FEDERAL RESERVE BOARD

Hancock Holding Company
Gulfport, Mississippi

Order Approving the Acquisition of a Bank Holding Company

Hancock Holding Company ("Hancock"), Gulfport, Mississippi, has requested the Board's approval under section 3 of the Bank Holding Company Act ("BHC Act")[1] to acquire Whitney Holding Corporation ("Whitney") and indirectly acquire Whitney's wholly owned subsidiary bank, Whitney National Bank, both of New Orleans, Louisiana.[2]

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published (76 Federal Register 7211 (February 9, 2011)). The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in the BHC Act.

Hancock, with total consolidated assets of approximately \$8.2 billion, is the 110th largest depository organization in United States, controlling approximately \$7.0 billion in deposits. Hancock controls three subsidiary banks, HBLA, HBAL, and Hancock Bank, which operate in four states.[3] Hancock is the third largest depository organization in Mississippi, controlling deposits of approximately \$4.6 billion, and the

[1] 12 U.S.C. § 1842.

[2] Hancock is a financial holding company within the meaning of the BHC Act. On April 29, 2011, the Federal Deposit Insurance Corporation ("FDIC") approved applications filed by Hancock under the Bank Merger Act (12 U.S.C. § 1828(c)) to merge Whitney National Bank and Hancock's subsidiary bank, Hancock Bank of Alabama ("HBAL"), Mobile, Alabama, into another subsidiary bank of Hancock, Hancock Bank of Louisiana ("HBLA"), Baton Rouge, Louisiana. That same day, the FDIC also approved an application filed by Hancock under the Bank Merger Act to sell and transfer to Hancock Bank, Gulfport, the Florida and Alabama branches of HBLA acquired in the merger of Whitney National Bank, HBAL, and HBLA.

[3] HBLA operates in Louisiana; HBAL operates in Alabama; and Hancock Bank operates in Florida and Mississippi.

sixth largest depository organization in Louisiana, controlling deposits of approximately $2.2 billion.

Whitney, with total consolidated assets of approximately $11.8 billion, is the 82nd largest depository organization in the United States. Whitney National Bank, Whitney's only subsidiary depository institution,[4] operates in Alabama, Florida, Louisiana, Mississippi, and Texas. Whitney is the 4th largest depository organization in Louisiana, controlling deposits of approximately $8.6 billion, and the 53rd largest depository institution in Mississippi, controlling deposits of approximately $155 million.

On consummation of the proposal, Hancock would become the 55th largest depository organization in the United States, with total consolidated assets of approximately $20 billion. Hancock would control deposits of approximately $16.2 billion, which represent less than 1 percent of the total amounts of deposits of insured depository institutions in the United States. In Mississippi, Hancock would remain the third largest depository organization, controlling deposits of approximately $4.7 billion, which represent approximately 10 percent of deposits of insured depository institutions in the state. In Louisiana, Hancock would become the largest depository organization, controlling deposits of approximately $10.8 billion, which represent approximately 25 percent of deposits of insured depository institutions in the state. In Alabama, Hancock would become the 16th largest depository organization, controlling deposits of approximately $673 million, which represent less than 1 percent of deposits of insured depository institutions in the state. In Florida, Hancock would become the 26th largest depository organization, controlling deposits of approximately $2.6 billion, which represent less than 1 percent of deposits of insured depository institutions in the state. In Texas, Hancock would become the 64th largest depository organization, controlling deposits of $740 million, which represent less than 1 percent of deposits of insured depository institutions in the state.

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[4] For purposes of this order, insured depository institutions include commercial banks, savings banks, and savings associations.

Interstate Analysis

Section 3(d) of the BHC Act allows the Board to approve an application by a bank holding company to acquire control of a bank located in a state other than the bank holding company's home state if certain conditions are met. For purposes of the BHC Act, the home state of Hancock is Mississippi,[5] and Whitney is located in Alabama, Florida, Louisiana, Mississippi, and Texas.[6]

Based on a review of all the facts of record, including relevant state statutes, the Board finds that the conditions for an interstate acquisition enumerated in section 3(d) of the BHC Act are met in this case.[7] In light of all the facts of record, the Board is permitted to approve the proposal under section 3(d) of the BHC Act.

