

M E M O R A N D U M

Examination Report September 12, 1929 - First National Bank of Ogden -
By C. E. Morgan, Examiner

Direct \$25,500.00

To Affiliated Companies:

Mountain States Implement Co	\$60,000.00
Big Horn Canning Company	50,000.00
Western States Sec. Corporation	35,000.00
Anderson & Sons Co	60,000.00
Union Knitting Mills Co	40,000.00
Eardley-Caine Livestock Co	18,000.00
Utah Construction Company	60,000.00
Stoddard Lumber Company	50,000.00
	<u>\$373,000.00</u>

No direct criticism was made by the Examiner on any of the above mentioned lines.

Examination report March 29, 1930 - First National Bank of Ogden -
By C. E. Morgan, Examiner

Direct \$12,000.00

To Affiliated Companies:

Amalgamated Sugar Company	60,000.00
Big Horn Canning Company	47,500.00
Mountain States Implement Co	60,000.00
Western States Sec. Corporation	30,000.00
Union Knitting Mills Co	13,000.00
Eardley-Caine Livestock Co	30,000.00
Utah Construction Company	60,000.00
Stoddard Lumber Company	60,000.00
Cross Lumber Company	20,000.00
Utah Idaho Central R.R. Co	30,000.00
	<u>\$410,500.00</u>

Paper Sold to Affiliated Banks without recourse \$1,050,500.00
Paper carried for Affiliated Banks without Recourse 1,126,300.00

No direct criticism by the Examiner.

Examination report December 13, 1930 - First National Bank of Ogden -
By R.E.A. Palmer, Examiner

Direct \$39,300.00

To Affiliated Companies:

Amalgamated Sugar Company	\$60,000.00
Anderson & Sons Co	57,000.00
Big Horn Canning Co.	60,000.00
Mountain States Implement Co	60,000.00
Northern Bldg & Loan Ass'n	12,000.00
Stoddard Lumber Co	60,000.00
Western States Securities Corp.	40,000.00
Eardley Caine Livestock Co	30,000.00
	<u>\$379,000.00</u>

None of the above lines were criticised by the Examiner.

Examination report May 6, 1931 - First National Bank of Ogden -
By C. C. Linden, Examiner

Direct \$31,000.00

To Affiliated Companies:

Amalgamated Sugar Company	60,000.00
American Legion	3,600.00
Anderson Lumber Company	57,000.00
Big Horn Canning Company	60,000.00
Mountain States Implement Co	60,000.00
Stoddard Lumber Company	60,000.00
Utah Construction Company	30,000.00
Utah Idaho Central R.R. Co	15,000.00
Eardley Caine Livestock Co	30,000.00
? - Western States Sec. Corp	30,000.00
	<u>\$435,600.00</u>

SD E only

The American Legion and Big Horn Canning Company lines were listed as slow, capital loans by the Examiner.

Eardley Caine Livestock Company line was listed as slow - Guarantee of principals would be in order.

Mountain States Implement Co - Ratios for this class of business are not what is to be desired. Loan of a capital character. Additional working capital resulting from a stock assessment is to be provided.

Utah Idaho Central R.R. Co - Concern extended. Maturing interest on bonds may default. Loan reported temporary.

Examination report December 29, 1931 - First National Bank of Ogden -
By E. M. Wright, Examiner

Direct \$63,000.00

(Examiner's Comment - All appear warranted)

To Affiliated Companies:

Amalgamated Sugar Company	\$100,000.00
Anderson Lumber Company	55,000.00
Big Horn Canning Company	60,000.00
Eardley Caine Livestock Co	31,894.00
Eccles Investment Company	10,000.00
Mountain States Implement Co	60,000.00
Stoddard Lumber Company	55,000.00
	<u>\$371,894.00</u>

Examiner's Comment on Stoddard Lumber Co Line - The loan should be collected or guaranteed by the principals.

Eardley Caine Livestock Co - The loan is capital, there being little, if any, equity above the amount of the loan.

Comment regarding loans to three individuals -

Above loans are all secured by stock of the Eccles Investment Company. The stock of the company is closely held and there is no established market. The company's statement reveals a book value which would provide an excess of security in each case, but since the collateral is not of a marketable character, the loans should be further supported by financial statements of the borrowers.

George S. Eccles	\$23,500.00
M.S. Eccles	25,500.00
S.S. Eccles	14,000.00

Examination report July 15, 1932 - First National Bank of Ogden -
By C. C. Linden, Examiner

Examiner's Criticisms -

The management is devoting close and effective attention to affairs and other classified paper, while of considerable proportion, does not indicate potential losses of large concern.

