

# **NEWS RELEASE**

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**JOSEPH A. SMITH, JR.  
COMMISSIONER OF BANKS**

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<b>RELEASE:</b>	<b>IMMEDIATE</b>	<b>DATE:</b>	<b>January 21, 2011</b>
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**First Bank in Troy, NC, acquires deposits of The Bank of Asheville**  
*Depositors can expect no disruptions to customer services*

RALEIGH— First Bank, Troy, North Carolina, acquired the deposits of The Bank of Asheville, Asheville, North Carolina, after it was closed today by the N.C. Office of the Commissioner of Banks (NCCOB).

NCCOB named the Federal Deposit Insurance Corporation (FDIC) as receiver of The Bank of Asheville. The FDIC entered into a purchase and assumption agreement with First Bank to assume all of The Bank of Asheville's deposits.

"It is unfortunate that another of our state banks has closed," said Commissioner of Banks Joseph A. Smith, Jr. "However, it is fortunate that the acquisition by First Bank, a North Carolina state-chartered bank, will allow the needs of customers of the community to continue to be met without interruption."

Deposits in The Bank of Asheville will continue to be insured by the FDIC up to \$250,000, so there is no need for customers to change their existing banking relationship to retain their deposit insurance coverage. The Bank of Asheville branches include: Candler (1), and Asheville (4), and will reopen Monday as branches of First Bank with no disruption of customer services. Depositors of The Bank of Asheville will automatically become depositors of First Bank and can continue to write checks and use current ATM and debit cards. Checks drawn on the bank will continue to be processed and loan customers should continue making payments as usual until notified by First Bank.

As of September 30, 2010, The Bank of Asheville had approximately \$195.1 million in total assets and \$188.3 million in total deposits. In addition to assuming all of the deposits of The Bank of Asheville, First Bank agreed to purchase essentially all of the assets.

The FDIC and First Bank entered into a loss-share transaction on \$166.3 million of The Bank of Asheville's assets. First 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. For more

information on loss share, please visit:

<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Since the FDIC was formed more than 70 years ago, no depositor has lost a penny of their insured deposits. The Bank of Asheville, chartered on December 1, 1997, is the third North Carolina state-chartered bank to close since First Hanover Bank closed in 1991. Cooperative Bank and Cape Fear Bank, both of Wilmington, closed in 2009. First Hanover Bank closed in 1991 and Bank of Black Mountain closed in 1943.

Customers with questions regarding this transaction can contact the FDIC toll-free at 1-800-234-9027 or visit the FDIC website at

<http://www.fdic.gov/bank/individual/failed/bankofasheville.html>.

Customers should **not** provide personal, confidential information, such as account numbers and social security numbers by phone or email as the bank, NCCOB, and the FDIC will not be requesting this information. Such solicitations should be considered fraudulent.

NCCOB regulates state-chartered banks, savings and loans, trust companies, mortgage lenders/brokers, mortgage loan originators, as well as consumer finance companies, check-cashers, and other financial services.

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