regulatory approvals received will not contain any condition, or carryover of any condition applicable to Gateway or the Gateway Banks, that would increase any of the minimum regulatory capital requirements of CenterState following the merger or of CenterState Bank following the bank mergers. It is a condition to CenterState s obligation to complete the merger that no such regulatory condition be imposed. The regulatory approvals to which the completion of the merger and bank merger are subject are described in more detail under the section entitled The Merger Conditions to Completion of the Merger.

Conditions to Completion of the Merger (see page 88)

The completion of the merger depends on a number of conditions being satisfied or, where permitted, waived, including:

- the approval of the merger agreement by Gateway shareholders;

the authorization for listing on the Nasdaq Global Select Market of the shares of CenterState common stock to be issued in the merger;

the effectiveness of the Registration Statement on Form S-4, of which this proxy statement/prospectus is a part, under the Securities Act of 1933, as amended (the Securities Act);

the absence of any order, injunction or decree issued by any court or agency of competent jurisdiction or other law preventing or making illegal the consummation of the merger, the bank mergers or the other transactions contemplated by the merger agreement;

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the receipt of all regulatory approvals required to consummate the transactions contemplated by the merger agreement, without any materially burdensome regulatory conditions or any commitments, conditions, restrictions or understandings which, individually or in the aggregate, would constitute a material adverse effect on CenterState and CenterState Bank, taken as a whole, after giving effect to the transactions contemplated by the merger agreement;

accuracy, generally in all material respects, of CenterState s and Gateway s respective representations and warranties in the merger agreement on the date of the merger agreement and as of the effective time of the merger (or such other date specified in the merger agreement);

performance in all material respects by CenterState and Gateway of their respective obligations under the merger agreement;

the absence of any event which has resulted in a material adverse effect on the other, and the absence of any condition, event, fact, circumstance or other occurrence that is reasonably expected to have a material adverse effect on the other; and

as a condition to CenterState s obligation to complete the merger, (i) that any dissenting shares constitute less than 7.5% of the outstanding shares of Gateway s common stock, (ii) that the consummation of the merger will not trigger any excess parachute payment under the Internal Revenue Code, and (iii) that all change in control agreements, salary continuation agreements, severance agreements, employment agreements, and similar compensation arrangements between Gateway and/or the Gateway Banks and any officer, director or employee shall be amended or terminated as of the effective time of the merger.

No assurance is given as to when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

Third Party Proposals (see page 85)

Gateway has agreed to a number of limitations with respect to soliciting, negotiating and discussing acquisition proposals involving persons other than CenterState, and to certain related matters. The merger agreement does not, however, prohibit Gateway from considering prior to the Special Meeting an unsolicited bona fide acquisition proposal from a third party if certain specified conditions are met.

Termination (see page 89)

The merger agreement may be terminated at any time prior to the effective time of the merger, whether before or after the approval of the merger agreement by Gateway shareholders:

by mutual written consent of CenterState and Gateway;

by either CenterState or Gateway, if a regulatory or other governmental authority that must grant a requisite regulatory approval has denied approval of the merger or the bank mergers and such denial has become final and non-appealable or a regulatory or other governmental authority has issued a final, non-appealable order, injunction or decree permanently enjoining or otherwise prohibiting or making illegal the completion of the merger or the bank mergers (provided that the denial is not attributable to the failure of the party seeking to terminate the merger agreement to perform any covenant in the merger agreement required to be performed prior to the effective time of the merger), which we refer to as a Regulatory Nonapproval ;

by either CenterState or Gateway, if the merger has not been completed by August 27, 2017, unless the failure to complete the merger by such date is due to the failure of the party seeking to terminate the merger agreement to perform or observe the covenants and agreements of such party set forth in the merger agreement;

