



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
April 24, 2009

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Bank of North Georgia, Alpharetta, Georgia, Assumes All of The Deposits of American Southern Bank, Kennesaw, Georgia

American Southern Bank, Kennesaw, 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 Bank of North Georgia, Alpharetta, Georgia, to assume all of the deposits, excluding those from brokers, of American Southern Bank.

The one office of American Southern Bank will reopen on Monday as a branch of Bank of North Georgia. Depositors of American Southern Bank will automatically become depositors of Bank of North Georgia. 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 of both banks should continue to use their existing branches until Bank of North Georgia can fully integrate the deposit records of American Southern Bank.

Over the weekend, depositors of American Southern 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 30, 2009, American Southern Bank had total assets of approximately \$112.3 million and total deposits of \$104.3 million. Bank of North Georgia paid a premium of 0.003 percent to acquire the deposits of American Southern Bank.

Bank of North Georgia will not assume \$48.7 million in brokered deposits held by American Southern 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.



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-57-2009

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-323-6111. 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. Customers who would like more information about today's transaction can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/amsouthern.html>.

In addition to acquiring \$55.6 million of the failed bank's deposits, Bank of North Georgia agreed to purchase approximately \$31.3 million in assets. The FDIC will retain any remaining assets for later disposition.

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$41.9 million. Bank of North Georgia's acquisition of all the deposits of American Southern Bank was the "least costly" resolution for the FDIC's Deposit Insurance Fund compared to alternatives. American Southern Bank is the 26th bank to fail in the nation this year and the fifth in the state. The last bank to fail in Georgia was Omni National Bank, Atlanta, on March 29.