



PRESS RELEASE

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

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Centennial Bank, Conway, Arkansas, Assumes All of the Deposits of Gulf State Community Bank, Carrabelle, Florida

FOR IMMEDIATE RELEASE

Gulf State Community Bank, Carrabelle, Florida, was closed today by the Florida Office of Financial Regulation, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Centennial Bank, Conway, Arkansas, to assume all of the deposits of Gulf State Community Bank.

The five branches of Gulf State Community Bank will reopen during normal business hours beginning Saturday as branches of Centennial Bank. Depositors of Gulf State Community Bank will automatically become depositors of Centennial Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Gulf State Community Bank should continue to use their existing branch until they receive notice from Centennial Bank that it has completed systems changes to allow other Centennial Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Gulf State 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 September 30, 2010, Gulf State Community Bank had approximately \$112.1 million in total assets and \$112.2 million in total deposits. Centennial Bank did not pay the FDIC a premium to assume all of the deposits of Gulf State Community Bank. In



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-253-2010

addition to assuming all of the deposits of the failed bank, Centennial Bank agreed to purchase essentially all of the assets.

The FDIC and Centennial Bank entered into a loss-share transaction on \$84.4 million of Gulf State Community Bank's assets. Centennial Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:
<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-774-8035. The phone number will be operational this evening until 9:00 p.m. Eastern Standard Time (EST); on Saturday from 9:00 a.m. to 6:00 p.m. EST; on Sunday from noon to 6:00 p.m. EST; and thereafter from 8:00 a.m. to 8:00 p.m. EST. Interested parties also can visit the FDIC's Web site at
<http://www.fdic.gov/bank/individual/failed/gulfstate.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$42.7 million. Compared to other alternatives, Centennial Bank's acquisition was the least costly resolution for the FDIC's DIF. Gulf State Community Bank is the 147th FDIC-insured institution to fail in the nation this year, and the 28th in Florida. The last FDIC-insured institution closed in the state was Progress Bank of Florida, Tampa, on October 22, 2010.