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by either CenterState or Gateway, if there is a breach by the other party of any representation, warranty, covenant or other agreement set forth in the merger agreement, that would, individually or in the aggregate, result in the failure to satisfy the closing conditions of the party seeking termination and such breach is not cured within 20 days following written notice to the breaching party or by its nature or timing cannot be cured within that time period (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement);

by CenterState, if (i) the Gateway board of directors fails to recommend that the Gateway shareholders approve the merger agreement or withdraws or modifies, in a manner adverse to CenterState, such recommendation or makes, or causes to be made, any third party or public communication proposing or announcing an intention to withdraw or modify, in any manner adverse to CenterState, such recommendation (referred to as a change in recommendation), or (ii) Gateway materially breaches any of the provisions of the merger agreement relating to third party proposals;

by Gateway, prior to obtaining the approval of the merger agreement by the Gateway shareholders, in order to enter into an agreement relating to a superior proposal in accordance with the provisions of the merger agreement relating to third party proposals (provided that Gateway has not materially breached any such provisions and pays CenterState the required termination fee);

by either CenterState or Gateway, if the Gateway shareholders fail to approve the merger agreement at a duly held meeting of Gateway shareholders or any adjournment or postponement thereof (provided that the board of directors of Gateway has not failed to recommend that Gateway shareholders approve the merger agreement and Gateway has not materially breached any of the provisions of the merger agreement relating to third party proposals); and

by Gateway, if both of the following conditions exist:

(i) the average closing sales price of the CenterState common stock during a specified time prior to completion of the merger is less than $18.53, and

(ii) CenterState s common stock underperforms a peer group index (the Nasdaq Bank Index) by more than 17.5%.

and Gateway complies with the following. First, Gateway must elect to terminate the merger agreement. If Gateway elects to exercise its termination right, it must give prompt written notice to CenterState. During the five business day period commencing with its receipt of such notice, CenterState has the option to increase the per share cash consideration by adjusting it to equal the lesser of:

(x) the product of the Stock Consideration and an amount equal to (1) the product of the Index Ratio multiplied by $22.46, less (2) the Average Closing Price, or

(y) the product of the Stock Consideration and an amount equal to (1) the product of 0.825 multiplied by \$22.46, less (2) the Average Closing Price.

If CenterState so elects within such five business day period, it must give written notice to Gateway of such election and the amount of the increase in the per share cash consideration, whereupon no termination will have occurred and the merger agreement will remain in effect in accordance with its terms (except as the payment of cash to holders of Gateway common stock shall have been so modified).

For purposes of the above termination provisions of the merger agreement by Gateway and CenterState, the following terms have the meanings indicated:

Average Closing Price means the closing price of the CenterState common stock as reported on the Nasdaq Stock Market over the 10 consecutive Trading Days ending on the Trading Day immediately prior to the Determination Date.

Determination Date means the later of (i) the date on which the last required regulatory approval is obtained without regard to any requisite waiting period, or (ii) the date on which the Gateway shareholders approve the merger agreement.

Final Index Price means the average of the Index Prices for the 10 consecutive trading days ending on the trading day prior to the Determination Date.

Index Group means the Nasdaq Bank Index.

Index Price means the closing price of the Index Group on any applicable Trading Day.

Initial Index Price means $3,574.56.

Initial CenterState Market Price means $22.46.

Trading Day means any day on which the Nasdaq Stock Market is open for trading; provided that, a Trading Day only includes those days that have a scheduled closing time of 4:00 p.m. (New York City time).

Termination Fee and Expenses (see page 90)

Gateway must pay CenterState a termination fee of $6.1 million:

- if the merger agreement is terminated by CenterState because the Gateway board of directors did not recommend that the Gateway shareholders approve the merger agreement or made a change in recommendation, or because Gateway materially breaches certain of the provisions of the merger agreement relating to third party proposals;

- if the merger agreement is terminated by Gateway, prior to obtaining approval of the merger agreement by the Gateway shareholders, in order to enter into an agreement relating to a superior proposal and Gateway has not materially breached certain of the provisions of the merger agreement relating to third party proposals; or

- if the merger agreement is terminated by CenterState or Gateway because the Gateway shareholders fail to approve the merger agreement and, if prior to such termination, there is a publicly announced acquisition proposal (as defined in the merger agreement) and, within 12 months of such termination, Gateway or the Gateway Banks enters into a definitive agreement with respect to such acquisition proposal or completes such acquisition proposal.

