Lynchburg, Tenn.-based Farmers Bank of Lynchburg ($163.9 million)

Established in 1888, Farmers Bank operated two branches in central Tennessee and two in the eastern part of the state. Tennessee Commerce Bancorp Inc. had agreed to purchase a controlling interest in the bank in July 2011. But the deal was terminated when Tennessee Commerce unit Tennessee Commerce Bank failed in January. The FDIC issued Farmers Bank a consent order and a prompt corrective action directive in November 2011. As of March 31, 19.27% of its loans were nonperforming.

Marietta, Ga.-based Security Exchange Bank ($151.0 million)

The bank was established in 2000 and had two branches in the northern suburbs of Atlanta. The FDIC issued the bank a cease and desist order in 2009. As of March 31, 45.36% of the bank's assets were nonperforming.

Palatka, Fla.-based Putnam State Bank ($169.5 million)

Established in 1989, Putnam had three branches along the northeastern coast of Florida. The FDIC issued the bank a cease and desist order in June 2010. Since 2009, Putnam has racked up an aggregate of $26.1 million in net losses, severely depleting capital. As of March 31, its equity capital had fallen to $189,000, resulting in a Tier 1 risk-based ratio of 0.18%.

Whiteville, N.C.-based Waccamaw Bank ($533.1 million)

Established in 1997, the bank had a total of 16 branches in North Carolina and South Carolina. As of Oct. 30, 2011, the Federal Reserve deemed the bank critically undercapitalized and ordered it to raise capital levels or merge with another institution. In January, the Federal Reserve allowed Waccamaw to include around half of its $16.4 million raised in a private placement as Tier 1 capital. As of March 31, the bank's Tier 1 risk-based ratio was 1.24% and its Texas ratio was 330%. In March, its parent Waccamaw Bankshares Inc., disclosed a going concern warning.

Shabbona, Ill.-based Farmers & Traders State Bank ($43.1 million)

Farmers & Traders had two branches in northern Illinois. The bank had lost money for five consecutive quarters, running its Tier 1 risk-based ratio down to 2.38% as of March 31. Nonperforming loans jumped dramatically in the first quarter, up to 34.33% of total loans from 19.92% at year-end 2011. The FDIC issued a consent order to the bank in September 2011.

Kingfisher, Okla.-based First Capital Bank ($46.1 million)

Established in 1902, First Capital had a lone branch in central Oklahoma. During the year ended March 31, the bank lost $7.4 million while total assets declined to $46.1 million from $119.0 million. As of March 31, 32.7% of its gross loans and leases were past due or nonaccruing. The FDIC issued the bank a prompt corrective action directive in November 2011 and a consent order in October 2010.

Charleston, S.C.-based Carolina Federal Savings Bank ($54.4 million)

Carolina FSB, which was a mutual savings bank, operated two branches in Charleston. In the failed bank transaction, High Point, N.C.-based Bank of North Carolina acquired about $31 million in performing loans and $52 million in local deposits, leaving around $14 million in troubled assets and other real estate to the FDIC. The OTS hit Carolina FSB with a cease and desist order in July 2010. As of March 31, the thrift's Tier 1 risk-based ratio was 2.80% and its Texas ratio was 515%.

Sylacauga, Ala.-based Alabama Trust Bank NA ($51.6 million)

Established in 2000, Alabama Trust operated one branch in central Alabama. The OCC issued the bank a prompt corrective action directive in April and a cease and desist order in December 2010. It also entered into a formal agreement with the bank in July 2009. As of March 31, the bank's Tier 1 capital ratio was 1.58% and its Texas ratio was 298%.

North Lauderdale, Fla.-based Security Bank NA ($101.0 million)

Established in 1980, Security Bank NA had three branches in Florida. As of March 31, its Tier 1 ratio was 2.66%, its Texas ratio was 375.30% and 19.74% of its gross loans and leases were past due or nonaccruing. Earlier in the year, the bank was in talks with investors to inject capital into the bank. The OCC issued the bank a cease and desist order in May 2010. In August of 2010, it failed to meet a requirement of that order to increase its Tier 1 leverage capital ratio to 9%. The bank was also issued a prompt corrective action directive in March 2012. On Nov. 23, 2010, the OCC issued some officers of the bank civil money penalty orders. In a news release, the OCC said it closed the bank after finding that it had experienced "substantial dissipation" of assets and earnings due to "unsafe and unsound practices." The agency found that the bank incurred losses that depleted its capital and that it was "critically undercapitalized." There was no reasonable prospect for Security Bank to become "adequately capitalized" without federal assistance, the OCC said.

