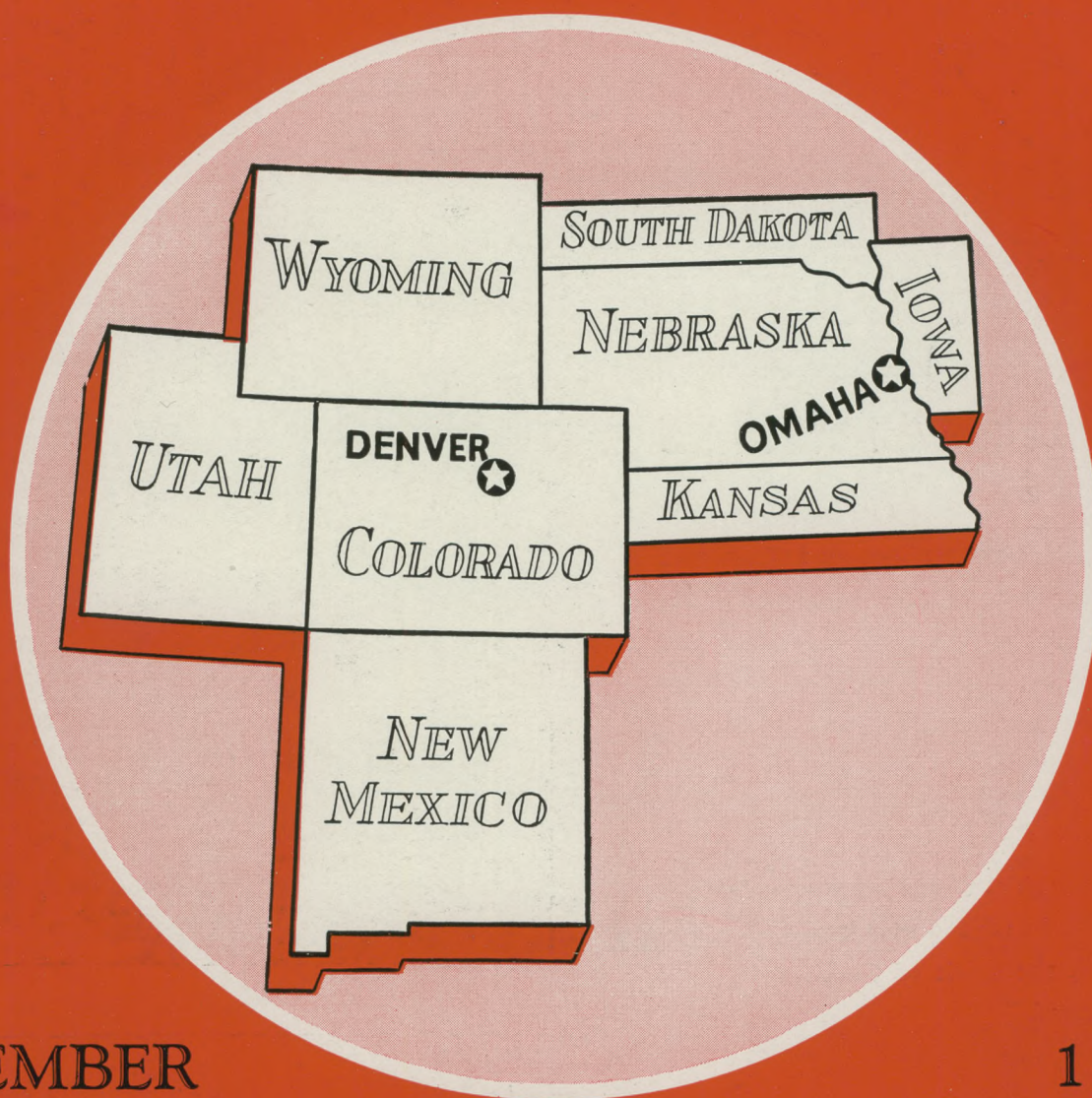


CENTRAL WESTERN BANKER

Omaha



DECEMBER

1929

Nebraska Association Plans Regional Clearing Houses

Page 4



Merry Christmas

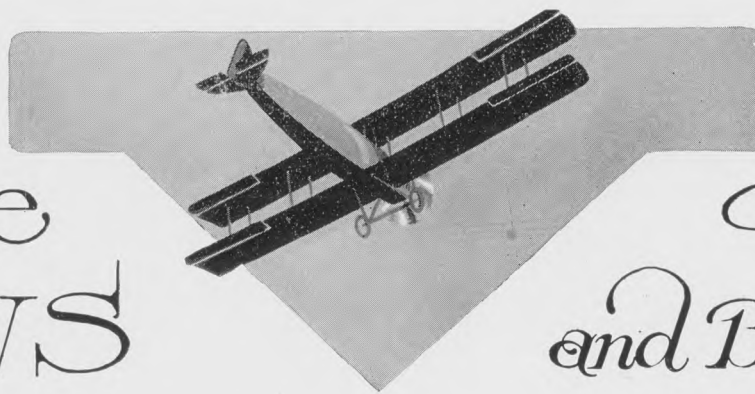
This is the seventy-second Christmas that we send holiday greetings to our many correspondent banks and friends . . . many of whom have been our customers for more than a half century.

Although our banking service has developed with our steady growth since 1857, the spirit of Christmas is unchanged.



**First National
Bank of Omaha**
FIRST TRUST COMPANY

Last minute NEWS



of Banks and Bankers

A A. ZINN, vice-president of the Commerce Trust Company of Kansas City, was elected president of the Mortgage Bankers Association of America at the closing session of their Sixteenth Annual Convention held recently in New Orleans. Mr. Zinn was active in the Association during the past year as chairman of the Cost Accounting Committee.