Competitive Considerations

The BHC Act prohibits the Board from approving a proposal that would result in a monopoly or that would be in furtherance of an attempt to monopolize the business of banking in any relevant banking market. The BHC Act also prohibits the Board from approving a proposal that would substantially lessen competition in any

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[5] A bank holding company's home state is the state in which the total deposits of all banking subsidiaries of such company were the largest on July 1, 1966, or the date on which the company became a bank holding company, whichever is later. 12 U.S.C. § 1841(o)(4)(C).

[6] For purposes of section 3(d) of the BHC Act, the Board considers a bank to be located in the states in which the bank is chartered or headquartered or operates a branch. 12 U.S.C. §§ 1841(o)(4)-(7), 1842(d)(1)(A), and 1842(d)(2)(B).

[7] 12 U.S.C. §§ 1842(d)(1)(A)-(B) and 1842(d)(2)-(3). Hancock is adequately capitalized and adequately managed, as defined by applicable law. Whitney National Bank has been in existence and operated for the minimum period of time required by applicable state laws and for more than five years. See 12 U.S.C. § 1842(d)(1)(B)(i)-(ii). On consummation of the proposal, Hancock would control less than 10 percent of the total amount of deposits of insured depository institutions in the United States. 12 U.S.C. § 1842(d)(2)(A). In addition, Hancock would control less than 30 percent, or the applicable percentage established under state law, of the total amount of deposits of insured depository institutions in the relevant states. See 12 U.S.C. § 1842(d)(2)(B)-(C). All other requirements of section 3(d) of the BHC Act would be met on consummation of the proposal.

relevant banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the community to be served.[8]

The subsidiary depository institutions of Hancock and Whitney compete directly in nine banking markets, located in Alabama, Florida, Mississippi, and Louisiana. The Board has reviewed carefully the competitive effects of the proposal in each of these banking markets in light of all the facts of record and the public comments on the proposal.[9] In particular, the Board has considered the number of competitors that would remain in the banking markets, the relative shares of total deposits in depository institutions in the markets ("market deposits") controlled by Hancock's insured depository institutions and Whitney National Bank,[10] the concentration levels of market deposits and the increase in those levels as measured by the Herfindahl-Hirschman Index ("HHI") under the Department of Justice Merger Guidelines ("DOJ Bank Merger Guidelines"),[11] and other characteristics of the markets. In addition, the Board has

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[8] 12 U.S.C. § 1842(c)(1).

[9] One commenter expressed general concerns about the competitive effects of this proposal and the effects it might have on consumer choices for banking services.

[10] Deposit and market share data are as of June 30, 2010, and are based on calculations in which the deposits of thrift institutions are included at 50 percent. In recognition that thrift institutions have become, or have the potential to become, significant competitors of commercial banks, the Board regularly has included thrift deposits in the market concentration and market share calculations on a 50 percent weighted basis. See, e.g., First Hawaiian, Inc., 77 Federal Reserve Bulletin 52, 55 (1991).

[11] Under the DOJ Bank Merger Guidelines, a market is considered unconcentrated if the post-merger HHI is under 1000, moderately concentrated if the post-merger HHI is between 1000 and 1800, and highly concentrated if the post-merger HHI exceeds 1800. The Department of Justice ("DOJ") has informed the Board that a bank merger or acquisition generally would not be challenged (in the absence of other factors indicating anticompetitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. Although the DOJ and the Federal Trade Commission recently issued revised Horizontal Merger Guidelines, the DOJ has confirmed that its merger guidelines, which were issued in 1995, were not changed. Press Release, Department of Justice (August 19, 2010), available at www.justice.gov/opa/pr/2010/August/10-at-938.html.

considered commitments made by Hancock to the Board to reduce the potential that the proposal would have adverse effects on competition by divesting eight Whitney branches, accounting for a total of approximately $202 million in deposits, that operate in two banking markets, one in Mississippi and one in Louisiana.

