

GREEN BANKSHARES, INC.
Form NT 10-K
April 02, 2012

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 12b-25

SEC File Number 000-14289
CUSIP Number 394361208

NOTIFICATION OF LATE FILING

(Check one): Form 10-K Form 20-F Form 11-K Form 10-Q Form 10-D
 Form N-SAR Form N-CSR

For Period Ended: December 31,

2011

- Transition Report on Form 10-K
- Transition Report on Form 20-F
- Transition Report on Form 11-K
- Transition Report on Form 10-Q
- Transition Report on Form N-SAR

For Transition Period Ended: _____

Read Instruction (on back page) Before Preparing Form. Please Print or Type.

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

PART I — REGISTRANT INFORMATION

Green Bankshares, Inc.

Full Name of Registrant

Not Applicable

Former Name if Applicable

100 North Main Street

Address of Principal Executive Office (*Street and Number*)

Greeneville, Tennessee 37743-4992

City, State and Zip Code

PART II — RULES 12b-25(b) and (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

- (a) The reason described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;
- (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q or subject distribution report on Form 10-D, or portion thereof, will be filed on or before the fifth calendar day following the prescribed due date; and
- (c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III — NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, 10-D, N-SAR, N-CSR, or the transition report or portion thereof, could not be filed within the prescribed time period.

Green Bankshares, Inc., a Tennessee corporation (the "Company"), has determined that it will be unable to file its Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (the "Form 10-K") by March 30, 2012, without unreasonable effort or expense due to the discovery on March 29, 2012 of a computational error relating to data inputs affecting the recording of income from investments reported under the equity method in the Company's financial results for the fourth quarter of 2011.

PART IV — OTHER INFORMATION

(1) Name and telephone number of person to contact in regard to this notification.

Christopher G. Marshall	(704)	554-5901
(Name)	(Area Code)	(Telephone Number)

(2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).

Yes No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

Although the Company's Form 10-K is not yet complete as a result of the computational error described in Part III above, the Company expects that its results of operations for the fiscal year ended December 31, 2011 will be significantly different than its results for the comparable year ended December 31, 2010.

The Company, headquartered in Greeneville, Tennessee, is a majority-owned subsidiary of CBF.

On September 7, 2011, the Company completed the issuance and sale of 119.9 million shares of its common stock to CBF for approximately \$217 million in consideration (“CBF Investment”). CBF is a bank holding company formed with the goal of creating a regional banking franchise in the southeastern region of the United States through organic growth and acquisition of other banks, including failed, underperforming and undercapitalized banks. CBF is the controlling owner of Capital Bank, NA, a \$6.6 billion bank with 143 branches in Florida, North Carolina, South Carolina, Tennessee and Virginia.

On September 7, 2011, GreenBank, which was formerly a wholly-owned subsidiary of the Company, merged (the “Merger”) with and into Capital Bank, NA, a national banking association and subsidiary of TIB Financial Corp. (the “TIB Financial”), a corporation organized under the laws of the State of Florida, Capital Bank Corporation, a corporation organized under the laws of the state of North Carolina (“Capital Bank Corp.”) and CBF, with Capital Bank, NA as the surviving entity. CBF is the owner of approximately 90% of the Company’s common stock, approximately 83% of Capital Bank Corp’s common stock and approximately 94% of TIB Financial’s common stock.

Financial results for 2011 were significantly impacted by the controlling investment in the Company by CBF. As a result of the CBF Investment, CBF now owns 90% of the voting securities of the Company and followed the acquisition method of accounting and applied “acquisition accounting.” Acquisition accounting requires that the assets purchased, the liabilities assumed, and non-controlling interests all be reported in the acquirer’s financial statements at their fair value, with any excess of purchase consideration over the net assets being reported as goodwill. As part of the valuation, intangible assets were identified and a fair value was determined as required by the accounting guidance for business combinations. Accounting guidance also allows the application of “push down accounting,” whereby the adjustments of assets and liabilities to fair value and the resultant goodwill are shown in the financial statements of the acquiree. The Company is still in the process of completing its fair value analysis of assets and liabilities, and final fair value adjustments may differ from the preliminary estimates recorded to date. Balances and activity in the Company’s consolidated financial statements prior to the CBF Investment will be labeled with “Predecessor Company” while balances and activity subsequent to the CBF Investment will be labeled with “Successor Company.”

Due to the difference in lengths of reporting periods, the Merger discussed above and the resulting deconsolidation of GreenBank on September 7, 2011, the operating results for the period from January 1, 2011 through September 7, 2011 only include the results of GreenBank for approximately 8 months and therefore are generally not comparable to the operations in 2010. Due to the application of push down accounting, the operating results of the Successor Company is not comparable to that of the Predecessor Company.

The Predecessor Company net loss available to common shareholders of \$33.7 million reported in the period from January 1, 2011 through September 7, 2011 was primarily due to a \$43.7 million provision for loan losses and \$24.8 million in foreclosed asset related expenses offset by a gain of \$11.2 million as a result of the redemption of the company series A preferred stock. The loss reported in the 2010 fiscal year of \$85.7 million was primarily due to a \$71.1 million provision for loan losses and \$35.4 million in foreclosed asset related expenses and a tax provision of \$14.9 million which related primarily to increases in the valuation allowance on deferred tax assets.

The Successor Company net income available to common shareholders reported in the period from September 8, 2011 through December 31, 2011 was primarily due to equity method investment income in Capital Bank NA, the Company’s primary asset in the successor period. The Company is not currently able to reasonably estimate the amount of net income available to common shareholders during this period due to the computational error described above.

Certain of the statements made herein are “forward-looking statements” within the meaning and subject to the protections of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

Any or all of our forward-looking statements in this document may turn out to be inaccurate. The inclusion of this forward-looking information should not be regarded as a representation by the Company or any other person that the future plans, estimates or expectations contemplated by the Company will be achieved. The Company based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements including, but not limited to, statements regarding:

- changes in general economic and financial market conditions;
- changes in the regulatory environment;
- economic conditions generally and in the financial services industry;
- changes in the economy affecting real estate values;
- our ability to achieve loan and deposit growth;
- the completion of the proposed merger with our controlling shareholder, Capital Bank Financial Corp.;
- the completion of our future acquisitions or business combinations and our ability to integrate the acquired business into our business model;
- projected population and income growth in our targeted market areas; and
- volatility and direction of market interest rates and a weakening of the economy which could materially impact credit quality trends and the ability to generate loans.

All forward-looking statements are necessarily only estimates of future results, and actual results may differ materially from expectations. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. You should, however, review the risk factors we describe in the reports we have filed and will file from time to time with the Securities and Exchange Commission after the date of this report.

Green Bankshares, Inc.

(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 2, 2012

By: /s/ Christopher G. Marshall

Name: Christopher G. Marshall

Title: Chief Financial Officer