THE ELEVENTH annual mid-winter trust conference, under the auspices of the Trust Company Division of the American Bankers Association, will be held in New York City February 18, 19 and 20 at the Hotel Commodore. The conference is national in scope, more than four hundred trust companies and banks from 33 states being represented at the meeting last year.

THE BOARD of trustees of the Equitable Trust Company of New York has submitted to the stockholders a plan or recapitalization for the Company involving an increase in the capital funds, a reduction in the par value of the shares, issuance of subscription rights for additional shares, and the creation of a securities corporation subsidiary. This program is in keeping with the previous announcements made at the time of the recent merger between the Seaboard National Bank and the Equitable Trust Company.

THE FIRST NATIONAL Bank and the Fairbury Savings Bank of Fairbury, Nebraska, have recently become affiliated with the Northwest Bancorporation. Addition of these two Nebraska banks increases the number of af-

filiated banks and trust companies to seventy-nine. Other Nebraska banks affiliated with the Northwest Bancorporation include the United States National and United States Trust Company, of Omaha, and the Stock Yards National and South Omaha Savings of South Omaha, together with the affiliated Cattle Feeders Loan Company.

WITH the recent opening of their new plant at Spokane, Washington, the Todd Company of Rochester, New York, makers of safety check paper and check protecting devices, completes the establishment of a chain of check imprinting stations extending from the Atlantic to the Pacific. Twenty-four hour imprinting service on checks is now offered virtually every bank in the United States by the Todd Company imprinting stations.

DAN V. STEPHENS, president of the State Bank Division of the American Bankers Association, has announced the State Bank Division

Committee on State Banking Departments will be composed of the following bankers:

Chairman, L. A. Andrew, president Citizens Savings Bank, Ottumwa, Iowa; Fred J. Paro, vice-president Mercantile Commerce Bank & Trust Company, St. Louis; M. Plin Beebe, president Bank of Ipswich, Ipswich, S. D.; E. E. Crabtree, president Farrell State Bank, Jacksonville, Illinois; and M. H. Malott, president Citizens State Bank, Abilene, Kansas.

THE NATIONAL Bank of Lewiston, Montana, and the Merchants National of Cavalier, N. D., recently affiliated with the First Bank Stock Corporation of Minneapolis, being the 62nd and 63rd units in the group headed by the First National Bank of Minneapolis and St. Paul.

THE MISSISSIPPI Valley Association closed its sessions at St. Louis by reelecting W. R. Dawes of the Central Trust Company, Chicago, as president, and R. S. Hawes of the First National in St. Louis, as treasurer. The delegates voted solidly for a nine foot waterway channel in the rivers comprising the inland waterways.

CLEVELAND, Ohio, was designated for the 1930 convention of the American Bankers Association by the administrative committee of the organization, President John G. Lonsdale of St. Louis has announced. The convention dates will be September 29 to October 2.

CENTRAL HANCOCK BANK and Trust Company announces the appointment to its new business department of Will Emerson and Thomas F. DeLaney, Jr.

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THE CENTRAL WESTERN BANKER, OMAHA
Published monthly at 410 Arthur Bldg., Omaha, Nebraska
Subscription, 25 cents per copy; \$2.00 per year.
Entered as second-class matter at the Omaha postoffice.

Nebraska Association Plans Regional Clearing Houses

MORE than 1,300 delegates attended the 32nd annual convention of the Nebraska Bankers Association held November 6th and 7th at the Paxton Hotel, Omaha. This was a fine tribute to the splendid program arranged by association officials, and was aided by the fact that the diamond jubilee of the state of Nebraska was being held at the same time. This attendance, by the way, was the second largest in association history.

THE CUSTOMARY meeting of the past presidents was held Tuesday night preceding the opening of the convention. The Executive Council also held a meeting the same evening, at which a special committee was appointed to arrange for retaining an attorney as general counsel for the association. The Council also took steps to increase the Association's revenue approximately 25 per cent by rearranging the dues.

AT THE SPECIAL session of state bankers held Wednesday morning, November 6th, Secretary Clarence G. Bliss of the Department of Trade and Commerce, and Hon. George W. Woods, Commissioner of Banking, were the principal speakers. This meeting was one of the high spots of the convention in the matter of interest.

FORD E. HOVEY, Vice President of the Omaha Clearing House Association, delivered the address of welcome in his usual congenial manner, and the response was ably made by George H. Gray, President of the First National Bank of Columbus.

COL. PHIL L. HALL of Greenwood, retiring president, in his annual address made a splendid talk on his plan to promote the formation of regional clearing houses through the State. He announced the formation of two new ones and plans for still a third one. If Mr. Hall's ideas are put over Nebraska will be the outstanding state in the union so far as regional clearing houses are concerned, and it appears to be a splendid step in the way of better bank management.

H. N. STRONCK, Chicago bank consultant, delivered a fine address on bank operation. He pointed out some

Second largest attendance in history features 32nd annual convention.

By R. W. Moorhead
Editor



A. N. MATHERS

President, Gering National Bank, New President of the Nebraska Bankers Association

of the points of bank losses, and urged Nebraska bankers to check up and stop these losses. His facts were based on nation-wide surveys that his organization has conducted from time to time.

ENTERTAINMENT features were well arranged with a theatre party at the Orpheum Theatre, given Wednesday evening by Omaha and South Omaha banks and trust companies, after which an informal dance was enjoyed at the Hotel Paxton. In addition, the customary tea, luncheon, and bridge were given for the visiting women, and delegates were guests of the Omaha and South Omaha banks and trust companies at the excellent horse show at the Ak-Sar-Ben Coliseum on Thursday night.