A. Banking Markets within Established Guidelines

Consummation of the proposal would be consistent with Board precedent and within the thresholds of the DOJ Bank Merger Guidelines in six of the banking markets in which Hancock's subsidiary depository institutions and Whitney National Bank directly compete.[12] On consummation of the proposal, one market would remain highly concentrated, three markets would remain moderately concentrated, and two would remain unconcentrated, as measured by the HHI. The change in HHI in the one highly concentrated market would be small and consistent with Board precedent and the thresholds in the DOJ Bank Merger Guidelines. In each of the banking markets, numerous competitors would remain.

B. Certain Banking Markets with Divestitures

After accounting for the branch divestitures,[13] consummation of the acquisition would be consistent with Board precedent and the thresholds in the

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[12] These banking markets and the effects of the proposal on their concentrations of banking resources are described in Appendix A.

[13] Hancock has committed that, not later than 60 days after consummating the proposed acquisition, it will execute an agreement for the proposed divestiture in the Biloxi, Mississippi, and Washington Parish, Louisiana, banking markets, consistent with this order, with one or more purchasers determined by the Board to be competitively suitable. Hancock has acknowledged that divestiture of a branch in the Washington Parish market must be made to a competitor outside the market. Hancock also has committed to complete the divestiture within 180 days after consummation of the proposed merger. In addition, Hancock has committed that, if it is unsuccessful in completing the proposed divestiture within such time period, it will transfer the unsold branch to an independent trustee who will be instructed to sell the branch to an alternate purchaser or purchasers in accordance with the terms of this order and without regard to price. Both the trustee and any alternate purchaser must be deemed acceptable to the Board. See BankAmerica Corporation, 78 Federal Reserve Bulletin 338 (1992); United New Mexico Financial Corporation, 77 Federal Reserve Bulletin 484 (1991).

DOJ Bank Merger Guidelines in the Biloxi, Mississippi, and Washington Parish, Louisiana, banking markets.[14] Although both markets would remain highly concentrated, the HHI would increase no more than 112 points in the Biloxi market and no more than 181 points in the Washington Parish market. In addition, 14 other depository institutions would operate in the Biloxi market and 4 other depository institutions would operate in the Washington Parish market.

C. Tangipahoa Banking Market

In the Tangipahoa banking market ("Tangipahoa Market"),[15] Hancock operates the third largest depository institution, controlling deposits of approximately $174 million, which represent approximately 14 percent of market deposits. Whitney operates the fourth largest depository institution in the market, controlling deposits of approximately $108 million, which represent approximately 8 percent of market deposits. On consummation of the merger the proposal, Hancock would become the second largest depository institution in the market, controlling deposits of approximately $282 million, which represent approximately 22 percent of market deposits. The HHI would increase 228 points to 1842.

Several factors indicate that the increase in concentration in the Tangipahoa Market, as measured by the HHI and Hancock's market share, overstates the potential competitive effects of the proposal in the market. After consummation of the proposal, 14 other commercial bank and thrift competitors would remain in the market. The Board has also considered the competitive influence of two active community credit unions in the Tangipahoa Market. Both credit unions offer a wide range of products, operate at least one street-level branch, and have broad membership criteria that include most of the

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[14] These banking markets and the effects of the proposal on their concentrations of banking resources are described in Appendix B.

[15] The Tangipahoa Market is defined as Tangipahoa Parish, Louisiana, excluding the city of Kentwood.

residents in Tangipahoa Market.[16] The Board has concluded that the activities of such credit unions exert competitive influence that mitigates, in part, the potential effects of the proposal.[17]

D. Views of Other Agencies and Conclusion on Competitive Considerations

The DOJ also has conducted a detailed review of the potential competitive effects of the proposal and has advised the Board that, in light of the proposed divestitures, consummation of the proposal would not likely have a significantly adverse effect on competition in any relevant banking market.[18] In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on these and other facts of record, the Board has concluded that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in any relevant banking market. Accordingly, based on all the facts of record and subject to completion of the proposed divestitures, the Board has determined that competitive considerations are consistent with approval.

