



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TO MAKE CASH DISTRIBUTION TO SHAREHOLDERS OF SOUTHERN NATIONAL BANK, BIRMINGHAM, ALABAMA

The Federal Deposit Insurance Corporation announced today it will make a cash distribution to shareholders of Southern National Bank, Birmingham, Alabama, which failed in 1979, and terminate the receivership of the failed institution.

The amount and date of the distribution to Southern National's shareholders will be announced later, pending final settlement of the FDIC's costs and expenses and the receipt of proof of ownership from all shareholders. About 800 shareholders hold 1.05 million shares of the bank's common stock.

Southern National was closed on June 14, 1979, by the Comptroller of the Currency and the FDIC was named receiver. On the same date, Exchange National Bank, a newly formed institution, assumed Southern's deposits of \$25.9 million and purchased assets of about \$13 million. The FDIC advanced \$16.7 million to Exchange National Bank to facilitate the transaction. Subsequent advances and expenses brought the FDIC's total outlay to \$18.9 million.

When Southern National was closed, the FDIC paid the claims of all depositors and creditors and has now liquidated the assets of the bank, resulting in the recovery of an amount that exceeds the past and projected costs and expenses associated with the receivership.

Because of the excess, the FDIC was required by law to call a meeting of the shareholders, which took place in Birmingham, Alabama, today. Shareholders, voting on whether to retain the FDIC to complete the liquidation and wind up the affairs of the bank, or to elect an agent for those purposes, decided in favor of retaining the FDIC.

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