THE SELECTION of new officers was made by a nominating committee

consisting of R. O. Marnell of Nebraska City; R. K. Hancock of Tekamah, W. F. Wenke of Pender, S. W. Gilbert of Curtis, G. J. Taylor of North Platte, J. M. Flannigan of Stuart, and T. L. Green of Scottsbluff. The choice of officers for the ensuing year was a splendid one and Nebraska bankers are well pleased over the selection of A. N. Mathers of Gering as the new President succeeding Phil Hall.

THOMAS B. PATON, JR., Assistant General Counsel of the A.B.A. made a fine address on Thursday on the subject of "The Bank Collection Code." This act was passed by the last Nebraska legislature largely through the guidance of the Association's Legislative Committee, and Mr. Paton's office in New York City is, of course, anxious that a similar act be passed in all the states.

ANOTHER PLEASING address of the Convention was made by Samuel P. Arnot, President of the Chicago Board of Trade, on "The Federal Reserve System and Its Control of Credit." A big man with a big subject, Mr. Arnot made a fine impression upon his audience.

DUE TO COLD weather and the fact that the convention was held later in the year than ordinarily, the annual golf tournament was called off. Consequently, the CENTRAL WESTERN BANKER golf cup is still in play since only one Nebraska banker has two out of the three legs on it that are necessary for permanent possession. It is planned to hold the convention at an earlier date next year at which time the weather will probably be more suitable for a golf tournament.

JULIUS H. BARNES, Chairman of the Board of the United States Chamber of Commerce, was unable to deliver his scheduled address at the Nebraska convention. He had been called to Washington to consult with President Hoover.

THE REPORT of the Secretary, William B. Hughes, showed that the Association has 823 members, of which 649 are state banks, 155 national banks, and 10 savings banks. Membership is thus 97 per cent of the total

banks in Nebraska. The report further showed that a great development has taken place in the matter of county organizations with 75 counties now organized, and of the 18 counties unorganized 12 have so few banks that an organization therein is practically unnecessary.

THE COMMITTEE of Resolutions passed on a very nice compliment to the work of department officials, congratulating Mr. Bliss and Mr. Woods on their work, and pledging the earnest coöperation of the Association for furthering this work.

A RESOLUTION was also adopted recommending the adoption of a schedule of maximum membership dues which will give the Association approximately \$29,000.00 annual revenue, thus permitting it to do some of the things that Secretary Hughes and officers have long had in mind.

THE NEW MEMBERS of the Executive Council named at the convention are as follows: Group No. 1, Jas. T. Shewell, President of the Merchants National Bank, Nebraska City; Rollie W. Ley, President of the State Bank of Wayne. Group No. 5, W. H. McDonald, Chairman of the Board, McDonald State Bank, North Platte; Group No. 8, James F. Gallagher, President of the First National Bank, O'Neill. Omaha Group, Howard O. Wilson, Cashier of the Live Stock National Bank, Omaha.

THE NEBRASKA Guaranty Law was touched upon by only a few speakers, and was probably best described by Carl D. Ganz, Cashier of the Farmers and Merchants Bank of Alvo, when he characterized it as "a wayward child, a

New Officers of the Nebraska Association

President—A. N. Mathers, President Gering National Bank
 Chairman—A. O. Riley, Cashier State Bank of Hastings
 Treasurer—Denman Kountze, Vice President First National Bank, Omaha.
 Secretary—William B. Hughes, 420 Farnam Building, Omaha

New Members of the Executive Council

Group 1—James T. Shewell, President Merchants National Bank, Nebraska City
 Group 3—Rollie W. Ley, President State Bank, Wayne
 Group 5—W. H. McDonald, State Bank, North Platte
 Group 6—James F. Gallagher, President First National Bank, O'Neill
 For Omaha—H. O. Wilson, Cashier Live Stock National Bank, Omaha

black sheep in an otherwise almost respectable banking family which has brought financial ruin upon those responsible for its creation." He also prophesied that the deficit caused by its operation may never be paid off.

J. CAMERON THOMSON, Vice President and General Manager of the Northwest Bancorporation of Minneapolis, was in Omaha during the convention and addressed a joint meeting of officers of the Stock Yards National, and the United States National banks, two members of the Bancorporation. 300 guests were present. Mr.

Thomson said that a recrasing margin of profit in the banking business is largely responsible for the growth of group banking, and predicted that the group banking will set new standards of bank practices in the Middle West.