Financial, Managerial, and Future Prospects and Supervisory Considerations

Section 3 of the BHC Act requires the Board to consider the financial and managerial resources and future prospects of the companies and depository institutions

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[16] The Board previously has considered the competitiveness of certain active credit unions as a mitigating factor. See, e.g., The PNC Financial Services Group, Inc., 93 Federal Reserve Bulletin C65 (2007); Regions Financial Corporation, 93 Federal Reserve Bulletin C16 (2007); Wachovia Corporation, 92 Federal Reserve Bulletin C183 (2006); F.N.B. Corporation, 90 Federal Reserve Bulletin 481 (2004).

[17] These credit unions control approximately $38 million in deposits in the market that, on a 50 percent weighted basis, represent approximately 3 percent of market deposits. With these deposits weighted at 50 percent, Hancock would control approximately 21 percent of the market deposits, and the HHI would increase 215 points to 1742.

[18] Hancock has committed to the Board that it will comply with its divestiture agreement with DOJ dated April 1, 2011.

involved in the proposal and certain other supervisory factors.[19] The Board has considered those factors in light of all the facts of record, including confidential supervisory and examination information from the relevant federal and state supervisors of the organizations involved, publicly reported and other financial information, information provided by Hancock, and public comments received on the proposal.[20]

In evaluating financial factors in expansion proposals by banking organizations, the Board reviews the financial condition of the organizations involved on both a parent-only and consolidated basis, as well as the financial condition of the subsidiary banks and significant nonbanking operations. The Board also evaluates the financial condition of the combined organization, including its capital position, asset quality, and earnings prospects, and the impact of the proposed funding of the transaction. In assessing financial factors, the Board consistently has considered capital adequacy to be especially important.

The Board has carefully considered the financial factors of this proposal. Hancock and its subsidiary depository institutions are well capitalized and would remain so on consummation of the proposal. Whitney and Whitney National Bank currently are well capitalized. The proposed transaction is structured as a share exchange. Based on its review of the record, the Board concludes that Hancock has sufficient financial resources to effect the proposal.

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[19] 12 U.S.C. § 1842(c)(2) and (3).

[20] One commenter expressed concern about a lawsuit filed by Whitney shareholders against Whitney, its board of directors, and Hancock that alleges, among other things, breach of fiduciary duty to shareholders by directors and conflicts of interest in selecting Hancock over another potential acquirer. The litigation is in its preliminary stages, and no wrongdoing has been adjudicated. The commenter, citing a press report, also asserted that Whitney's board of directors should have selected another company's competing bid, described only as "Company A" in Hancock's filings with the Securities and Exchange Commission.

The Board has considered these concerns in its review of Hancock's proposal and other information relating to the financial and managerial factors the Board must consider under section 3 of the BHC Act.

The Board has also considered the managerial resources of the applicant, including the proposed management of the organization. The Board has reviewed the examination records of Hancock and its subsidiary depository institutions, including assessments of their management, risk-management systems, and operations. In addition, the Board has considered its supervisory experiences and those of the other relevant bank supervisory agencies with the organizations and their records of compliance with applicable banking law, including anti-money-laundering laws. Hancock and its subsidiary depository institutions are considered to be well managed. The Board also has considered Hancock's plans of implementing the proposal, including the proposed management after consummation of the proposal. In addition, the Board has considered the future prospects of the organizations involved in the proposal in light of financial and managerial resources and the proposed business plan.

Based on all the facts of record, the Board concludes that consideration relating to the financial and managerial resources and future prospects of the proposal are consistent with approval, as are the other supervisory factors under the BHC Act.

Convenience and Needs Considerations

In acting on a proposal under section 3 of the BHC Act, the Board is required to consider the effects of the proposal on the convenience and needs of the communities to be served and take into account the records of the relevant insured depository institutions under the Community Reinvestment Act ("CRA").[21] The CRA requires the federal financial supervisory agencies to encourage insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with their safe and sound operation, and requires the appropriate federal financial supervisory agency to take into account a relevant depository institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, in evaluating expansionary proposals.[22]

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[21] 12 U.S.C. §§ 2901 et seq.

[22] 12 U.S.C. § 2903.