CenterState also has agreed to reimburse Gateway for its reasonable documented out-of-pocket expenses incurred in connection with the transaction contemplated by the merger agreement if the merger agreement is terminated (i) by either CenterState or Gateway because of a Regulatory Non Approval, (ii) by Gateway as a result of a material breach by CenterState of any representation, warranty, covenant or agreement under the merger agreement which has resulted in the failure of the satisfaction of a condition to closing and which is not cured within 20 days following written notice, or (iii) by Gateway if the merger has not closed by August 27, 2017 unless the failure to close by such date is due to the failure of Gateway to perform or observe the covenants and agreements required of it under the merger agreement.

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Nasdaq Listing (see page 81)

CenterState will use its commercially reasonable efforts to cause the shares of CenterState common stock to be issued to the holders of Gateway common stock in the merger to be authorized for listing on the Nasdaq Global Select Market, subject to official notice of issuance, prior to the effective time of the merger.

Accounting Treatment (see page 67)

CenterState will account for the merger under the acquisition method of accounting for business combinations under accounting principles generally accepted in the United States of America.

Resale of CenterState Common Stock

All shares of CenterState common stock received by Gateway shareholders in the merger will be freely tradeable for purposes of the Securities Act, except for shares of CenterState common stock received by any such holder who becomes an affiliate of CenterState after the completion of the merger. This proxy statement/prospectus does not cover resales of shares of CenterState common stock received by any person upon completion of the merger, and no person is authorized to make any use of this proxy statement/prospectus in connection with any resale.

Market Prices and Dividend Information (see page 32)

CenterState

CenterState common stock is traded on the Nasdaq Global Select Market under the symbol CSFL. The following table sets forth the reported high and low sales prices of shares of CenterState common stock and the quarterly cash dividends per share of CenterState common stock declared, in each case for the periods indicated.

	CenterState Common Stock		
	High	**Low**	**Dividends**
2017			
First Quarter (through January 12, 2017)	$ 25.55	$ 24.09	NA
2016			
First Quarter	$ 15.72	$ 12.57	$ 0.04
Second Quarter	$ 16.59	$ 14.49	$ 0.04
Third Quarter	$ 18.27	$ 15.30	$ 0.04
Fourth Quarter	$ 25.83	$ 17.09	$ 0.04
2015			
First Quarter	$ 12.35	$ 10.94	$ 0.01
Second Quarter	$ 13.98	$ 11.70	$ 0.02
Third Quarter	$ 15.00	$ 12.20	$ 0.02
Fourth Quarter	$ 16.24	$ 14.24	$ 0.02

The holders of CenterState common stock receive dividends if and when declared by the CenterState board of directors out of funds legally available, subject to certain restrictions imposed by state and federal laws. As of December 31, 2016, there were 48,146,981 shares of CenterState common stock outstanding and owned by approximately 1,217 registered shareholders of record.

Gateway

Gateway common stock is not listed or traded on any established market. The following table sets forth the high and low sales prices of shares of Gateway common stock to the extent known to management of Gateway.

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These transactions represent privately negotiated transactions directly between the purchaser and seller and do not include all transactions that have occurred, because such transactions are not subject to any reporting system. The shares of Gateway common stock are not traded frequently. The following also sets forth the cash dividends per share of Gateway common stock declared, in each case for the periods indicated.

	Gateway Common Stock		
	High	**Low**	**Dividends**
2017			
First Quarter (through January 12, 2017)			
2016			
First Quarter	$ 11.50	$ 11.00	
Second Quarter	$ 12.25	$ 12.00	$ 0.08
Third Quarter	$ 12.25	$ 12.00	
Fourth Quarter	$ 12.25	$ 12.00	
2015			
First Quarter	$ 9.50	$ 9.25	
Second Quarter	$ 9.50	$ 9.00	
Third Quarter	$ 9.95	$ 9.50	$ 0.08
Fourth Quarter	$ 12.00	$ 9.00	

The holders of Gateway common stock and Series A preferred stock receive dividends if and when declared by the Gateway board of directors out of funds legally available, subject to certain restrictions imposed by state and federal laws. As of December 31, 2016, there were 5,456,939 shares of Gateway common stock outstanding and owned by approximately 406 registered shareholders of record and 919,236 shares of Series A preferred stock outstanding and owned by approximately 287 registered shareholders of record.

