



Department of Justice

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FORMER BANK MANAGER CHARGED WITH INSIDER TRADING

Atlanta, GA - PATRICK ANDERSON, 55, of Lilburn, Georgia, a former Vice President with Tucker Federal Bank in Tucker, Georgia, was arraigned today before United States Magistrate Judge Linda T. Walker, on an indictment issued on February 22nd, charging 34 counts of securities fraud through insider trading.

United States Attorney David E. Nahmias said, "ANDERSON allegedly made tens of thousands of dollars trading in the shares of his employer, based on information unavailable to the general public. Such self-dealing by a corporate officer is a crime that victimizes the entire market."

According to United States Attorney Nahmias, the charges and other information presented in court, in early 2002 ANDERSON was a Vice President with Tucker Federal Bank, based in Tucker, Georgia, which was wholly-owned by Eagle Bancshares, Inc. ("EBSI"). EBSI was a publicly-traded company, the shares of which were traded on the National Association of Securities Dealers Automated Quotation system ("NASDAQ"). The indictment alleges that in February and March 2002, ANDERSON allegedly obtained confidential information from multiple sources, including during a meeting he attended as part of his employment, about an upcoming merger between EBSI and North Carolina-based RBC Centura Corporation. Acting on this information, ANDERSON allegedly purchased a total of 15,000 shares of EBSI, all in a four-week period prior to the public announcement of the RBC merger, on March 27, 2002. ANDERSON immediately sold following the announcement, resulting in a profit in excess of \$120,000.

The indictment charges 34 counts of insider trading. The charges carry a maximum sentence of 20 years in prison and a fine of up to \$5,000,000 for each separate count.

This case is being investigated by Special Agents from the Federal Bureau of Investigation. The United States Securities and Exchange Commission previously brought a civil lawsuit against ANDERSON based on the same alleged conduct.

Assistant United States Attorney Justin S. Anand is prosecuting the case.

Members of the public are reminded that the indictment contains only allegations. A defendant is presumed innocent of the charges and it will be the government's burden to prove a defendant's guilt beyond a reasonable doubt at trial.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney or F. Gentry Shelnut, Chief, Criminal Division, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.