



PRESS RELEASE

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

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Community & Southern Bank, Atlanta, Georgia, Assumes All of the Deposits of First Cherokee State Bank, Woodstock, Georgia

FOR IMMEDIATE RELEASE

First Cherokee State Bank, Woodstock, 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 Community & Southern Bank, Atlanta, Georgia, to assume all of the deposits of First Cherokee State Bank.

The three branches of First Cherokee State Bank will reopen during normal business hours as branches of Community & Southern Bank. Depositors of First Cherokee State Bank will automatically become depositors of Community & Southern 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 First Cherokee State Bank should continue to use their existing branch until they receive notice from Community & Southern Bank that it has completed systems changes to allow other Community & Southern Bank branches to process their accounts as well.

This evening and over the weekend, depositors of First Cherokee State 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, 2012, First Cherokee State Bank had approximately \$222.7 million in total assets and \$193.3 million in total deposits. Community & Southern Bank will pay



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-84-2012

the FDIC a premium of 0.50 percent to assume all of the deposits of First Cherokee State Bank. In addition to assuming all of the deposits of the failed bank, Community & Southern Bank agreed to purchase essentially all of the failed bank's assets.

The FDIC and Community & Southern Bank entered into a loss-share transaction on \$141.8 million of First Cherokee State Bank's assets. Community & Southern 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 with questions about today's transaction should call the FDIC toll-free at 1-800-640-2751. 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; on Monday from 8 a.m. to 8 p.m., EDT; and thereafter from 9:00 a.m. to 5:00 p.m., EDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/charokee.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$36.9 million. Compared to other alternatives, Community & Southern Bank's acquisition was the least costly resolution for the FDIC's DIF. First Cherokee State Bank is the 36th FDIC-insured institution to fail in the nation this year, and the eighth in Georgia. The last FDIC-insured institution closed in the state was Georgia Trust Bank, Buford, earlier today.