Comparative Rights of CenterState Shareholders and Gateway Shareholders (Page 100)

Gateway shareholders, whose rights are currently governed by Gateway s articles of incorporation, the Gateway s bylaws and Florida law, will, upon completion of the merger, become shareholders of CenterState and their rights will be governed by CenterState s articles of incorporation, the CenterState s bylaws, and Florida law. The material differences between the rights of shareholders of CenterState and Gateway are (i) CenterState has a director nomination policy providing a process for CenterState shareholders to nominate directors to the CenterState board, while Gateway s articles of incorporation and bylaws do not provide for any such process, and (ii) holders of at least one-third of CenterState s shares may call a special meeting of CenterState shareholders, while the call of the special meeting by Gateway s shareholders requires the holders of at least one-tenth of the Gateway shares.

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RISK FACTORS

In addition to the other information contained in, or incorporated by reference into, this proxy statement/prospectus, including CenterState s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, subsequent quarterly reports on Form 10-Q, and the matters addressed under Forward-Looking Statements, Gateway shareholders should consider the matters described below carefully in determining whether to vote to approve the merger agreement. Additional Risk Factors included in Item 1A in CenterState s Annual Report on Form 10-K for the fiscal year ended December 31, 2015 are incorporated by reference. Gateway shareholders should read and consider those Risk Factors in addition to the Risk Factors listed below.

Because the sale price of the CenterState common stock may fluctuate, you cannot be sure of the value of the merger consideration that you will receive in the merger until the closing.

Under the terms of the merger agreement, each share of Gateway common stock outstanding immediately prior to the effective time of the merger (excluding dissenting shares) will be converted into the right to receive either 0.95 shares of CenterState common stock (the Stock Consideration) or $18.00 in cash (the Cash Consideration), subject to certain limitations. The value of the shares of CenterState common stock to be issued to Gateway shareholders in the merger will fluctuate between now and the closing date of the merger due to a variety of factors, including general market and economic conditions, changes in the parties respective businesses, operations and prospects, and regulatory considerations, among other things. Many of these factors are beyond the control of CenterState and Gateway. We make no assurances as to whether or when the merger will be completed. Gateway shareholders should obtain current sale prices for shares of CenterState common stock before voting their shares of Gateway common stock at the Special Meeting.

Gateway shareholders may receive a form of consideration different from what they elect.

While each Gateway shareholder may elect to receive cash or CenterState common stock in exchange for each share of Gateway common stock that is owned, the total number of shares of Gateway common stock that will be converted into the Cash Consideration is fixed at 30% of the total number of shares of Gateway common stock outstanding when the merger becomes effective. As a result, if either a cash or stock election appears to be more popular among Gateway shareholders, and you choose the election that is more popular, you might receive a portion of your consideration in the form you did not elect.

Combining the two companies may be more difficult, costly or time consuming than expected, and CenterState may fail to realize all of the anticipated benefits of the merger.

CenterState and Gateway have operated and, until the completion of the merger, will continue to operate, independently. The success of the merger will depend on, among other things, CenterState s ability to combine the businesses of CenterState and Gateway in a manner that does not materially disrupt the existing customer relationships of either CenterState or Gateway or result in decreased revenues from customers of either of them, as well as to realize anticipated cost savings. If CenterState is not able to successfully achieve these objectives, then the anticipated benefits of the merger may not be realized fully, if at all, or may take longer to realize than expected.