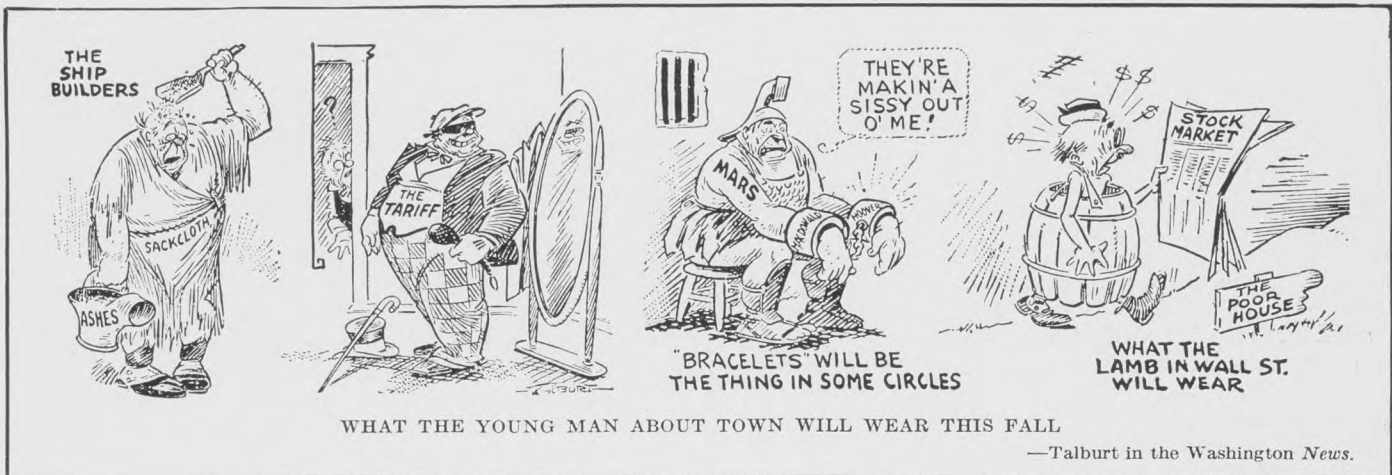
COL. PHIL HALL expressed the general idea of the regional clearing house in a nutshell when he said bank losses can be reduced to the minimum by general adoption of the clearing house scheme which is nothing more than a meeting of minds of the profession and the application of proper bank management.

NEBRASKA officers of the A.B.A. are as follows: Vice President for Nebraska, J. M. Sorensen, Vice President of the Fremont State Bank. Members of the Executive Council of the A.B.A., Elmer Williams, President of the Commercial State Bank of Grand Island; G. H. Yates, Vice President of the U. S. National Bank of Omaha; and Woods Cones, President of the Cones State Bank of Pierce. Vice President of the State Bank Section of the A.B.A. for Nebraska, A. M. Keyes, President of the Bank of Holbrook. Vice President for the National Bank Section of the A.B.A. for Nebraska, E. N. Van Horne, President of the Continental National Bank of Lincoln. Vice President for the Trust Company Section of the A.B.A. for Nebraska, D. J. Monen, Trust Officer of the Omaha Trust Company, Omaha.

Excused

Indignant Parent (6 A.M.): Young man, what do you mean by bringing my daughter in at this hour?

Flaming Youth: Well, I gotta be at work by 7.



Just Who Are We --- and WHY?



CARL D. GANZ

YOU ALL realize that it would be the height of presumption for me to even attempt to tell you gentlemen how to run a successful bank in this day and age—if I did know I wouldn't tell you but would go East and sell myself to J. P. Morgan. However, it has occurred to me that I might give you my idea in a few rambling remarks as to what I think a banker's attitude ought to be in three respects, viz, his attitude toward the general public, especially the law-making bodies, his attitude to the profession itself, and lastly his attitude towards his patrons. These attitudes may intermingle to some extent and they are not meant in any way to be exhaustive or inclusive, but I believe you will get my ideas.

First as to the general public: It is a trite thing to say that a banker should be honest and consistent in his attitude towards the general public. You gentlemen will all agree with that, and yet I dare say that there are not twenty men in this room, myself included who cannot be indicted upon that very charge. How, why, when and where? All right, I'll give you a couple of glittering examples. Some eighteen years ago there was conceived in the womb of a political necessity in this state a so-called banking child by the name of the Guaranty Law. In those eighteen years that wayward child, that

black sheep in an otherwise almost respectable family, has caused those financially responsible for it their entire capital and run them in debt for probably twice as much besides, which said deficit, gentlemen, may I remark by way of prophesy, will never be paid. The hard headed farmer will not pay it and the attitude of the bankers will be, millions for defense but not one cent for deficit. All in all it was probably the most expensive effort yet made by any state in which honest efficient people have been called upon to prove, at great expense, that the average politician's theories work out to the detriment of everybody but the politicians themselves. I appreciate that it has had its fond parents even in banking circles. I have personally heard bankers in this state from the smallest to the largest appear before conventions and legislative committees and extol its virtues and I have always been of the opinion when I heard them to do so that they were either lying or that as economists they would make excellent ditch-diggers. You may ask where does your honest and consistency to the general public come in with regard to this. In my opinion it comes in in this way—fully ninety per cent of the bankers of Nebraska are good enough economists to know that such a law was inherently bad from the start, uneconomic and bound to fail. Practically all of you have said so privately time without number and you never paid a single assessment without feeling that you were being robbed and yet for eighteen years you have met in solemn convention and the records will show that not a single resolution was ever passed condemning it as unsound banking. If you as bankers do not know what are unsound banking laws how in the name of common sense are you going to expect the general public to know. You say it never had a chance to be repealed—you don't know, you never tried—you just took some politicians word for that who didn't know any more about a bank than a hog does about Sunday. And what if it couldn't be repealed—is that any reason why you should not stand fearlessly in your annual conventions and tell the world what is good and what is bad so far as you know it.

Three Years Ago

Did you ever stop to think that only three years ago at four different meetings of the State Bank Committee in

By Carl D. Ganz

Cashier, Farmers and Merchants Bank, Alvo, Nebraska

(From address before Nebraska Bankers Association Convention, Omaha)

*We hear a lot about the words
"service and responsibility"
but exactly how do they fit us?*

which over three-fourths of our state banks were represented that this resolution was practically unanimously passed. "We reaffirm our strict adherence to the Guaranty Fund law under which no depositor in any Nebraska State Bank has suffered loss. We are opposed to any change in the law which will in any wise tend to obstruct, hinder or delay any depositor in any Nebraska State Bank in the collection of his deposit," and that within two years these same banks joined in a law suit to set the law aside for a multiplicity of reasons. Oh consistency, thou art a jewel—can you blank the general public or the legislature for being against the banks—to all outward appearances we were for the damn thing for seventeen years and told them so. In plain words, we lied to the general public for seventeen years for various reasons, political, cowardice, and I am ashamed to say many for selfish reasons, and, gentlemen, take it from me, we are going to be sometime living that lie down. No, we were not honest nor were we consistent—if we had been we would have fought that law from its inception in season and out of season and would never have allowed a state convention to pass without a resolution strongly condemning the law because of its economic unsoundness.

