



**FOR IMMEDIATE RELEASE**

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## **BANKS COMPLETE MERGER TRANSACTION**

Southern BancShares (N.C.), Inc. (“Southern”), Mount Olive, North Carolina, and Heritage Bankshares, Inc. (“Heritage”), Norfolk, Virginia, have announced that the merger of Heritage and its bank subsidiary, Heritage Bank, into Southern and its bank subsidiary, Southern Bank and Trust Company, has closed and will be effective on February 1, 2016. The announcement was made by J. Grey Morgan, Chairman and Chief Executive Officer of Southern Bank.

“We are very excited by our two companies joining forces and extending our reach of superior community banking across our merged market footprint,” said Morgan. “Both of our companies share a legacy of service excellence and look forward to a shared future of prosperity.”

Morgan continued “We are also very pleased that former Heritage Bankshares, Inc. President and Chief Executive Officer Michael Ives has agreed to join our Board of Directors and provide our new combined organization his support and insight as we move forward from this important milestone.”

According to Southern Bank Executive Vice President and Hampton Roads Regional Executive Taylor Harrell, there initially will be no impact to customers, nor changes to branch signage or operating procedures. Heritage Bank branch locations and

customers will continue to operate business as usual until the merger of data processing, online banking, cash management, and telephone banking systems are completed later this year.

Harrell added, “In the short term, all Heritage Bank customers will continue to use the same procedures for conducting business and accessing all banking systems. Bank branches, statements and other documents will still reflect the Heritage Bank brand as we work behind the scenes to prepare our systems to be merged. We anticipate merging both data processing systems and related banking technologies in early June of this year. Customers will receive detailed communications about the migration process as we get closer to that time. Until then, we encourage them to continue their banking routines as usual, enjoy their expanded network of ATMs and to call their local branch with any questions.”

Founded in 1901, Southern Bank is a wholly owned subsidiary of Southern BancShares (N.C.), Inc. The merged bank now operates over 60 offices and 50+ ATMs in North Carolina and Virginia. Headquartered in Mount Olive, Southern now has approximately \$2.6 billion in total assets. More information about the bank is available on the Internet at [www.southernbank.com](http://www.southernbank.com).

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