

Press Releases

December 18, 2009

OTS 09-070 - OTS Closes New South Federal Savings Bank and Appoints FDIC Receiver

FOR RELEASE:
Friday, December 18, 2009

CONTACT:
William Ruberry
(202) 906-6677

Washington, D.C. — The Office of Thrift Supervision (OTS) today closed New South Federal Savings Bank of Irondale, Alabama, and appointed the Federal Deposit Insurance Corporation (FDIC) as receiver.

New South was critically undercapitalized and in an unsafe and unsound condition to transact business.

The thrift, which began operating in 1985, had total assets of \$1.5 billion, retail deposits of \$745 million, 381 employees and 19 loan production offices in Alabama, Tennessee, Georgia, Nevada, North Carolina, Arizona, Arkansas and Texas.

Depositors' accounts are insured by the FDIC's Deposit Insurance Fund up to the statutory limits. Customers with questions about the institution or about federal deposit insurance can call the FDIC toll-free at 1-800-423-6395. The telephone line will be available tonight until 9:00 p.m.; Saturday from 9:00 a.m. to 6:00 p.m.; Sunday from noon to 6:00 p.m. and thereafter from 8:00 a.m. to 8:00 p.m. (all Central Standard Time). Due to the holiday season, the toll-free number will not operate from 3 p.m., Thursday, December 24, to 8:00 a.m., Monday, December 28. After that, normal hours will resume.