It is possible that the integration process could take longer than anticipated, result in the loss of key employees, disrupt either CenterState s or Gateway s ongoing businesses or result in inconsistencies in standards, controls, procedures and policies that adversely affect the ability of CenterState or Gateway to maintain relationships with their respective clients, customers, depositors and employees or to achieve the anticipated benefits of the merger. Integration efforts by CenterState and Gateway will also divert management attention and resources. These integration matters could have an adverse effect on each of CenterState and Gateway during the transition period and on the combined company following completion of the merger.

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The termination fees and the restrictions on third party proposals set forth in the merger agreement may discourage others from trying to acquire Gateway.

Until the completion of the merger, with some exceptions, Gateway is prohibited from soliciting, initiating, encouraging or participating in any discussion of or otherwise considering any inquiries or proposals that may lead to a proposal to acquire Gateway, such as a merger or other business combination transaction, with any person other than CenterState. In addition, Gateway has agreed to pay to CenterState in certain circumstances a termination fee equal to $6.1 million. These provisions could discourage other companies from trying to acquire Gateway even though those other companies might be willing to offer greater value to Gateway shareholders than CenterState has offered in the merger. The payment of any termination fee could also have a material adverse effect on Gateway s financial condition. See The Merger Agreement Third Party Proposal, The Merger Agreement Termination and The Merger Agreement Termination Fee.

If for a specified period prior to completion of the merger (a) the average closing price of CenterState common stock divided by $22.46 is less than 0.825 and (b) this ratio is less than (i) the number obtained by dividing the Final Index Price by $3,574.56, and (ii) subtracting 0.175, then Gateway has the right to terminate the merger agreement and the merger would not occur.

If for a specified period prior to completion of the merger (a) the average closing price of CenterState common stock divided by $22.46 is less than 0.825 and (b) this ratio is less than the number obtained by (i) dividing the Final Index Price by $3,574.56, and (ii) subtracting 0.175, then Gateway may terminate the merger agreement subject to CenterState s discretion (but not obligation) to increase the merger consideration by increasing the Cash Consideration by a specified amount. If CenterState elects not to increase the Cash Consideration, Gateway may then terminate the merger agreement.

As a result, even if Gateway shareholders approve the merger agreement, the merger may ultimately not be completed. Although the CenterState board of directors has the ability to increase the merger consideration and Gateway s board of directors has the power to choose not to terminate the merger agreement and proceed with the merger if CenterState does not increase the Cash Consideration, there is no obligation of either board to exercise such power.

If you are a Gateway shareholder and you surrender your shares of Gateway common stock to make an election, you will not be able to sell those shares, unless you revoke your election prior to the election deadline.

If you are a Gateway shareholder making a valid cash or stock election, you will have to deliver your stock certificates with the properly completed and signed form of election to Continental Stock Transfer and Trust Company, the exchange agent, prior to the election deadline. You will not be able to sell any shares of Gateway common stock that you have delivered as part of your election unless you revoke your election before the election deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in Gateway common stock for any reason until you receive the merger consideration. The parties will issue a press release announcing the date of the election deadline before the election deadline, which is expected to be shortly before the merger is completed. In the time between the election deadline and the completion of the merger, however, the trading price of CenterState common stock or Gateway common stock may decrease, and you might otherwise want to sell your shares of Gateway common stock to gain access to cash, make other investments, or reduce the potential for a decrease in the value of your investment. The date that you will receive your merger consideration depends on the completion date of the merger, which is uncertain. The completion date of the merger might be later than expected due to unforeseen events, such as delays in obtaining regulatory approvals.

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The opinions that Gateway has obtained from Hovde and Monroe have not been, and are not expected to be, updated to reflect any changes in circumstances that may have occurred since the signing of the merger agreement.

The opinion issued to the Gateway board of directors by each of Hovde and Monroe, financial advisors to Gateway, with respect to the fairness of the merger consideration to be received by Gateway shareholders, from a financial point of view, speaks only as of November 30, 2016. Changes in the operations and prospects of CenterState or Gateway, general market and economic conditions and other factors which may be beyond the control of CenterState and Gateway, and on which the opinion was based, may have altered the value of CenterState or Gateway or the sale prices of shares of CenterState common stock as of the date of this proxy statement/prospectus, or may alter such values and sale prices by the time the merger is completed. Neither Hovde nor Monroe has any obligation to update, revise or reaffirm their opinion to reflect subsequent developments and has not done so. Because Gateway does not currently anticipate asking Hovde or Monroe to update their opinions, the opinions will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The Gateway board of directors recommendation that Gateway shareholders vote for approval of the merger agreement, however, is made as of the date of this proxy statement/prospectus. See Agreement and Plan of Merger Opinion and Appendix B and Appendix C to this proxy statement/prospectus.