A. CRA Performance Evaluations

As provided in the CRA, the Board has considered the convenience and needs factor in light of the evaluations by the appropriate federal supervisor of the CRA performance records of Hancock's insured depository institutions. An institution's most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation of the institution's overall record of performance under the CRA by its appropriate federal supervisor.[23]

HBLA, HBAL, and Hancock Bank received "satisfactory" ratings at their most recent CRA performance evaluations by the FDIC, as of January 4, 2010, March 30, 2009, and June 11, 2007, respectively. Whitney National Bank received an "outstanding" rating at its most recent CRA performance evaluation by the Office of the Comptroller of the Currency, as of February 7, 2007. Hancock has represented that after the acquisition, the combined organization will offer the same or substantially similar products and services as are currently offered by the respective organizations.

B. HMDA and Fair Lending Record

The Board has considered carefully all the facts of record, including reports of examination of the CRA performance records of Hancock's subsidiary insured depository institutions and Whitney National Bank, data reported by Hancock and Whitney under the Home Mortgage Disclosure Act ("HMDA"),[24] other information provided by Hancock, confidential supervisory information, and public comment received on the proposal. A commenter alleged, based on 2009 HMDA data, that Hancock's subsidiary depository institutions denied the home mortgage loan applications

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[23] See Interagency Questions and Answers Regarding Community Reinvestment, 75 Federal Register 11642 at 11665 (2010).

[24] 12 U.S.C. §§ 2801 et seq.

by African American and Hispanic borrowers more frequently than those by nonminority applications in certain metropolitan statistical areas ("MSAs").[25]

Although the HMDA data might reflect certain disparities in the rates of loan applications, originations, denial, or pricing among members of different racial or ethnic groups in certain local areas, they provide an insufficient basis by themselves on which to conclude whether or not Hancock is excluding any racial or ethnic group on a prohibited basis. The Board recognizes that HMDA data alone, even with the recent addition of pricing information, provide only limited information about the covered loans.[26] HMDA data, therefore, have limitations that make them an inadequate basis, absent other information, for concluding that an institution has engaged in illegal lending discrimination.

The Board is nevertheless concerned when HMDA data for an institution indicate disparities in lending and believes that all lending institutions are obligated to ensure that their lending practices are based on criteria that ensure not only safe and sound lending but also equal access to credit by creditworthy applicants regardless of their race or ethnicity. Moreover, the Board believes that all bank holding companies and their affiliates must conduct their mortgage lending operations without any abusive lending practices and in compliance with all consumer protection laws.

Because of the limitations of HMDA data, the Board has considered these data and taken into account other information, including examination reports that provide on-site evaluations of compliance with fair lending laws by Hancock's subsidiary insured

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[25] The Board reviewed HMDA data for 2008 and 2009 for Hancock's insured depository institutions in their combined assessment areas and the individual MSAs cited in the comment.

[26] The data, for example, do not account for the possibility that an institution's outreach efforts may attract a larger proportion of marginally qualified applicants than other institutions attract and do not provide a basis for an independent assessment of whether an applicant who was denied credit was, in fact, creditworthy. In addition, credit history problems, excessive debt levels relative to income, and high loan amounts relative to the value of the real estate collateral (reasons most frequently cited for a credit denial or higher credit cost) are not available from HMDA data.

depository institutions. The Board also has consulted with the FDIC, the primary federal supervisor of Hancock's subsidiary banks. In addition, the Board has considered information provided by Hancock about its fair lending policies, procedures, and practices.

The record of this application, including confidential supervisory information, indicates that Hancock has taken steps to ensure compliance with fair lending and other consumer protection laws and regulations. Hancock also represents that its subsidiary banks have such compliance policies and procedures in place. Specifically, Hancock's subsidiary banks maintain a fair lending compliance program that includes centralized underwriting of consumer credit and mortgage applications to ensure consistency and minimize subjectivity in reaching credit decisions. Moreover, all mortgage application denials and exceptions to Hancock's compliance policies and procedures are subject to additional review. Hancock also provides annual fair lending training for all its employees and has provided additional training for its compliance and lending staff. Hancock regularly conducts internal audits of its fair lending programs, including independent third-party analysis of HMDA and CRA lending patterns. Hancock anticipates that the fair lending program of the resulting bank will be a combination of the fair lending compliance programs of Hancock's subsidiary banks and Whitney National Bank.

