



PRESS RELEASE

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

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SmartBank, Pigeon Forge, Tennessee, Assumes All of the Deposits of GulfSouth Private Bank, Destin, Florida

FOR IMMEDIATE RELEASE

GulfSouth Private Bank, Destin, 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 SmartBank, Pigeon Forge, Tennessee, to assume all of the deposits of GulfSouth Private Bank.

The four branches of GulfSouth Private Bank will reopen on Monday as branches of SmartBank. Depositors of GulfSouth Private Bank will automatically become depositors of SmartBank. 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 GulfSouth Private Bank should continue to use their existing branch until they receive notice from SmartBank that it has completed systems changes to allow other SmartBank branches to process their accounts as well.

This evening and over the weekend, depositors of GulfSouth Private 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, 2012, GulfSouth Private Bank had approximately \$159.1 million in total assets and \$151.1 million in total deposits. In addition to assuming all of the deposits of the failed bank, SmartBank agreed to purchase essentially all of the assets.



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-118-2012

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-822-7182. 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; on Monday from 8 a.m. to 8 p.m., CDT; and thereafter from 9:00 a.m. to 5:00 p.m., CDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/gulfsouth.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$36.1 million. Compared to other alternatives, SmartBank's acquisition was the least costly resolution for the FDIC's DIF. GulfSouth Private Bank is the 44th FDIC-insured institution to fail in the nation this year, and the sixth in Florida. The last FDIC-insured institution closed in the state was The Royal Palm Bank of Florida, Naples, on July 20, 2012.