Direct \$70,000.00 -

M.S.Eccles	\$27,500.00
Geo. S. Eccles	28,500.00
S.S.Eccles	<u>14,000.00</u>
	\$70,000.00

To Affiliated Companies:

Amalgamated Sugar Company	40,000.00
Big Horn Canning Co	30,000.00
Mountain States Imp. Co	60,000.00
Stoddard Lumber Co	40,000.00
	<u>\$170,000.00</u>

Examiner's Comments:

Mountain States Implement Co - Statement reported as reflecting conservative values, concern, however, requires additional capital financing. (\$49,500.00) paid in during 1931) Improved showing depends on improved conditions, Management appears able.

Stoddard Lumber Company - Total participating line \$75,000.00. Loan should have the guarantee or endorsement of the principals. Line reduced since last report.

Comment on the three individual loans -

The loans are secured by stock of the Eccles Investment Company, a holding corporation for assets owned by members of the Eccles Family. Assets are principally represented by capital investments in a diversity of business interests, including a sizeable investment in stock of the First Security Corporation. The desirability of the stock as collateral is dependent on its dividend paying ability, which is nominal under present conditions. It is recommended that the above loans be additionally secured by pledging additional investment company shares, and avoid further increase of the lines.

Examination report June 30, 1933 - First National Bank of Ogden -
By E. M. Wright, Examiner

(3 mos. after bank holiday) Direct \$72,200.00

Listed by the Examiner under the slow classification -

Amalgamated Sugar Company	\$35,000.00
Big Horn Canning Company	0
Mountain States Imp. Co	60,000.00
Stoddard Lumber Company	40,000.00
	<u>\$135,000.00</u>

As vs. 200,500 on 2/29/33

Examiner's Comments:

Mountain States Implement Co - The operation has reflected a loss every year since 1926, and the capital stock is heavily impaired as a result. It is time the bank should give some attention to this business.

Stoddard Lumber Co - All liquid assets have been trustee and pledged to secure bank indebtedness amounting to \$81,000.00. According to recent report of the Trustee assets under his control have a ready market value in excess of the indebtedness secured. The interested banks are permitting operation with ultimate liquidation in view. The line is capital but appears safe.

✓ Examiner's comments in general - All loans are receiving good attention. All losses have been charged off and special reserve set aside to protect doubtful class.

Examination report February 10, 1934 - First Security Bank of Utah, N.A. & Branches -
By E. M. Wright

Direct \$72,600.00 -

M. S. Eccles' line was not listed as he was not a Director.

Loan of George S. Eccles and S. S. Eccles given a slow classification.

To Affiliated Companies:

Anderson Lumber Company	\$31,800.00
Eccles Hotel Co	79,400.00
Mountain States Imp. Co	48,500.00
Stoddard Lumber Co	57,200.00
Amalgamated Sugar Company	180,000.00
Eardley Caine Livestock Co	61,000.00
	<u>\$457,900.00</u>

General Criticism -

In general the weak loans are receiving close attention. Criticised lines are composed largely of two classes, livestock loans and real estate loans.

George B. Caine & Wife, \$15,000.00 secured by 55 shares of Eccles Investment Company stock.

Emma Eccles Jones - \$30,000.00, secured by 100 shares of Eccles Investment Company stock.

Examination report August 13, 1934 - First Security Bank of Utah, N.A. & Branches -
By R.E.A. Palmer, Examiner

Direct \$64,500 -

To S. S. Eccles and George S. Eccles

To Affiliated Companies:

Anderson Lumber Comp ny	30,000.00
Amalgamated Sugar Company	52,500.00
Mountain States Imp. Co	45,100.00
Stoddard Lumber Co	44,200.00
Utah Idaho Central R.R. Co	12,500.00
Eardley Caine Livestock Co	71,000.00
Thatcher Music Co	1,000.00
Real Estate Finance	31,500.00
	<u>\$287,800.00</u>

Examiner's Comments:-

- Mountain States Implement Co - \$25,000.00 listed as slow. Statement shows fair proportions but are little shy on working capital. Loans have been steady. Operations now carried on at a profit so line should be materially reduced this fall.
- Real Estate Finance Company - Loan has become stationary. Not listed as slow, however. Company owned 100% by Eccles Investment Company. Listed for record.
- George B. Caine & Wife - \$15,000.00 No change since last report and line is aged.
- Eardley Caine Livestock Co - \$14,000.00 listed as slow, \$11,000.00 doubtful. Statement shows no strength and liquidation depends upon future successful operations.
- Emma Eccles Jones - \$30,000.00 No change, liquidation depends on sale of the stock or dividends.