



# PRESS RELEASE

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

FOR IMMEDIATE RELEASE  
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## **CharterBank, West Point, Georgia Assumes All of the Deposits of Neighborhood Community Bank, Newnan, Georgia**

Neighborhood Community Bank, Newnan, Georgia, was closed today by the Georgia Department of Banking and Finance, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with CharterBank, West Point, Georgia, to assume all of the deposits of Neighborhood Community Bank.

The four offices of Neighborhood Community Bank will reopen as branches of CharterBank. All of the offices will maintain normal business hours. Depositors of Neighborhood Community Bank will automatically become depositors of CharterBank. Deposits 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 CharterBank can fully integrate the deposit records of Neighborhood Community Bank. Depositors of Neighborhood Community 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 March 31, 2009, Neighborhood Community Bank had total assets of \$221.6 million and total deposits of approximately \$191.3 million. In addition to assuming all of the deposits of the failed bank, CharterBank agreed to purchase approximately \$209.6 million of assets. The FDIC will retain the remaining assets for later disposition.

The FDIC and CharterBank entered into a loss-share transaction on approximately \$178.5 million of Neighborhood Community Bank's assets. CharterBank will share in the losses on the asset pools covered under the loss-share agreement. The loss-sharing



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.

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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.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-888-408-4360. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m., EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/neighbor.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$66.7 million. CharterBank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Neighborhood Community Bank is the 42nd FDIC-insured institution to fail in the nation this year, and the ninth in Georgia. The last FDIC-insured institution to be closed in the state was Community Bank of West Georgia, Villa Rica, earlier today.

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