Palm Desert, Calif.-based Palm Desert National Bank ($125.8 million)

Established in 1981, Palm Desert operated one branch in southern California. The bank had been dramatically shrinking its balance sheet. Total assets were $392.3 million at the end of 2007. On Dec. 3, 2010, the bank completed the sale of two branches to Bank of Southern California, NA. Additionally, on April 11, 2011, Westlake Village, Calif.-based

First California Bank acquired the electronic banking solutions division of Palm Desert. As of Dec. 31, 2011, more than one-third of the bank's total assets were nonperforming.

Pawleys Island, S.C.-based Plantation Federal Bank ($486.4 million)

Established in 1986, the bank had six branches in South Carolina — three in Greenville and three along the coast. The OTS issued the bank and its parent, Plantation Financial Corp., cease and desist orders June 2010. The bank saw losses every year since 2009, aggregating to $47.6 million. As of Dec. 31, 2011, its Tier 1 ratio was 1.51% and its Texas ratio was 460%.

Maple Grove, Minn.-based Inter Savings Bank FSB ($481.6 million)

In March 2010, the OTS issued the bank a prompt corrective action directive, ordering it to sell or achieve adequately capitalized status before June 30, 2010. The bank saw losses each year since 2007, aggregating to $60.3 million. As of Dec. 31, 2011, its Tier 1 ratio was 2.04% and its Texas

ratio was 245%.

Gaithersburg, Md.-based HarVest Bank of Maryland ($163.0 million)

HarVest Bank was established in 2004 and since then, it saw only one profitable year, with aggregate losses of $22.1 million during its lifetime. The FDIC issued the bank a cease and desist order on July 2, 2010. The parent company, HarVest Bancorp Inc., entered into a written agreement in November of the same year with the Federal Reserve Bank of Richmond. A report in May 2011 indicated that HarVest Bank was attempting to unload troubled assets in advance of a recapitalization plan. According to an April 6 report, an undisclosed group backed out of a $5 million investment agreement, leaving the bank "critically undercapitalized."

Cambridge, Md.-based Bank of the Eastern Shore ($162.5 million)

Established in 1986, Bank of the Eastern Shore failed without a buyer. The Federal Reserve issued the bank a prompt corrective action directive, effective Aug. 8, 2011. Since 2009, it has lost $22.5 million. As of March 31, the bank's Tier 1 capital ratio was 1.81% and its Texas ratio was 269%.

Fort Lee, N.J.-based Fort Lee FSB ($51.9 million)

Established in 2000, Fort Lee FSB had a sole branch in northern New Jersey. It had received a TARP investment of about $1.3 million in 2009. The OTS issued the bank a cease and desist order in October 2010. As of Dec. 31, 2011, its Texas ratio was 304% and 16.57% of its gross loans and leases were past due or nonaccruing.

Dearborn, Mich.-based Fidelity Bank ($818.2 million)

Established in 1994, Fidelity had 15 branches in southeast Michigan. Its parent, Dearborn Bancorp Inc., disclosed going concern doubts March 21. Fidelity was found to be critically undercapitalized by federal and state regulators in a joint safety and soundness examination for 2011. The FDIC issued the bank a prompt corrective action directive in September 2011. The bank lost a total of $127.6 million from 2008 to 2011. As of Dec. 31, 2011, 21% of its loans were nonperforming.

Rock Spring, Ga.-based Covenant Bank & Trust ($95.7 million)

Covenant was established in 2006 and never saw a profitable year. It lost $2.4 million in 2011 and $3.8 million in 2010. As of Dec. 31, 2011, its Tier 1 risk-based capital ratio was 1.91% and its Texas ratio was 642%. The *Atlanta Business Chronicle* had reported Feb. 10 that Covenant had one of the lowest Tier 1 ratios in the state and was at risk of failure in the first quarter.

