



NEWS RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
AMERICAN BANK & TRUST COMPANY, BATON ROUGE, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of American Bank & Trust Company, Baton Rouge, Louisiana, by Hancock Bank of Louisiana, Baton Rouge, Louisiana. The failed bank's 16 offices will reopen on Friday, August 3, 1990, as Hancock Bank of Louisiana, a newly chartered bank subsidiary of Hancock Holding Co., Gulfport, Mississippi, and its depositors automatically will become depositors of the assuming bank.

American Bank & Trust Company, with total assets of about \$395.7 million, was closed on Thursday, August 2, 1990, by Fred C. Dent, Jr., Commissioner of Financial Institutions, and the FDIC was named receiver.

Hancock Bank of Louisiana will assume about \$370.6 million in 60,500 deposit accounts and will pay the FDIC a purchase premium of \$4,000,406. It also will purchase approximately \$265.8 million of the failed bank's assets, including \$122.1 million of the bank's small loans.

To facilitate the transaction the FDIC will advance \$104.7 million to the assuming bank and will retain assets of the failed bank with a book value of \$129.8 million.

The Board of Directors approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC.

The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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