

UNITED COMMUNITY BANKS INC  
Form SC 13G  
February 14, 2011

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13G  
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED  
PURSUANT TO RULE 13d-2  
(Amendment No. \_\_)\*

United Community Banks, Inc.  
(Name of Issuer)

Common Stock, par value \$1.00 per share and/or  
Common Stock Equivalent Junior Preferred Stock, par value \$1.00 per share  
(Title of Class of Securities)

90984P105  
(CUSIP Number)

December 31, 2010  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 90984P105 13G Page 2 of 8 Pages

1. NAMES OF REPORTING PERSONS.

Fletcher Asset Management, Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ..  
 (b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5.	SOLE VOTING POWER	10,403,790
	6.	SHARED VOTING POWER	0
	7.	SOLE DISPOSITIVE POWER	10,403,790

8. SHARED DISPOSITIVE POWER 0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 10,403,790

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES ..

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 9.9%

12. TYPE OF REPORTING PERSON IA



CUSIP No. 90984P105 13G Page 3 of 8 Pages

1. NAMES OF REPORTING PERSONS.

Fletcher International, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) ..  
 (b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	0
	6. SHARED VOTING POWER	0
	7. SOLE DISPOSITIVE POWER	0

8. SHARED DISPOSITIVE POWER 0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 10,403,790

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES ..

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 9.9%

12. TYPE OF REPORTING PERSON CO



CUSIP No. 90984P105

13G

Page 4 of 8 Pages

1. NAMES OF REPORTING PERSONS.

Alphonse Fletcher, Jr.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) ..  
(b) ..

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5.	SOLE VOTING POWER	0
	6.	SHARED VOTING POWER	0
	7.	SOLE DISPOSITIVE POWER	0
	8.	SHARED DISPOSITIVE POWER	0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 10,403,790

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES ..

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 9.9%

12. TYPE OF REPORTING PERSON HC





- Item 1(a). Name of Issuer:  
United Community Banks, Inc.
- Item 1(b). Address of Issuer's Principal Executive Offices:  
125 Highway 515 East  
Blairsville, Georgia 30512
- Item 2(a). Names of Persons Filing:  
Fletcher Asset Management, Inc. ("FAM"), Fletcher International, Ltd. ("FIL") and Alphonse Fletcher, Jr.
- Item 2(b). Address of Principal Business Office or, if none, Residence:  
c/o Fletcher Asset Management, Inc.  
48 Wall Street  
5th Floor  
New York, New York 10005
- Item 2(c). Citizenship:  
FAM is a corporation organized under the laws of the State of Delaware. FIL is a company domiciled in Bermuda. Alphonse Fletcher, Jr. is a citizen of the United States.
- Item 2(d). Title of Class of Securities:  
Common Stock, par value \$1.00 per share ("Common Stock") and/or Common Stock Equivalent Junior Preferred Stock, par value \$1.00 per share ("Common Stock Equivalent Junior Preferred Stock")
- Item 2(e). CUSIP Number:  
90984P105
- Item 3. If this statement is filed pursuant to §§ 240.13d-1(b) or Rule 13d-2(b) or (c), check whether the person filing is a:
- (a)  Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78o);
- (b)  Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c)  Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d)

Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8);

- (e)  An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);

- (h)  A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i)  A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with § 240.13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with § 240.13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with § 240.13d-1(b)(1)(ii)(J), please specify the type of institution: \_\_\_\_\_

Item 4. Ownership.

(a) Amount Beneficially Owned:

10,403,790 shares

(b) Percent of Class:

9.9% (based on 105,088,793 shares of Common Stock, of United Community Banks, Inc. (the "Company") consisting of (i) 94,685,003 shares reported by the Company to FIL to be outstanding as of December 31, 2010 and (ii) 10,403,790 shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock underlying the Convertible Securities (as defined below) and Warrants (as defined below) beneficially owned by FAM, FIL and Mr. Fletcher issuable within 60 days as of December 31, 2010).

