



**For Immediate Release**  
February 21, 2014

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## LUMBEE GUARANTY BANK TO PURCHASE SOUTHERN BANK BRANCH

Pembroke, N.C. — Lumbee Guaranty Bank has reached an agreement with Southern Bank to acquire its Red Springs, North Carolina branch. The joint announcement was made by Larry R. Chavis, President and CEO of Lumbee Guaranty Bank, and J. Grey Morgan, Chairman and CEO of Southern Bank.

Under the agreement, Lumbee Guaranty will purchase all of the loans and assume all deposits of Southern's branch in Red Springs, NC, located at 300 South Main Street. The transaction is subject to regulatory approval.

Lumbee Guaranty Bank President and CEO Larry R. Chavis commented on the acquisition of the Red Springs office, "We welcome the opportunity to serve these new customers and expand our presence in Red Springs. This will give these customers more access with our expanded branch network in Robeson and surrounding counties. Lumbee Guaranty Bank was founded in 1971, and since that time has grown to 14 full service branches in three counties and total assets of \$317 million."

Employees of the Red Springs office will be retained by Lumbee Guaranty Bank.

"In deciding to sell our Red Springs branch, we considered what would be best for our customers, our shareholders and our employees," said Grey Morgan. "This sale will ensure that our customers will receive the same high level of banking service they have come to expect. Lumbee Guaranty Bank has a greater presence in the area that will afford more banking options for our customers."

Pending regulatory approval, the transition of the accounts to Lumbee Guaranty Bank and Trust Company will take place in the second quarter of 2014.

Headquartered in Pembroke, Lumbee Guaranty Bank is a full service bank. For more information, visit [www.lumbeeguarantybank.com](http://www.lumbeeguarantybank.com).

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 70 branches in North Carolina and Virginia. More information about Southern Bank and its services is available on the Internet at [www.southernbank.com](http://www.southernbank.com).

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