

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Department Announces \$78.0 Million in Proceeds From Pricing of Auctions of Preferred Stock and Subordinated Debt of Five Financial Institutions

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*Auctions Part of Treasury's Continued Efforts to Wind Down TARP's Bank Programs
Proceeds Deliver Additional Profit for Taxpayers on TARP's Bank Programs*

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 five 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>
Carolina Bank Holdings, Inc., Greensboro, NC			
Fixed Rate Cumulative Perpetual Preferred Stock, Series A	\$935.10	16,000	\$14,961,600.00
TC Holdings, Inc., Sugar Land, TX			
Fixed Rate Cumulative Perpetual Preferred Stock, Series C	897.00	21,042	18,874,674.00
Fixed Rate Cumulative Perpetual Preferred Stock, Series D	955.00	1,052	1,004,660.00
			19,879,334.00
First Trust Corporation, New Orleans, LA			
7.7% Senior Subordinated Security due 2039	765.21	\$17,969,000.00	13,750,058.49
13.8% Senior Subordinated Security due 2039	725.21	\$898,000.00	651,238.58
			14,401,297.07
National Bancshares, Inc., Bettendorf, IA			
Class B Fixed Rate Cumulative Perpetual Preferred Stock, Series T1	750.21	24,664	18,503,179.44
Class B Fixed Rate Cumulative Perpetual Preferred Stock, Series T2	692.61	1,233	853,988.13
			19,357,167.57
Midgestone Financial Services, Inc., Brookfield, WI			
Fixed Rate Cumulative Perpetual Preferred Stock, Series A	822.60	10,900	8,966,340.00
Fixed Rate Cumulative Perpetual Preferred Stock, Series B	882.60	545	481,017.00
			9,447,357.00

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

The aggregate gross proceeds to Treasury from the auctions are expected to be approximately \$78.0 million.

"As we continue winding down TARP, these auctions are helping local community banks bring in private capital to replace temporary government support," said Assistant Secretary for Financial Stability Tim Massad.

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 \$269 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 February 20, 2013, subject to customary closing conditions. The offerings were priced through modified Dutch auctions.

The CPP Securities sold in the auction have not been and will not be registered under the Securities Act of 1933, as amended (the Act), and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons absent registration under, or an applicable exemption from, the registration requirements of the Act and applicable state securities law. The CPP Securities were offered only to (1) domestic "qualified institutional buyers" as defined in Rule 144A under 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 respective issuers of the

CPP Securities. This press release does not constitute an offer to sell or the solicitation of an offer to buy the CPP Securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful.

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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