The merger and the bank mergers are subject to the receipt of consents and approvals from regulatory authorities that may impose conditions that could have an adverse effect on CenterState.

Before the merger and the bank mergers can be completed, various approvals or consents must be obtained from bank regulatory authorities. These authorities may impose conditions on the completion of the merger or the bank mergers or require changes to their terms. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying completion of the merger or the bank merger, or imposing additional costs on or limiting the revenues of CenterState following the merger, any of which might have a material adverse effect on CenterState following the merger. The regulatory approvals may not be received at all, may not be received in a timely fashion, and may contain conditions on the completion of the merger that are not anticipated or cannot be met. If the consummation of the merger is delayed, including by a delay in receipt of necessary governmental approvals, the business, financial condition and results of operations of each company may also be materially adversely affected. See The Merger Agreement Conditions to Completion of the Merger.

The merger is expected to, but may not, qualify as a tax-free reorganization within the meaning of the Code.

It is currently expected the merger will qualify as a tax-free reorganization within the meaning of the Code, and CenterState and Gateway have received a tax opinion to that effect. This opinion is not binding on the Internal Revenue Service. If the merger does not qualify as a tax-free reorganization, then the holders of shares of Gateway common stock may be required to recognize any gain with respect to the entire consideration received in the merger, including the per share stock consideration received. Tax matters are very complicated and the consequences of the merger to any particular Gateway shareholder will depend on that shareholder s particular facts and circumstances. **You should consult your own tax advisor to determine the particular tax consequences of the merger to you**.

CenterState and Gateway may waive one or more of the conditions to the merger without re-soliciting shareholder approval for the merger.

Each of the conditions to the obligations of CenterState and Gateway to complete the merger may be waived, in whole or in part, to the extent permitted by applicable law, by agreement of CenterState and Gateway, if the condition is a condition to both parties obligation to complete the merger, or by the party for which such condition is a condition of its obligation to complete the merger. The boards of directors of CenterState and

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Gateway may evaluate the materiality of any such waiver to determine whether amendment of this proxy statement/prospectus and re-solicitation of proxies are necessary. CenterState and Gateway, however, generally do not expect any such waiver to be significant enough to require re-solicitation of shareholders. In the event that any such waiver is not determined to be significant enough to require re-solicitation of shareholders, the companies will have the discretion to complete the merger without seeking further shareholder approval.

The combined company expects to incur substantial expenses related to the merger. If the merger is not completed, these expenses will have been incurred without realizing the expected benefits of the merger.

The combined company expects to incur substantial expenses in connection with completing the merger and combining the businesses, operations, networks, systems, technologies, policies and procedures of CenterState and Gateway. Although CenterState and Gateway have assumed that a certain level of transaction and combination expenses would be incurred, there are a number of factors beyond their control that could affect the total amount or the timing of their combination expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. Due to these factors, the transaction and combination expenses associated with the merger could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the combination of the businesses following the completion of the merger. In addition, prior to completion of the merger, each of Gateway and CenterState will incur or have incurred substantial expenses in connection with the negotiation and completion of the transactions contemplated by the merger agreement. If the merger is not completed, CenterState and Gateway would have to recognize these expenses without realizing the anticipated benefits of the merger.

CenterState and Gateway shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.