Wilmette, Ill.-based Premier Bank ($268.7 million)

Established in 2000, Premier had two branches in the Chicago area. The bank was hit with a $20 million lawsuit just before it failed. The owner of Michael's Fresh Market grocery stores, which filed for bankruptcy last year, accused the bank of fraud and misrepresentation. The FDIC issued the bank a consent order in 2010. As of Dec. 31, 2011, 38% of the bank's total real estate loans and 42% of its commercial and industrial loans were past due or nonaccruing.

Chicago-based New City Bank ($71.2 million)

Established in 2003, New City failed without a buyer. The FDIC will be making payouts on the insured deposits of the bank. According to the *Chicago Sun-Times*, William Beavers, the vice chairman of the bank, as well as an investor, was indicted in February on federal tax charges. Beavers is also a Cook County commissioner. New City was issued consent orders by the FDIC in February 2011 and May 2011. In the fourth quarter of 2011, New City had the fourth-highest net charge-off ratio among all commercial banks, at 25.33%. After six consecutive quarters in the red, the bank's total equity turned negative at the end of 2011.

Doraville, Ga.-based Global Commerce Bank ($143.7 million)

Established in 1995, Global Commerce operated three branches, and according to *The Atlanta Journal-Constitution*, catered to the region's Asian business community. The acquiring institution, Doraville, Ga.-based Metro City Bank has a similar focus. At the end of 2011, 93% of Global Commerce's loan portfolio was comprised of commercial real estate, with 28% of those loans past due or nonaccruing.

Little Falls, Minn.-based Home Savings of America ($434.1 million)

Home Savings was established in 1934. In addition to its main branch in central Minnesota, the company operated three branches in California. The FDIC was unable to find a financial institution willing to acquire the thrift. This was the first banking company since Broomfield, Colo.-based FirsTier Bank in January 2011 to fail without a buyer. The thrift experienced explosive growth in recent years. Total loans jumped to $396.5 million at the end of 2009 from $46.2 million five years earlier. Almost all of its loans were single-family. The OTS issued a cease and desist order against the thrift, as well as its parent, in June 2010. The orders were amended in June 2011. It also received a prompt corrective action directive from the OCC in December 2011. After a loss of $26.3 million in 2011, the company's Tier 1 risk-based ratio was -4.57%.

Ellaville, Ga.-based Central Bank of Georgia ($278.9 million)

Established in 1910, Central Bank of Georgia had five branches. The bank doubled its asset base from 2005 to 2008. Then in December 2009, the FDIC issued the bank a cease and desist order. As of Dec. 31, 2011, 21% of its total real estate loans were past due or nonaccruing and its Tier 1 risk-based capital ratio was 0.66%. The Atlanta Business Chronicle reported on Feb. 10 that Central Bank, as well as Global Commerce Bank and Rock Spring, Ga.-based Covenant Bank & Trust, had the lowest Tier 1 ratios in the state, and were at risk of failure this quarter.

Hoffman Estates, Ill.-based Charter National Bank & Trust ($93.9 million)

Established in 1980, Charter National operated two branches in the western suburbs of Chicago. According to *Crain's*, Charter National was the second bank owned by the Moser family to recently fail. The Mosers owned half of Western Springs, Ill.-based Western Springs National Bank & Trust, which failed in April 2011. Charter National had not reported a profit since the third quarter of 2008. As of Dec. 31, 2011, its Texas ratio had ballooned to 721% while its Tier 1 risk-based ratio had collapsed to 0.13%. The OCC issued a cease and desist order against the bank in April 2010 and a prompt corrective action directive in December 2011. In conjunction with the acquisition, the buyer provided the FDIC with a value appreciation instrument.

Shelbyville, Ind.-based SCB Bank ($182.6 million)

Established in 1891, SCB Bank had four branches in central Indiana. The company heavily relied on brokered deposits, which represented 35% of total deposits at Dec. 31, 2011. That is the highest brokered deposit ratio among failures since Norfolk, Va.-based Bank of the Commonwealth in September 2011. SCB Bank had lost money for six consecutive quarters, running its Tier 1 risk-based ratio down to 0.41%. The OTS issued a prompt corrective action directive against SCB Bank in June 2011. The company was also operating under a cease and desist order from May 2011.