Do you want another example of our honesty and consistency as bankers towards the general public? All right, last winter a boy from Pawnee City intoxicated with publicity introduced a measure to appropriate \$150,000 to ascertain why banks failed. I wonder how many of you gentlemen wrote the governor or your members of the legislature protesting against such a law. I'll wager not ten per cent. Because you were inactive and a loss of depositors in failed banks were caused to be active by self-seeking notoriety-hunting politicians, this state is at present throwing \$150,000 down a rat hole and

Central Western Banker, December, 1929

a distinguished gentleman of this state, whose past political life would not cause him to be regarded as an economist of note regardless of how much we may admire his other qualities, is now repeatedly filling the daily press giving the four or five reasons why banks fail and there is not a gentleman in this room who does not know and always has known ever since he knew anything about banking the four or five reasons why banks fail. This state did not need to spend \$150,000 to tell the general public why banks fail—we bankers all knew that when the law was introduced—if we had individually and collectively honestly protested against its passage it would not have passed and our state would be \$150,000 richer than it is today.

In my arraignment of the banking profession of Nebraska relative to their honesty and consistency towards the general public I do not want to condemn any political party—the republican party would have fostered the guaranty law only the democrats thought of it first; nor do I want to condemn any individual banker personally for I know that you all can in justice



Snapped at the Nebraska convention: Left, W. F. Wenke, cashier, Pender State Bank; right, J. M. Sorenson, vice president, Fremont State Bank.

say to myself and to each other “*et tu Brutus.*” But may I make an appeal to you as to our attitude in the future. I believe that if we can keep these three thoughts in mind, remember them, act upon them individually and collectively that we can be honest and consistent with the public as regards banking leg-

islation. Now get these. First, no law which violates fundamental economic principles will be of any permanent value. Second, shall sound banking principles in Nebraska be sacrificed forever upon the altar of political expediency? Third, in case unsound banking legislation is passed, must we stand like a bunch of sheep and be sheared and sheared until the body is incapacitated from growing any more wool?

The Banker's Attitude

Now, as to the bankers attitude towards the profession itself. As a matter of fact in America, banking has never been considered as a profession but rather as a business or trade. It has always been one of the unalienable American rights for anyone who could elect himself or induce others to elect him to an officership in a bank to be privileged to fill that office. As bankers have we ever given a thought to what qualifications a man should possess before he should be allowed to play with other people's money? Have we ever done anything or said anything that

(Continued on Page 10)

Peters National Merges With Omaha National Bank

MERGER of the Peters National Bank of Omaha with the Omaha National Bank, by a purchase of the assets of the former institution by the latter, was announced Thursday night, November 21, by President W. Dale Clark of the Omaha National Bank, after directors of the two institutions had approved the deal.

The merger was made effective the morning of November 22, when 16 employes and several of the officers of the Peters National were at the Omaha National to take care of Peters customers.

J. R. Cain, Jr., vice president of the Peters National bank, was elected a vice president of the Omaha National Bank and will be active in that post. W. S. Weston, vice president of the Peters, was also elected a vice president of the Omaha National, but is not expected to be active in the bank.

H. H. Fish, president of the Western Newspaper Union, who had been a director of the Peters National Bank, was elected to the board of directors of the Omaha National.

The deposits of the Peters National Bank, in a recent statement, amounted to \$2,907,553 and those of the Omaha, \$35,321,328.

R. D. Miller, cashier and E. V. Horberger, assistant cashier of the Peters National, were added to the staff of the Omaha National. Other directors of the Peters National, not included in the merger of officers, are C. J. Claasem, E. L. Lindquest, Howard Kennedy and W. J. Miller.

The stock of the Peters National, it was announced, with a book value of \$161, will probably pay more than that amount, when liquidation of assets is completed.

The Peters National Bank was organized in 1920.

Mr. Clark's statement of the merger read:

“In conformity with the tendency toward centralization of banking resources in each community, the Omaha National Bank has acquired the business of the Peters National Bank. The merger adds total resources of more than two and one-half million dollars

to the assets of the Omaha National Bank and gives us an opportunity to be of service to a splendid group of customers.

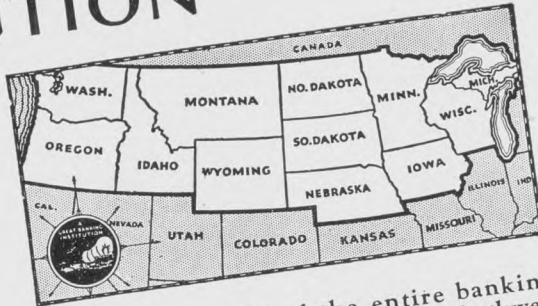
“We welcome depositors and customers of the Peters National Bank with confidence that we will be able to give them all of the service to which they have been accustomed, plus a broader service not available in a smaller institution.”

J. R. Cain, Jr., said:

“This action is the result of a desire on the part of officers and directors of the Peters National Bank to give their customers the benefit of the complete banking facilities afforded by a larger institution. The Peters National Bank was organized in 1920, and during its lifetime, has devoted itself especially to the handling of individual deposit accounts.”

