



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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IBERIABANK, Lafayette, Louisiana, Assumes All of the Deposits of CapitalSouth Bank, Birmingham, Alabama

FOR IMMEDIATE RELEASE

CapitalSouth Bank, Birmingham, Alabama, was closed today by the Alabama State Banking Department, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with IBERIABANK, Lafayette, Louisiana, to assume all of the deposits of CapitalSouth Bank, excluding those from brokers.

The ten branches of CapitalSouth Bank will reopen on Monday as branches of IBERIABANK. Depositors of CapitalSouth Bank will automatically become depositors of IBERIABANK. Depositors will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branches until IBERIABANK can fully integrate the deposit records of CapitalSouth Bank.

This evening and over the weekend, depositors of CapitalSouth Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of June 30, 2009, CapitalSouth Bank had total assets of \$617 million and total deposits of approximately \$546 million. In addition to assuming all of the deposits of the failed bank, IBERIABANK agreed to purchase \$589 million of the failed bank's assets. The FDIC will retain the remaining assets for later disposition.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-149-2009

The FDIC and IBERIABANK entered into a loss-share transaction on approximately \$499 million of CapitalSouth Bank's assets. IBERIABANK will share in the losses on the asset pools covered under the loss-share agreement. The loss-sharing arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers.

IBERIABANK will purchase all deposits, except about \$3.6 million in brokered deposits, held by CapitalSouth Bank. The FDIC will pay the brokers directly for the amount of their funds. Customers who placed money with brokers should contact them directly for more information about the status of their deposits.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-877-894-4710. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Saturday from 9:00 a.m. to 6:00 p.m., CDT; on Sunday from noon to 6:00 p.m., CDT; and thereafter from 8:00 a.m. to 8:00 p.m., CDT.

Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/capitalsouth.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$151 million. IBERIABANK's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. CapitalSouth Bank is the 80th FDIC-insured institution to fail in the nation this year, and the second in Alabama. The last FDIC-insured institution closed in the state was Colonial Bank, Montgomery, on August 14, 2009.

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