

North GA Bank Closing FDIC Info February 4, 2011

[FDIC Website for North GA Bank](#)

www.fdic.gov/bank/individual/failed/northgabank.html

February 4, 2011

Failed Bank Information

Information for North Georgia Bank, Watkinsville, GA

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Please be advised you will not receive any email notification to claim/unlock/unsuspend your account or to provide any private information. Please be aware of any [Phishing Scams](#) to obtain information from you.

I. Introduction

On Friday, February 4, 2011, North Georgia Bank, Watkinsville, GA was closed by the Georgia Department of Banking & Finance, and the Federal Deposit Insurance Corporation (FDIC) was named Receiver. No advance notice is given to the public when a financial institution is closed.

The FDIC has assembled useful information regarding your relationship with this institution. Besides a checking account, you may have Certificates of Deposit, a car loan, a business checking account, a commercial loan, a Social Security direct deposit, and other relationships with the institution. The FDIC has compiled the following information, which should answer many of your questions.

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II. Press Release

The FDIC has issued a press release ([PR-024-2011](#)) about the institution's closure. If you represent a media outlet and would like information about the closure, please contact [David Barr](#) at 1-202-898-6992.

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III. Acquiring Financial Institution

All deposit accounts, excluding Internet Certificates of Deposit (CD) and Brokered deposits, have been transferred to BankSouth, Greensboro, GA ("assuming institution") and will be available immediately. The former North Georgia Bank locations will reopen as branches of BankSouth during regular business hours. The Internet CDs and Brokered deposits will be retained and paid by the FDIC. FDIC payout checks will be issued for the Internet CDs; and the broker accounts will be paid by wire as part of the FDIC's normal process. Checks are scheduled to be delivered over the weekend.

Your transferred deposits will be separately insured from any accounts you may already have at BankSouth for six months after the failure of North Georgia Bank. Checks that were drawn on North Georgia Bank that did not clear before the institution closed will be honored as long as there are sufficient funds in the account. For more information on deposit insurance, you may speak to an FDIC representative by calling 1-866-782-1897 or visit EDIE, the FDIC's Electronic Deposit Insurance Estimator.

[EDIE - FDIC's Electronic Deposit Insurance Estimator](#)

You may withdraw your funds from any transferred account without an early withdrawal penalty until you enter into a new deposit agreement with BankSouth as long as the deposits are not pledged as collateral for loans. You may view more information about BankSouth by visiting their web site.

[BankSouth](http://www.banksouthbizonline.org/home/home) (www.banksouthbizonline.org/home/home)

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V. Banking Services

The Automated Teller Machines (ATM) and online service will remain available.

The bank will maintain its regular business hours, and you may continue to use the services to which you previously had access, such as safe deposit boxes, night deposit boxes, wire services, etc.

Your checks will be processed as usual. All outstanding checks will be paid against your available balance(s) as if no change had occurred. Your new bank will contact you soon regarding any changes in the terms of your account. If you have a problem with a merchant refusing to accept your check, please contact your branch office. An account representative will clear up any confusion about the validity of your checks.

All interest accrued through Friday, February 4, 2011 will be paid at your same rate. BankSouth will be reviewing rates. You will be notified of any changes.

Your direct deposits and automatic withdrawals will be transferred to your new bank. If you have any questions or special requests, you may contact a representative of your assuming institution at your branch office.

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VI. Loan Customers

If you had a loan with North Georgia Bank, you should continue to make your payments as usual. The terms of your loan will not change, because they are contractually agreed to in your promissory note. Checks should be made payable as usual and sent to the same address until further notice. If you have further questions regarding an existing loan, please contact your loan officer.

For all questions regarding new loans and the lending policies of BankSouth, please contact your branch office. Please see [A Borrower's Guide to an FDIC Insured Bank Failure](#) for additional information.

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VII. Possible Claims Against the Failed Institution

Claims against failed financial institutions occur when bills sent to the institution remain unpaid at the time of failure. If you or your company provided a service or product, leased space, furniture, or equipment to North Georgia Bank **after Friday, February 4, 2011** and have not been paid, you do **not** have a claim

against North Georgia Bank. Please follow your normal billing procedures by providing an invoice as instructed.

If you or your company provided a service or product, leased space, furniture, or equipment to North Georgia Bank **prior to Friday, February 4, 2011** and have not been paid, you **may** be entitled to a claim against the bank. If you provided a product to or a service for North Georgia Bank prior to the bank's failure for which you have not been paid and you have not received communication, please contact:

FDIC as Receiver for North Georgia Bank
7777 Baymeadows Way West
Jacksonville, FL 32256
Attention: [Claims Agent](#)

All shares of North Georgia Bank were owned by its holding company, North Georgia Bancorp, Inc, Watkinsville, GA. The holding company was not included in the closing of the bank or the resulting receivership. **If you are a shareholder of North Georgia Bancorp, Inc, please do not contact or file a claim with the Receiver. You may contact North Georgia Bancorp, Inc directly for information as follows:**

North Georgia Bancorp, Inc.
7911 Macon Highway
Watkinsville, GA 30677
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VIII. Priority of Claims

In accordance with Federal law, allowed claims will be paid, after administrative expenses, in the following order of priority:

1. Depositors
2. General Unsecured Creditors
3. Subordinated Debt
4. Stockholders

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IX. Dividend Information

No dividends have been declared at this time.

[Dividend Information on Failed Financial Institutions](#)

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X. Brokered Deposits

The FDIC offers a reference guide to deposit brokers acting as agents for their investor clientele. This site outlines the FDIC's policies and procedures that must be followed by deposit brokers when filing for pass-through insurance coverage on custodial accounts deposited in a failed FDIC Insured Institution.

[Deposit Broker's Processing Guide](#)

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