Walter W. Head, chairman of the board of the Omaha National Bank, came to Omaha November 22 to preside at a directors meeting, and to arrange for completion of details of the merger. Mr. Head is president of the Foreman Bank at Chicago.

THIS GREAT FINANCIAL INSTITUTION



Now serves an EMPIRE OF ELEVEN MILLION PEOPLE...

ONE-TWELFTH of the entire banking resources of the Midwest and Northwest are now controlled by the affiliated institutions of the Northwest Bancorporation. Thus has the popularity and value of group banking been demonstrated throughout this rapidly developing territory.

Already leading banks and trust companies in sixty-six cities of nine states have become affiliated with the Northwest Bancorporation.

This present progress of the Northwest Bancorporation and its plans for the future insure complete banking service and financial independence for all parts of the Midwest and Northwest.

NORTHWEST BANCORPORATION MINNEAPOLIS, MINNESOTA

Combined Resources  over \$450,000,000

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Stock Markets ACCEPTANCES REDUCED
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This is one of a series of advertisements in a national program of advertising by the Northwest Bancorporation. This advertisement appeared in the Wall Street Journal for November 12th, reaching the business executives of America and carrying to them a message of strength of the Bancorporation and its importance to the territories served by its affiliated institutions.

the previous year	Bank.	Flatbush National	400	Strauss National	50	all mat-	47
of 25% was declared, same as	The representatives of the	Globe Exchange	300	Trust Bank, new	512	Maturity	54
	Bank had suffered heavy losses	Granite National	325	Trade Bank	150	30, 60 and 90 days	56
	clear the bank had made with the	Guardian Nat Bank	210	Union B of Bronx Co.	140	120 days	5
... & Co. report imports of	through engagements it had made with the	Warner State Bank	72	World Exchange	230	150 and 180 days	5
... ended Oct	... the Le Ruon Co. and other	Marriman	1930	Yorkville Bank	220	total reduction	12
	... he alleged, were due		2075			... makes a total reduction	12
	... which these		73			... including 12	

C GROUP BANKING

affords solution of
Northwest problems

IN the middle Northwest for some time past there has been a growing need for a modern financial service adequate to the problems of this fast developing territory. The founders of the Northwest Bancorporation, realizing this need, studied the group banking idea and became convinced that this financial set-up would afford a solution of the Northwest's banking problems.

The rapid growth of the Northwest Bancorporation and other groups in this territory is offering proof of the soundness and popularity of this modern banking practice.

A key note to the objective of the Northwest Bancorporation was sounded by Mr. E. W. Decker, president of the Northwestern National Bank and the Bancorporation, when he stated: "I am thoroughly of the opinion that, by grouping strong banks, these institutions can serve in a larger way their respective communities and provide a complete, safe and dependable banking service for their customers."

The growth in the number of strong banks joining the Northwest Bancorporation, the increased number of stockholders, improved bank earnings, and the additional service rendered to local business men and depositors large and small have brought new confidence in the principal and in the future of the Northwest.



NORTHWEST BANCORPORATION
RESOURCES OVER 462,000,000 DOLLARS
MINNEAPOLIS, MINNESOTA

Central Western Banker, December, 1929

Getting Back to Dividends

UNDER the interesting topic, "Paying Dividends," Clarence G. Bliss, secretary of Trade and Commerce, Nebraska, said in part, at the meeting of state bankers at the Nebraska convention:

We are all very much interested in dividends. The farmer is interested in the earnings from his farm, the same as the banker is interested in the earnings from his bank, and private companies and corporations are operating their business so they may pay dividends.

I come to you today, in connection with the department of trade and commerce, with the thought in mind of paying dividends. The dividends that we are undertaking to pay at this time are not so much confined to the actual percentages in money as collected and paid out in connection with the banks under our supervision, but it also includes another type of dividend of interest to you, and that is the showing of the progress we are making, a dividend that cannot be measured in dollars and cents.

The Reorganization Law

You will recall that early last spring, a bank reorganization plan was successfully tried out at Elgin. After the reopening of this bank, it was my pleasure to present the matter to Governor Weaver, who suggested that we look around and see what other states were doing in this reorganization work. We investigated the matter and found that in Minnesota they had a specific statute relative to the reorganization of banks. We later discovered that the

Minnesota statute was similar to one operated in South Dakota and also in Wisconsin. At the suggestion of the governor, we secured a copy of the Minnesota statute and gave it to the legislative committee, and through the help of the different committees, this statute was enacted into law and approved by Governor Weaver on April 30.

The Minnesota statute provides for depositors representing 90 per cent of the total deposits, while the Nebraska law, as passed, provides that 85 per cent of the total deposits shall be represented in the reorganization. The theory of this law is that the depositors, through a depositors' committee on the one hand and the reorganizers who furnish the new capital, on the other hand, may enter into an agreement for the purpose of removing the slow and doubtful assets from the bank and reopen the bank.

Since some eighteen banks have been reorganized in Nebraska under that plan, we have learned a great deal about depositors meetings and depositors committees.

Depositors Committees

We have found that if a depositors' committee is helpful in the reorganization of a bank, that same is true with reference to a bank in receivership. Accordingly, in all the receiverships now under the direct supervision of the department, as turned over to us this year, we have called a depositors' meeting and elected a depositor's committee to represent the depositors

in all matters pertaining to the liquidation of that bank.

This depositors' committee elected by the depositors, acts in an advisory capacity, in assisting the assistant receiver in charge in making compromises of the notes or sale of any of the real estate. It is now the established policy of the department to have every recommendation covering any transaction in a receivership bank approved by the depositors committee.

When House Roll 249 was passed for discontinuing the state operation of banks as going concerns, immediately there was turned over to our department some sixty-one banks that had been operated as going concerns. These sixty-one banks were then placed in receivership under the direction of the court, as soon as a court hearing could be held in the different districts where the banks were located.