CenterState shareholders currently have the right to vote in the election of the board of directors of CenterState and on other matters affecting CenterState. Gateway shareholders currently have the right to vote in the election of the board of directors of Gateway and on other matters affecting Gateway. Upon the completion of the merger, each party s shareholders will be shareholders of CenterState with a percentage ownership of CenterState that is smaller than such shareholders current percentage ownership of CenterState or Gateway, as applicable. It is currently expected that the former shareholders of Gateway as a group will receive shares in the merger constituting approximately 9% of the outstanding shares of the combined company s common stock immediately after the merger, and approximately 8% of the outstanding shares of the combined company s common stock immediately after the merger and taking into account the closing of the PBHC merger transaction and assuming, in each case, the exercise of Gateway s stock options prior to the closing of the merger. Because of this, Gateway and CenterState shareholders will have less influence on the management and policies of the combined company than they now have on the management and policies of CenterState or Gateway, as applicable.

Shares of CenterState common stock to be received by Gateway shareholders as a result of the merger will have rights different from the shares of Gateway common stock.

Upon completion of the merger, the rights of former Gateway shareholders will be governed by the article of incorporation and bylaws of CenterState. The rights associated with Gateway common stock are different from the rights associated with CenterState common stock, although both companies are organized under Florida law. Please see the section entitled Comparison of Shareholders Rights for a discussion of the different rights associated with CenterState common stock.

CenterState and Gateway will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees, customers, suppliers and vendors may have an adverse effect on the business, financial condition and results of operations of Gateway and CenterState. These uncertainties may impair CenterState s or Gateway s ability to attract, retain and motivate key personnel, depositors and borrowers pending the consummation of the merger, as such personnel, depositors and borrowers may experience uncertainty about their future roles following the consummation of the merger. Additionally, these uncertainties could cause customers (including depositors and borrowers), suppliers, vendors and others who deal with us to seek to change existing business relationships with us or fail to extend an existing relationship with us. In addition, competitors may target each party s existing customers by highlighting potential uncertainties and integration difficulties that may result from the merger.

The pursuit of the merger and the preparation for the integration may place a burden on each company s management and internal resources. Any significant diversion of management attention away from ongoing business concerns and any difficulties encountered in the transition and integration process could have a material adverse effect on each company s business, financial condition and results of operations. Retention of certain employees by CenterState or Gateway also may be challenging while the merger is pending, as certain employees may experience uncertainty about their future roles with CenterState after the merger. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with CenterState or Gateway, CenterState s business or Gateway s business could be harmed.

In addition, in the merger agreement each party has agreed to operate its business in the ordinary course prior to closing, and is restricted from taking certain actions without the other party s consent while the merger is pending. These restrictions may, among other matters, prevent such party from pursuing otherwise attractive business opportunities, selling assets, incurring indebtedness, engaging in significant capital expenditures in excess of certain limits set forth in the merger agreement, entering into other transactions or making other changes to such party s business prior to consummation of the merger or termination of the merger agreement. These restrictions could have a material adverse effect on the party s business, financial condition and results of operations. Please see the section entitled The Merger Agreement Conduct of Business Pending the Merger for a description of the restrictive covenants applicable to Gateway and CenterState.

Failure of the merger to be consummated, the termination of the merger agreement or a significant delay in the consummation of the merger could negatively impact CenterState and Gateway.

If the merger is not consummated, the ongoing business, financial condition and results of operations of each party may be materially adversely affected and the market price of the each party s common stock may decline significantly, particularly to the extent that the current market price reflects a market assumption that the merger will be consummated. If the consummation of the merger is delayed, the business, financial condition and results of operations of each company may be materially adversely affected. If the merger agreement is terminated and a party s board of directors seeks another merger or business combination, such party s shareholders cannot be certain that such party will be able to find a party willing to engage in a transaction on more attractive terms than the merger.

There is no assurance that CenterState will complete the PBHC merger transaction.

Like the Gateway merger transaction, the PBHC merger is subject to customary conditions to closing, include the receipt of required regulatory approvals and the approval of PBHC shareholders. If any conditions to the PBHC merger are not satisfied or waived, to the extent permitted by law, the merger will not be completed. In addition, CenterState and PBHC may terminate the PBHC merger agreement under certain circumstances even if the merger agreement is approved by PBHC shareholders. If CenterState and PBHC do not complete the merger, CenterState would not realize any of the expected benefits of having completed the merger. Accordingly, there is no assurance that the PHBC merger will be consummated, or if it is, the timing for its completion.

