



For Immediate Release
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UNION BANK & TRUST AND SOUTHERN BANK TERMINATE NORLINA PURCHASE AGREEMENT

NORLINA, N.C. — Union Bank and Trust Company of Oxford and Southern Bank and Trust Company of Mount Olive have announced the termination of their purchase agreement previously announced in January 2014. The joint announcement was made by Thomas Combs, President and CEO of Union Bank, and Grey Morgan, Chairman and CEO of Southern Bank.

Under the agreement, Union was to purchase most of the loans and assume all deposits of Southern's branch in Norlina, located at 139 Hyco Street.

"Both companies worked in good faith to close the purchase in 2014. Unfortunately, through that process we have since determined and mutually agree that the transaction is not practical for either organization," said Grey Morgan. "Subsequently, Southern Bank will proceed with its original plans to consolidate the Norlina office into the bank's Roanoke Rapids office."

The consolidation is projected to occur in June of 2015. Customers will receive notice at least 90 days in advance of the consolidation date.

Founded in 1901, Southern Bank is a wholly owned subsidiary of Southern BancShares (N.C.), Inc. With approximately \$2.3 billion in total assets, the bank operates more than 65 branches in North Carolina and Virginia. More information about Southern Bank and its services is available on the Internet at southernbank.com.

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