State Treasurer Depository

The funds on hand in these banks all have been placed with the state treasurer in an account which reads, "Treasurer, State of Nebraska, for secretary, department of trade and commerce, receiver." These funds are handled by the treasurer and are fully protected as a state deposit. The department maintains a complete book-keeping equipment to keep all the books, with sufficient help, and the assistant receiver in the field makes reports and remittances which are then turned over to the state treasurer. This system eliminates all duplicate book-keeping and the handling of a checking of bank balances in different banks.

Who Are We---and Why?

(Continued from Page 7)

would induce the general public to demand certain qualifications of a man before he should be permitted to say "yes" and "no?" Our answers to those questions must be in the negative. Oh, I understand that we have a license law in Nebraska but if you can show me where that law in itself has ever raised the standard of the qualifications of the bankers in Nebraska, then you can say that hair isn't gray but is pink. What I have in mind is this. In this State before we allow a man to put a pair of pliers in your mouth and pull out a tooth, a very simple thing in itself, we require that man to go to

college four or five years and then pass a stiff state examination and yet at the same time this same State will permit any Tom, Dick or Harry who might happen to inherit eight or ten thousand dollars or who might be fortunate enough to marry the president's daughter, as I did, step right into a bank as an executive officer after a year's work in the bank and invite the general public to bring in their life's savings and leave it in his safe-keeping knowing full well that he is going to loan it out as he may deem best. Do you think that that is a sufficient qualification to permit a man to become a

banker? We won't let a man work with a veterinary for a year and then give him a license to go out and doctor cows—then why should we allow a man to run a bank without first qualifying himself at least along the theoretical lines of banking. I know that this idea steps on the toes of most of you and you can be sure that I am stepping all over my own toes but if each of you gentlemen will just think for a moment of your own qualifications at the time you became executive officers of your bank I will warrant that none of you were nearly as well qualified to do your work as a doctor is when he

Announcing

a new, more convenient size

American Express Travelers Cheque

IN response to the demand for a smaller, more compact, more easily carried form of travel funds, the American Express Company has reduced the size of its Travelers Cheque. Travelers are heavily encumbered with tickets, passports, money, licenses, and other travel accessories. The 850,000 travelers—and particularly the women—who in the course of a year carry American Express Travelers Cheques, will welcome the knowledge that they can secure at their banks conveniently sized Travelers Cheques which fit easily into their bags and purses.

The new Cheque will conform in size to the bank pocket check recommended by the Bureau of Standards and it is practically the size of the new U. S. Paper Currency. Some notable features are:

[1] The new Cheque is considerably smaller and has only one fold, thus making a thinner, more compact wallet. [2] The fold does not interfere with the two signatures. [3] The cover in which the Cheques will be bound is thinner, more flexible, and of a better quality material. [4] The Cheques can be carried in the ordinary wallet or bill-fold designed for the new small Government bills. [5] A woman will find

that a wallet of the new Cheques will fit more easily into her handbag. [6] They can be carried comfortably in a man's inside pocket. [7] They will enable the traveler to foreign lands to carry an adequate amount of funds, and the motor traveler to have with him sufficient money for contingencies. [8] No material change has been made in the appearance of the Cheque. The

same familiar blue color and the same signature method of identification are continued.

The new Cheque will be distributed to banks about the first of the year, and previous issues will be called in. All concerned are assured that all outstanding Cheques will be paid on presentation as previously. The new Cheque will not affect the negotiability of the present Cheque in any way.

Whether the bank's patrons present the former issues or the new, they will find extended to them all the helpfulness of American Express service offices at home and abroad. They will continue to find these branches little American oases at which they will be welcome and at which they can secure travel accommodations, valuable information, and other assistance in making their journey safer, more comfortable, and free from care.



28 Stocks in Trust for You

—In a Single Investment

WHEN you invest in **Corporate Trust Shares**, you participate in the earnings and increase in values of the common stocks of 28 of America's greatest corporations, listed below. The stocks are held in trust for your benefit by The Equitable Trust Company of New York, Trustee, and distributions of earnings are made to you by the Trustee twice each year—on June 30th and December 31st. Had **Corporate Trust Shares** been in existence during the past 16 years, returns to investors would have averaged 14.6% per year on the average price of the shares.

Common stocks of these 28 companies underlie **Corporate Trust Shares**. No substitutions are permitted in the list.

Industrials

United States Steel
American Tobacco
International Harvester
Otis Elevator
du Pont
United Fruit
American Radiator
Woolworth
Ingersoll-Rand
Eastman Kodak
National Biscuit

Standard Oils

Stand. Oil (New Jersey)
Stand. Oil of New York
Stand. Oil of Ind.
Stand. Oil of Cal.
Texas Corporation

Utilities and Quasi-Utilities

American Tel. & Tel.
Western Union
Westinghouse Elec.
Con. Gas. of New York
General Electric

Railroads

New York Central
Illinois Central
Union Pacific
Southern Pacific
Louisville & Nashville
Pennsylvania
Atchison

Investment Dealers desiring to participate in the distribution of Corporate Trust Shares should communicate with either of the undersigned.

SMITH, BURRIS & COMPANY

120 South La Salle Street, CHICAGO

LLOYD PHILLIPS & COMPANY, INC.