Knoxville, Tenn.-based BankEast ($261.9 million)

BankEast and Tennessee Commerce Bank, which also failed Jan. 27, represent the first bank failures in Tennessee during this cycle. BankEast had 10 branches in and around Knoxville. It grew its asset base to $368.3 million in 2008 from $50.3 million in 2003. Much of the growth was in construction and development, commercial real estate and commercial and industrial lending. The Federal Reserve issued a prompt corrective action directive to the bank, which was effective Dec. 22, 2010. The bank hired Ridley Capital Group around that time, looking to raise capital. As of year-end 2011, BankEast's Texas ratio was 454%.

Jacksonville, Fla.-based First Guaranty Bank & Trust Co. of Jacksonville ($397.1 million)

Established in 1947, First Guaranty had eight branches in northeastern Florida. In 2010, the bank entered into a consent order with the FDIC. Easley, S.C.-based CertusBank NA had agreed to purchase seven branches from First Guaranty on Nov. 9, 2011. The now-defunct transaction included $96 million in loans and $211 million in deposits, in addition to the trust division of the bank. All of First Guaranty's nonperforming and criticized assets were excluded from the deal. As of Dec. 31, 2011, 37.7% of the bank's loan portfolio was past due or nonaccruing. More than half the bad loans were in non-owner-occupied commercial real estate.

Forest Lake, Minn.-based Patriot Bank Minnesota ($105.0 million)

Patriot Bank operated three branches north of St. Paul, Minn. The FDIC issued Patriot Bank a consent order on Sept. 29, 2010. On Dec. 2, 2010, the bank's holding company, Forest Lake-based Lino Lakes Banc Shares Inc., entered into a written agreement with the Federal Reserve. The bank's NPAs/assets ratio stood at 26.74% at Dec. 31, 2011. According to *Finance & Commerce*, one of the bank's bad loans was made to Michael Ogren, the founder and former owner of the Myth Nightclub in Maplewood, Minn. He obtained $600,000 in 2008. Ogren committed fraud by pledging stock that had already been pledged to other creditors as collateral for the loan, the publication reported.

Franklin, Tenn.-based Tennessee Commerce Bank ($1.18 billion)

Established in 2000, Tennessee Commerce is the largest bank failure since Greenwood Village, Colo.-based Community Banks of Colorado on Oct. 21, 2011. Effective May 25, 2011, Tennessee Commerce operated under a consent order with the FDIC. On July 28, 2011, the bank's holding company, Franklin-based Tennessee Commerce Bancorp Inc. announced that it was purchasing a controlling interest in two banks in Tennessee via a "debt previously contracted" transaction. On Nov. 1, 2011, the holding company reported year-to-date losses of $120.0 million, or $9.83 per share. It also disclosed that the bank was "critically undercapitalized" and that it was seeking strategic alternatives. Next, the bank reported a slew of enforcement actions, including a written agreement with the state regulator, a prompt corrective action directive with the FDIC and a written agreement with the Federal Reserve. The company announced on Jan. 20 that it was investigating prior financial statements, which could result in additional losses. Also notable in the bank's history was its legal battle related to the termination of its CFO in 2008.

Boothwyn, Pa.-based American Eagle Savings Bank ($19.6 million)

Established in 1917, American Eagle had a sole branch in southeastern Pennsylvania. The bank had not seen a profitable year since 2006. It was issued a cease and desist order by the OTS, effective July 6, 2010. The OTS notified American Eagle on Feb. 24, 2011, that it was undercapitalized. It also received a prompt corrective action directive July 1, 2011, requiring it to recapitalize by Aug. 31, 2011, among other provisions. In early 2011, Malvern, Pa.-based e3holding inc. agreed to acquire American Eagle in conjunction with the latter's plan to undertake a voluntary supervisory conversion. The OTS approved the deal, through which American Eagle would have been recapitalized and then rebranded.

Belleview, Fla.-based Central Florida State Bank ($79.1 million)

Central Florida State was established in 2002 and operated four branches in central Florida. The FDIC issued the bank a consent order April 8, 2011. As of Sept. 30, 2011, 28.9% of its loans were nonaccrual or past due; in the construction and land development segment, the ratio was 46.3%.

Stockbridge, Ga.-based First State Bank ($516.8 million)

Established in 1964, the bank had seven branches in south Atlanta. The bank entered into a consent order with FDIC and the Georgia Department of Banking and Finance in May 2010. As of Dec. 31, 2011, 33.7% of its total real estate loans were past due or nonaccruing.