The Board also has considered the HMDA data in light of other information, including the overall performance records of the subsidiary banks of Hancock and Whitney National Bank under the CRA. These established efforts and records of performance demonstrate that the institutions are active in helping to meet the credit needs of their entire communities.

C. <u>Conclusion on Convenience and Needs and CRA Performance</u>

The Board has considered carefully all the facts of record, including reports of examination of the CRA records of the subsidiary banks of Hancock, information provided by Hancock, public comments received on the proposal, and confidential supervisory information, including records of compliance with consumer laws and regulations.[27] Hancock represented that it would be able to offer a broader array of banking products and services to the customers served by Whitney National Bank. In addition, consummation of the proposal would allow the combined organization to continue to provide credit and other financial services in support of the convenience and needs of the communities served by Whitney National Bank. Based on a review of the entire record, the Board concludes that considerations relating to the convenience and needs factor and the CRA performance records of the relevant insured depository institutions are consistent with approval of the transaction.

Conclusion

Based on the foregoing, and in light of all the facts of record, the Board has determined that the application should be, and hereby is, approved. In reaching its conclusion, the Board has considered all the facts of record in light of the factors that it is required to consider under the BHC Act and other applicable statutes.[28] The Board's approval is specifically conditioned on compliance by the applicant with the conditions in this order and all the commitments made to the Board in connection with the proposal.[29]

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[27] The commenter also expressed general concern that the proposal would have "anti-consumer effects."

[28] The commenter requested that the Board extend the comment period on the proposal. As previously noted, the Board has accumulated a significant record in this case, including reports of examination, confidential supervisory information, public reports and information, and considerable public comment. In the Board's view, the commenter has had ample opportunity to submit its views, as discussed above, and, in fact, has provided substantial written submissions that the Board has carefully considered in acting on the proposal. Moreover, the BHC Act and Regulation Y require the Board to act on proposals submitted under those provisions within certain time periods. Based on a review of all the facts of record, the Board has concluded that the record in this case is sufficient to warrant action at this time and that further delay in considering the proposal, extension of the comment period, or denial of the proposal on the grounds discussed above, including informational insufficiency, is not warranted.

[29] The commenter also requested that the Board hold a public meeting or hearing on the proposal on the branch closings and the loss of service that would result. Hancock has not represented that it will close any branch and has stated that any branch closings that may occur in the future would be limited to branches that are in very close proximity to each other. Moreover, federal banking law provides a specific mechanism for addressing

For purposes of this transaction, these commitments and conditions are deemed to be conditions imposed in writing by the Board in connection with its findings and decision and, as such, may be enforced in proceedings under applicable law.

The proposal may not be consummated before the fifteenth calendar day after the effective date of this order, or later than three months after the effective date of this order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta, acting pursuant to delegated authority.

By order of the Board of Governors,[30] effective May 13, 2011.

(signed)

Robert deV. Frierson
Deputy Secretary of the Board

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branch closings. Federal law requires an insured depository institution to provide notice to the public and to the appropriate federal supervisory agency before closing a branch. See 12 U.S.C. § 1831r-1; Joint Policy Statement Regarding Branch Closings, 64 Federal Register 34844 (June 29, 1999).

Section 3 of the BHC Act does not require the Board to hold a public hearing on an application unless the appropriate supervisory authority for the bank to be acquired makes a written recommendation of denial of the application. The Board has not received such a recommendation from a supervisory authority. Under its rules, the Board also may, in its discretion, hold a public meeting or hearing on an application to acquire a bank if necessary or appropriate to clarify material factual issues related to the application and to provide an opportunity for testimony. 12 CFR 225.16(e), 262.3(e), and 262.25(d). The Board has considered carefully the commenter's request in light of all the facts of record. As noted, the commenter had ample opportunity to submit views and submitted written comments that the Board has carefully considered. The commenter's request fails to demonstrate why written comments do not present its views adequately or why a meeting or hearing otherwise would be necessary or appropriate. For these reasons, and based on all the facts of record, the Board has determined that a public meeting or hearing is not required or warranted in this case. Accordingly, the request for a public meeting or hearing on the proposal is denied.