(c) Number of shares as to which FAM has:

(i) Sole power to vote or to direct the vote:

10,403,790 shares

(ii) Shared power to vote or to direct the vote:

0 shares

(iii) Sole power to dispose or to direct the disposition of:

10,403,790 shares

(iv) Shared power to dispose or to direct the disposition of:

0 shares



The 10,403,790 shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock reported to be beneficially owned consist of 10,403,790 shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock issuable under certain conditions pursuant to the Securities Purchase Agreement dated April 1, 2010, as amended (the "Agreement"), by and between the Company and FIL and shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock issuable upon the exercise by FIL of certain convertible securities owned by FIL (the "Convertible Securities") and warrants granted by the Company to FIL (the "Warrants") in connection with and subject to the terms and conditions of the Agreement. The beneficial ownership reported reflects the shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock issuable within 60 days as of December 31, 2010 that would have been held had FIL exercised its additional investment rights under the Agreement and had the Convertible Securities and Warrants been exercised on December 31, 2010, subject to a contractual limitation on the number of shares that may be issued by the Company to FIL without the provision of certain notice as set forth in the Agreement, which prohibits the Company from issuing shares to FIL if such issuance would result in FIL beneficially owning over 9.9% of the aggregate number of shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock of the Company after giving effect to such issuance until 65 days following a notice from FIL to the Company increasing the number of shares issuable.

The shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock of the Company reported to be beneficially owned consist of shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock underlying the Convertible Securities and Warrants held in one or more accounts managed by FAM (the "Accounts"), for FIL. FAM has sole power to vote and sole power to dispose of all shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock underlying the Convertible Securities and Warrants in the Accounts. By virtue of Mr. Fletcher's position as Chairman and Chief Executive Officer of FAM, Mr. Fletcher may be deemed to have the shared power to vote or direct the vote of, and the shared power to dispose or direct the disposition of, such shares, and, therefore, Mr. Fletcher may be deemed to be the beneficial owner of such Common Stock and/or Common Stock Equivalent Junior Preferred Stock. Mr. Fletcher disclaims beneficial ownership of such Common Stock and/or Common Stock Equivalent Junior Preferred Stock.

Item 5. Ownership of Five Percent or Less of a Class.

Not Applicable

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

This Schedule 13G is filed by FAM, which is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as amended, with respect to the shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock issued to FIL under the Agreement and assuming issuance of Common Stock and/or Common Stock Equivalent Junior Preferred Stock underlying the Convertible Securities and Warrants held at December 31, 2010 in the Accounts managed by FAM. By reason of the provisions of Rule 13d-3 under the Act, FAM, FIL and Mr. Fletcher may each be deemed to beneficially own the shares of Common Stock and/or Common Stock Equivalent Junior Preferred Stock underlying the Convertible Securities and Warrants held in the Accounts. The Accounts have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such shares purchased for its account.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.

This Schedule 13G is filed by FAM, FIL and Mr. Fletcher.

Item 8. Identification and Classification of Members of the Group.

Not Applicable

Item 9. Notice of Dissolution of Group.

7

---

Not Applicable

Item 10.

Certifications.

By signing below Fletcher Asset Management, Inc., Fletcher International, Ltd. and Alphonse Fletcher, Jr. certify that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under § 240.14a-11.

8

---

SIGNATURE

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

Dated: February 14, 2011

Fletcher Asset Management, Inc.

By: /s/ Stewart Turner  
Name: Stewart Turner  
Title: Authorized Signatory

Fletcher International, Ltd. by its duly authorized investment advisor, Fletcher Asset Management, Inc.

By: /s/ Stewart Turner  
Name: Stewart Turner  
Title: Authorized Signatory

Alphonse Fletcher, Jr., in his individual capacity

By: /s/ Denis J. Kiely for Alphonse Fletcher, Jr.  
Name: Denis J. Kiely for Alphonse Fletcher, Jr.

\*By Power of Attorney, dated February 14, 2001, attached as Exhibit A hereto.