

GREEN BANKSHARES, INC.
Form DEFA14A
December 17, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

GREEN BANKSHARES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

On November 20, 2008 Green Bankshares, Inc. (the Company) filed with the Securities and Exchange Commission (the SEC) the definitive Proxy Statement, dated November 20, 2008 (the Definitive Proxy Statement), to be furnished to the shareholders in connection with the solicitation of proxies by the Board of Directors of the Company to vote at the Special Meeting of Shareholders (the Special Meeting) to be held on December 19, 2008. The following information supplements the disclosure included in the Definitive Proxy Statement.

As disclosed in the Definitive Proxy Statement, at the Special Meeting, the shareholders of the Company will consider and vote upon the adoption of a proposed amendment to the Company's Charter to authorize a class of blank check preferred stock, consisting of one million (1,000,000) authorized shares. In the Definitive Proxy Statement, the Company notes that the establishment of this preferred stock will enable the Company to participate in the TARP Capital Purchase Program (the Capital Purchase Program) instituted by the United States Department of the Treasury (the U.S. Treasury) under the Emergency Economic Stabilization Act of 2008 (the Act).

On October 28, 2008 the Company applied to participate in the Capital Purchase Program. On November 25, 2008 the Company received notification from the U.S. Treasury that the Company had been preliminarily approved to participate in the Capital Purchase Program in the amount of \$72,278,000 subject to satisfaction, as determined by the U.S. Treasury, of standard closing conditions.

Except for the Senior Preferred Shares which would be purchased by the U.S. Treasury, the Company has no present intention or agreement to issue any preferred shares. The Company also wishes to clarify the language included in third paragraph under the caption **Anti-Takeover Effects of the Proposed Amendment** beginning on page 5 of the Definitive Proxy Statement in respect of future issuances of preferred shares to clarify the Board of Director's intention with respect to future issuances of preferred stock. Subject to the exercise of its fiduciary duties to the Company and its shareholders, the Company will not issue any of the authorized preferred shares for any defensive or anti-takeover purposes, for the purpose of implementing any shareholder rights plan or with features intended specifically to make any attempted acquisition of the Company more difficult. Rather, the Company expects that it will issue preferred shares only, if at all, for the purpose of facilitating acquisitions, joint ventures, strategic alliances, capital-raising transactions and for other corporate purposes which the Board of Directors believes are in the best interests of the Company and its shareholders.