Gateway s executive officers and directors have financial interests in the merger that are different from, or in addition to, the interests of Gateway shareholders.

Executive officers of Gateway negotiated the terms of the merger agreement with CenterState, and the Gateway board of directors unanimously approved and recommended that Gateway shareholders vote to approve

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the merger agreement. In considering these facts and the other information contained in this proxy statement/prospectus, you should be aware that certain Gateway executive officers and directors have financial interests in the merger that are different from, or in addition to, the interests of Gateway shareholders generally. See The Merger Agreement Interests of Gateway Executive Officers and Directors in the Merger for information about these financial interests.

Future capital needs could result in dilution of shareholder investment.

On January 13, 2017, CenterState closed the sale of 2,695,000 shares of CenterState common stock at $23.58 per share pursuant to a public offering of such shares. CenterState s board of directors may determine from time to time there is a need to obtain additional capital through the issuance of additional shares of its common stock or other securities. These issuances would dilute the ownership interests of its shareholders and may dilute the per share book value of CenterState s common stock. New investors may also have rights, preferences and privileges senior to CenterState s shareholders which may adversely impact its shareholders.

The trading volume in CenterState s common stock and the sale of substantial amounts of its common stock in the public market could depress the price of its common stock.

CenterState cannot predict the effect, if any, that future sales of its common stock in the market, or availability of shares of its common stock for sale in the market, will have on the market price of its common stock. CenterState therefore can give no assurance that sales of substantial amounts of its common stock in the market, or the potential for large amounts of sales in the market, would not cause the price of its common stock to decline or impair its ability to raise capital through sales of its common stock.

The market price of CenterState common stock after the merger may be affected by factors different from those affecting the shares of CenterState or Gateway currently.

Upon completion of the merger, holders of Gateway common stock will become holders of CenterState common stock. CenterState s businesses differ from those of Gateway, and accordingly, the results of operations of CenterState will be affected by some factors that are different from those currently affecting the results of operations of Gateway. For a discussion of the businesses of CenterState and Gateway and of some important factors to consider in connection with those businesses, see the section entitled The Parties to the Merger and the documents incorporated by reference referred to under the section entitled Where You Can Find More Information, including, in particular, in the section entitled Risk Factors in CenterState s Annual Report on Form 10-K for the year ended December 31, 2015.

CenterState s ability to pay dividends is limited and it may be unable to pay future dividends.

During the last four fiscal quarters, CenterState has paid cash dividends of $0.04 per common share. CenterState s ability to pay dividends is limited by law and regulation and the need to maintain sufficient consolidated capital. The ability of CenterState s subsidiary bank to pay dividends to it is limited by its need to maintain sufficient capital and by other general restrictions on its dividends that are applicable to national banks that are regulated by the OCC. If CenterState does not satisfy these legal and regulatory requirements, it will be unable to pay dividends on its common stock.

Holders of CenterState s junior subordinated debentures have rights that are senior to those of its common shareholders.

CenterState has helped support its continued growth through the issuance of, and the acquisition of, through prior mergers, trust preferred securities from special purpose trusts and accompanying junior subordinated debentures. At September 30, 2016, CenterState had outstanding trust preferred securities and accompanying

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junior subordinated debentures totaling $30.5 million. Payments of the principal and interest on these debt instruments are conditionally guaranteed by it. Further, the accompanying junior subordinated debentures CenterState issued to the special purpose trusts are senior to CenterState s shares of common stock. As a result, CenterState must make payments on the junior subordinated debentures before any dividends can be paid on its common stock and, in the event of CenterState s bankruptcy, dissolution or liquidation, the holders of the junior subordinated debentures must be satisfied before any distributions can be made on CenterState s common stock. CenterState has the right to defer distributions on its junior subordinated debentures (and the related trust preferred securities) for up to five years, during which time no dividends may be paid on its common stock.