[30] Voting for this action: Chairman Bernanke, Vice Chair Yellen, and Governors Duke, Tarullo, and Raskin.

Appendix A

Hancock/Whitney Banking Markets Consistent with Board Precedent and DOJ Banking Merger Guidelines Without Divestitures

<table>
<tr><td colspan="7">Data are as of June 30, 2010. All amounts of deposits are unweighted. All rankings, market deposit shares, and HHIs are based on thrift deposits weighted at 50 percent.</td></tr>
<tr><td colspan="7">Mobile Area, Alabama - Mobile County and the towns of Bay Minette, Daphne, Fairhope, Loxley, Point Clear, Robertsdale, Silverhill, Spanish Fort, and Summerdale, all in Baldwin County.</td></tr>
<tr><td></td><td>Rank</td><td>Amount of Deposits</td><td>Market Deposit Shares (%)</td><td>Resulting HHI</td><td>Change in HHI</td><td>Remaining Number of Competitors</td></tr>
<tr><td>Hancock Pre-Consummation</td><td>9</td><td>$165.5 mil.</td><td>2.1</td><td rowspan="3">1612</td><td rowspan="3">17</td><td rowspan="3">24</td></tr>
<tr><td>Whitney</td><td>7</td><td>$316.5 mil.</td><td>4.0</td></tr>
<tr><td>Hancock Post-Consummation</td><td>6</td><td>$482.0 mil.</td><td>6.1</td></tr>
<tr><td colspan="7">Fort Walton Beach Area, Florida - Okaloosa and Walton Counties and the western half of Holmes County, including the town of Ponce de Leon.</td></tr>
<tr><td></td><td>Rank</td><td>Amount of Deposits</td><td>Market Deposit Shares (%)</td><td>Resulting HHI</td><td>Change in HHI</td><td>Remaining Number of Competitors</td></tr>
<tr><td>Hancock Pre-Consummation</td><td>9</td><td>$167.9 mil.</td><td>4.0</td><td rowspan="3">755</td><td rowspan="3">22</td><td rowspan="3">24</td></tr>
<tr><td>Whitney</td><td>14</td><td>$118.5 mil.</td><td>2.8</td></tr>
<tr><td>Hancock Post-Consummation</td><td>5</td><td>$286.4 mil.</td><td>6.8</td></tr>
</table>

Pensacola Area, Florida - Escambia and Santa Rosa Counties.

	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
Hancock Pre-Consummation	7	$275.0	5.1	1199	42	18
Whitney	8	$223.1	4.1			
Hancock Post-Consummation	4	$498.1	9.2			

Baton Rouge Area, Louisiana - Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge Parishes; the northern half of Assumption Parish, including the towns of Napoleonville, Pierre Part, and Plattenville; and the town of Union in Saint James Parish.

	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
Hancock Pre-Consummation	4	$1.2 bil.	8.3	2100	89	41
Whitney	5	$789.0 mil.	5.4			
Hancock Post-Consummation	3	$2.0 bil.	13.6			

New Orleans Area, Louisiana - Jefferson, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint John the Baptist, and Saint Tammany Parishes; and Saint James Parish, excluding the town of Union.

	Rank	Amount of Deposits	Market Deposit Shares (%)	Resulting HHI	Change in HHI	Remaining Number of Competitors
Hancock Pre-Consummation	12	$455.7 mil.	1.7	1653	51	37
Whitney	3	$4.1 bil.	15.0			
Hancock Post-Consummation	2	$4.5 bil.	16.7			

