



PRESS RELEASE

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

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Bank of North Carolina, Thomasville, North Carolina, Assumes All of the Deposits of Carolina Federal Savings Bank, Charleston, South Carolina

FOR IMMEDIATE RELEASE

Carolina Federal Savings Bank, Charleston, South Carolina, was closed today by the Office of the Comptroller of the Currency (OCC), 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 Carolina, Thomasville, North Carolina, to assume all of the deposits of Carolina Federal Savings Bank.

The two branches of Carolina Federal Savings Bank will reopen during normal business hours as branches of Bank of North Carolina. However, both of the failed bank's branches will conduct business under the name BNC Bank. Depositors of Carolina Federal Savings Bank will automatically become depositors of Bank of North Carolina. 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 Carolina Federal Savings Bank should continue to use their existing branch until they receive notice from Bank of North Carolina that it has completed systems changes to allow other Bank of North Carolina branches to process their accounts as well.

This evening and over the weekend, depositors of Carolina Federal Savings 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.



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-65-2012

As of March 31, 2012, Carolina Federal Savings Bank had approximately \$54.4 million in total assets and \$53.1 million in total deposits. In addition to assuming all of the deposits of the failed bank, Bank of North Carolina agreed to purchase approximately \$41.0 million of the assets. The FDIC will retain the remaining assets for later disposition.

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-760-3639. 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/carolina.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$15.2 million. Compared to other alternatives, Bank of North Carolina's acquisition was the least costly resolution for the FDIC's DIF. Carolina Federal Savings Bank is the 26th FDIC-insured institution to fail in the nation this year, and the second in South Carolina. The last FDIC-insured institution closed in the state was Plantation Federal Bank, Pawleys Island, on April 27, 2012.
