



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FIRST HANOVER BANK, WILMINGTON, NORTH CAROLINA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First Hanover Bank, Wilmington, North Carolina, by Central Carolina Bank and Trust Company, Durham, North Carolina.

The failed bank's four offices will reopen on Monday, October 28, 1991, as branches of Central Carolina Bank and Trust, and its depositors automatically will become depositors of the assuming bank.

First Hanover Bank, with total assets of \$47.6 million, was closed on Friday, October 25, 1991, by William T. Graham, North Carolina Bank Commissioner, and the FDIC was named receiver.

Central Carolina Bank and Trust will assume about \$35.5 million in 5,200 deposit accounts, \$10.4 million in secured borrowings and has agreed to pay the FDIC a premium of \$900,000. It also will purchase \$36.8 million of the failed bank's assets, including \$32.7 million in loans subject to a 60-day putback option. To facilitate the transaction, the FDIC will advance about \$8.2 million to the assuming bank and will retain assets of the failed bank with a book value of about \$10.8 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. Non-depositor creditors of the failed bank will share proportionately with the FDIC in the proceeds realized from the liquidation of assets not transferred to the assuming bank.

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