<table>
<tr><td colspan="7">Lafayette Area, Louisiana – Acadia, excluding the town of Mermentau; Lafayette, Saint Landry, and Vermilion Parish, excluding the town of Gueydan; and the portion of Saint Martin Parish north of Iberia Parish.</td></tr>
<tr><th></th><th>Rank</th><th>Amount of Deposits</th><th>Market Deposit Shares (%)</th><th>Resulting HHI</th><th>Change in HHI</th><th>Remaining Number of Competitors</th></tr>
<tr><td>Hancock Pre-Consummation</td><td>25</td><td>$74.0 mil.</td><td>1.0</td><td rowspan="3">786</td><td rowspan="3">10</td><td rowspan="3">41</td></tr>
<tr><td>Whitney</td><td>5</td><td>$392.2 mil.</td><td>5.3</td></tr>
<tr><td>Hancock Post-Consummation</td><td>4</td><td>$466.2 mil.</td><td>6.2</td></tr>
</table>

Appendix B

Hancock/Whitney Banking Markets Consistent with Board Precedent and DOJ Banking Merger Guidelines After Divestitures

<table>
<tr><td colspan="7">Data are as of June 30, 2010. All amounts of deposits are unweighted. All rankings, market deposit shares, and HHIs are based on thrift deposits weighted at 50 percent.</td></tr>
<tr><td colspan="7">Biloxi, Mississippi - Harrison and Hancock Counties and the city of Ocean Springs in Jackson County.</td></tr>
<tr><th></th><th>Rank</th><th>Amount of Deposits</th><th>Market Deposit Shares (%)</th><th>Resulting HHI</th><th>Change in HHI</th><th>Remaining Number of Competitors</th></tr>
<tr><td colspan="7">Pre-Divestiture</td></tr>
<tr><td>Hancock Pre-Consummation</td><td>1</td><td>$1.7 bil.</td><td>46</td><td rowspan="3">2973</td><td rowspan="3">383</td><td rowspan="3">14</td></tr>
<tr><td>Whitney</td><td>6</td><td>$155 mil.</td><td>4.1</td></tr>
<tr><td>Hancock Post-Consummation</td><td>1</td><td>$1.9 bil.</td><td>50.2</td></tr>
<tr><td colspan="7">Post-Divestiture</td></tr>
<tr><td>Hancock Post-Consummation</td><td>1</td><td>$1.7 bil.</td><td>46</td><td rowspan="2">2703
(if sold to in-market purchaser(s))
or
2591
(if sold to out-of-market puchaser(s))</td><td rowspan="2">≤ 112
(if sold to in-market purchaser(s))
or
0
(if sold to out-of-market puchaser(s))</td><td rowspan="2">14</td></tr>
<tr><td>Branches Divested</td><td>6</td><td>$155 mil.
(All Whitney Branches)</td><td>4.1</td></tr>
</table>

<table>
<tr><td colspan="7">Washington Parish, Louisiana – Washington Parish.</td></tr>
<tr><th></th><th>Rank</th><th>Amount of Deposits</th><th>Market Deposit Shares (%)</th><th>Resulting HHI</th><th>Change in HHI</th><th>Remaining Number of Competitors</th></tr>
<tr><td colspan="7">Pre-Divestiture</td></tr>
<tr><td>Hancock Pre-Consummation</td><td>1</td><td>$149.1 mil.</td><td>29.2</td><td rowspan="3">2885</td><td rowspan="3">797</td><td rowspan="3">4</td></tr>
<tr><td>Whitney</td><td>4</td><td>$69.8 mil.</td><td>13.7</td></tr>
<tr><td>Hancock Post-Consummation</td><td>1</td><td>$218.9 mil.</td><td>42.8</td></tr>
<tr><td colspan="7">Post-Divestiture</td></tr>
<tr><td>Hancock Post-Consummation</td><td>1</td><td>$172.2 mil.</td><td>33.7</td><td rowspan="2">2269</td><td rowspan="2">181</td><td rowspan="2">4</td></tr>
<tr><td>Branch Divested to Out-of-Market Purchaser*</td><td>5</td><td>$46.7 mil.
(1 branch)</td><td>9.1</td></tr>
</table>

** Hancock has committed to divest the branch to an out-of-market purchaser.*

Concurring Statement by Governor Daniel K. Tarullo

I approve the application as presented based on information received by the Board indicating that the institution that proposes to purchase the branches to be divested in the Biloxi area is competitively suitable.