

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Department Announces \$23.8 Million in Proceeds from Pricing of Auctions of Preferred Stock and Subordinated Debt of Seven Financial Institutions

12/13/2012

WASHINGTON – As part of the strategy it outlined for winding down its remaining Troubled Asset Relief Program (TARP) bank investments, the U.S. Department of the Treasury announced that it priced auctions of preferred stock and subordinated debt (the “CPP Securities”) in the following seven institutions at the following prices:

| <u>Issuer and Security</u> | <u>Price per share* or per \$1,000 aggregate principal amount</u> | <u>Number of shares or aggregate principal amount to be sold</u> | <u>Aggregate Gross Proceeds</u> |
|---|---|--|---------------------------------|
| Bank Financial Services, Inc., Eden Prairie, MN | | | |
| Fixed Rate Cumulative Perpetual Preferred Stock, Series T1 | \$929.22 | 1,004 | \$932,936.88 |
| Fixed Rate Cumulative Perpetual Preferred Stock, Series T2 | 970.00 | 50 | 48,500.00 |
| | | | 981,436.88 |
| Bank of Southern California, N.A., San Diego, CA | | | |
| Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A | 920.00 | 2,211 | 2,034,120.00 |
| Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series B | 965.12 | 111 | 107,128.32 |
| Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series C | 910.12 | 2,032 | 1,849,363.84 |
| | | | 3,990,612.16 |
| Century Financial Services Corporation, Santa Fe, NM | | | |
| 7.7% Senior Subordinated Debentures due 2039 | 985.00 | \$10,000,000.00 | 9,850,000.00 |
| 13.8% Senior Subordinated Debentures due 2039 | 1,003.21 | \$500,000.00 | 501,605.00 |

10,351,605.00

Community Investors Bancorp, Inc., Bucyrus, OH

| | | | |
|---|--------|-------|--------------|
| Fixed Rate Cumulative Perpetual Preferred Stock, Series A | 950.00 | 2,600 | 2,470,000.00 |
|---|--------|-------|--------------|

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|---|----------|-----|------------|
| Fixed Rate Cumulative Perpetual Preferred Stock, Series B | 1,000.00 | 130 | 130,000.00 |
|---|----------|-----|------------|

2,600,000.00

First Alliance Bancshares, Inc., Cordova, TN

| | | | |
|---|--------|-------|--------------|
| Fixed Rate Cumulative Perpetual Preferred Stock, Series A | 700.10 | 3,422 | 2,395,742.20 |
|---|--------|-------|--------------|

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|---|--------|-----|------------|
| Fixed Rate Cumulative Perpetual Preferred Stock, Series B | 700.01 | 171 | 119,701.71 |
|---|--------|-----|------------|

2,515,443.91

First Independence Corporation, Detroit, MI

| | | | |
|--|--------|-------|--------------|
| Class C, Fixed Rate Cumulative Perpetual Preferred Stock, Series-UST | 725.00 | 3,223 | 2,336,675.00 |
|--|--------|-------|--------------|

Hyperion Bank, Philadelphia, PA

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|---|--------|-------|--------------|
| Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A | 650.00 | 1,552 | 1,008,800.00 |
|---|--------|-------|--------------|

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|---|--------|----|-----------|
| Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series B | 650.00 | 78 | 50,700.00 |
|---|--------|----|-----------|

1,059,500.00

*Reflects a liquidation preference of \$1,000 per share.

The aggregate gross proceeds to Treasury from the auctions are expected to be approximately \$23.8 million.

“We’re continuing to see strong demand in these auctions, which helps ensure that the process maximizes value to the taxpayer while also helping community banks replace temporary government support with private capital,” said Assistant Secretary for Financial Stability Timothy G. Massad. “TARP’s bank programs helped stabilize the economy and turned a profit for taxpayers, and these auctions are one part of our broader strategy to continue winding them down.”

TARP's bank programs have already earned a significant profit for taxpayers. Including the expected proceeds from the transactions announced today, Treasury has now recovered nearly \$268 billion from TARP's bank programs through repayments, dividends, interest, and other income – compared to the \$245 billion initially invested. Each additional dollar recovered from TARP's bank programs is an additional dollar of profit for taxpayers.

These auctions are part of the strategy that Treasury outlined in May for winding down its remaining TARP bank investments in a way that protects taxpayer interests and preserves the strength of our nation's community banks. Treasury indicated that it intends to use a combination of repayments, restructurings, and sales to manage and recover those remaining investments.

The closings for the auctions are expected to occur on or about December 20, 2012, subject to customary closing conditions. The offerings were priced through modified Dutch auctions.

The CPP Securities were offered only to (1) domestic "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933, as amended (the "Act"), (2) certain domestic institutional "accredited investors" as defined in Rule 501(a) under the Act that have total assets of not less than \$25,000,000 and (3) in certain cases, certain directors and executive officers of the issuers of the CPP Securities. The CPP Securities sold in the auctions may not be offered or sold absent registration under, or an applicable exemption from, applicable securities law.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

For more details on Treasury's lifetime cost estimates for TARP programs, please visit Treasury's Monthly 105(a) Report to Congress on TARP at this [link](#).

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