

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Announces Intent to Sell Preferred Stock

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WASHINGTON – As part of its ongoing efforts to wind down the Troubled Asset Relief Program (TARP) and recover its remaining Capital Purchase Program (CPP) investments, the U.S. Department of the Treasury today announced its intention to sell several preferred stock CPP investments. Treasury intends to conduct auctions for all of its preferred stock (the CPP Securities) in the following six institutions:

- Marine Bank & Trust Company (Vero Beach, FL);
- Market Bancorporation, Inc. (Elko New Market, MN);
- Maryland Financial Bank (Towson, MD);
- Royal Bancshares of Pennsylvania, Inc. (Narberth, PA);
- United American Bank (San Mateo, CA); and
- White River Bancshares Company (Fayetteville, AR).

Treasury [previously announced](#) its intention to hold a series of auctions for the CPP Securities of financial institutions that are part of the overall strategy to wind down the remaining TARP bank investments. The goal remains to protect taxpayer interests, promote financial stability, and preserve the strength of our nation's community banks. Treasury will continue to use a combination of repayments, restructurings, and sales to manage and recover those remaining investments.

TARP's bank programs have already earned a significant profit for taxpayers. To date, Treasury has recovered more than \$273 billion from TARP's bank programs through repayments, dividends, interest, and other income – compared to the \$245 billion initially invested. Approximately \$2 billion of the repayments were refinanced under the Small Business Lending Fund (SBLF). Congress created the SBLF outside of TARP and required Treasury to let CPP institutions repay TARP funds by borrowing under that program. Treasury has remaining outstanding CPP investments in 56 institutions. For more details on Treasury's lifetime cost estimates for TARP programs, please visit Treasury's Monthly 105(a) Report to Congress on TARP [here](#).

Treasury expects to commence the auctions, which will be offered principally to domestic qualified institutional buyers and certain domestic institutional accredited investors, on or about June 16, 2014. The auctions are expected to close at 6:00 pm, New York City time, on June 19, 2014. These offerings will be executed using a modified Dutch auction methodology that establishes a market price by allowing investors to submit bids at specified increments similar to the process Treasury used to auction other CPP investments. The auction procedures will not include the submission of "all or none" bids.

The CPP Securities that will be 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 will be 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.

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