Union National Bank Bldg., FREMONT, NEB.

is allowed to commence experimenting on the public or a lawyer when he begins to practice with the other fellow's troubles. You say a doctor is dealing with human lives—admitted—but I say to you that a banker deals with community life which he can kill with incompetency just as quickly as a doctor can kill a human life and I speak from experience when I say that no lawyer ever has anywhere near the opportunity to damage his clientele that a banker has. Is it any wonder that banks fail?—it is the American miracle that as many succeed as do. You hear all the time that our great trouble has been too many banks—that is only a small part of it, gentlemen, the large part is that we have too many incompetent unqualified men posing as bankers. Gentlemen, we must realize that banking is not a trade or a business only but that it is a profession, a highly honored profession, one with serious and grave duties and responsibilities and I feel that we should take the lead in educating ourselves and the general public to so regard it and to initiate a movement to require all applicants for initiation into this profession to be as well qualified and able to pass as stringent an examination for it as we require of other professions of like standing and responsibility.

You and Your Patrons

Now just a word in closing relative to our attitude towards our patrons. It would be presumptuous for me to tell you how to run your banks, how to make more money or how to increase your deposits. Banking magazines and convention programs are filled with numbers outlining the newest practices and devices for this purpose.

May I say that while I agree with all these profit making devices and try to practice them as best I can, yet I feel that as bankers we should be ever mindful of the fact that we have a professional duty to our patrons other and beyond the building up of strong conservative institutions and paying reasonable dividends to our stockholders, and this duty we should never lose sight of and which is what I would call the duty of service we owe our constituency. The banking profession like every other profession owes an undefinable duty of service to its clientele and it is largely this banking service that we have rendered in a thousand different ways in the past that gives to us the position we occupy today in our respective communities and while we are instituting service charges, overdraft charges, draft charges, exchange charges and all the other mul-

(Continued on Page 16)

BONDS AND INVESTMENTS

What Experience Has Taught Us About Bond Buying

YEARS would be required to read all that has been written by able writers on the subject of bonds. In the few minutes allotted to me on this broad subject, I shall confine my remarks to "Bonds for Banks" having no specially organized bond department.

Until the appearance of Liberty Bonds, few country bankers had a speaking acquaintance with bonds. They bought Liberties from patriotic motives and thereby reduced their dwindling revenues. "Liberty Bonds" looked well in the bank's statement. They still do, for they represent the best security the world has ever known.

At the close of the war, shrewd, high-powered salesmen entered the smaller towns in droves to trade individuals and banks out of their Liberties for all sorts of merchandise, stock and higher interest bearing securities. At this point the country banker gradually became a student of bond values. He found himself in a new and, to him, an untried field. His task involved making selections for his bank and his customers as well. This new activity for his customers placed a responsibility on him which practically amounted to a personal endorsement of every security selected and sold.

A Good Teacher

The country banker, unfortunately like many men in other lines, is not a reader nor a follower of text books. Experience is his time tried teacher. The experience of many country bankers has been bitter, expensive and in some instances disastrous. However, he has learned much and today he is a canny buyer. He may be confused and uncertain about what to buy, but to a great extent he knows what not to buy.

The country banker has learned from experience the essential facts about bond buying and has accepted the responsibility of caring for his customers' investment needs

By John W. Black
President, J. W. Black Co.
Minneapolis

(From address at Tri-state Conference)

He first learned that his understanding of the word "bond" had a different meaning from that of the house originating the issue.

Experience As A Teacher

"Beginning from necessity rather than choice, the country banker has developed a new line which shows increasing profits and volume. What he lacks in theory is more than made up by hard headed, individual judgment. His frank acceptance of his personal responsibility to those he serves might well be emulated by all those who distribute in a wider field in a larger way."

Shylock says—"It is so nominated in the bond"—indicating a definite agreement—a sacred promise. Many issues are marketed on a "when, as and if basis."

The authorities I have read do not offer a solution of the small country bank problem. Well balanced proportions of Liberties, municipals, rails, utilities and industrials with selected timely maturities and geographical distribution, are not for the country banker.

The relatively small amount which may be carried in secondary reserve when deposits are at their peak will not permit the indulgence of this well balanced, universally approved practice.

The city buyer of securities in large

amounts, with all his text books, theories and investment services, lacks as does the country banker the information he should have in order to buy intelligently.

We have no law in this country compelling the publication of information on securities as is required in England under the provisions of the British Companies Act. Its adoption here has been urged from time to time; but apparently the security handling fraternity is not yet ready for it.

The British Companies Act provides—that "information must be given as to what actually is to become of the money paid in; what part of it goes for services and the nature of the services. What proportion goes to promoters, bankers, underwriters and others"—all in order that the purchaser may have the facts.

If this information were forthcoming we would have fewer heartaches in the security business.

In my many conversations with country bankers on the subject of bonds, I have learned much and recommend their observations to those whose business it is to market securities.

A Great Difference

To the banker there is a world of difference whether he buys a security or has one sold to him. He now gives greater consideration to security and marketability than to rate. He finds it advisable to confine his purchases to a few reliable houses than to buy from each calling salesman.

He has learned too that even the best houses have bonds to sell and that once a bond is bought, he assumes the responsibility of ownership. He has learned to regard new and unseasoned issues with suspicion. He knows that

no salesman can afford to spend his time and money calling on him to market a security which can be marketed over the telephone in his own office.

Therefore, he has come to regard the financial sheet of his favorite city paper as the best of all offering sheets. In its columns he sees the world's best seasoned securities, together with prices at which the shrewdest investors are willing to buy or sell.

Time was when so-called participations were offered and eagerly accepted by the country banker. The magic word "participation" used by many to market slow issues no longer has the same appeal. I assume there is no necessity of elaborating on this phase of the marketing of bonds. He sticks his tongue in his cheek when a salesman says "Here is a security you can put away and forget." He has learned that all securities are sold "as is" and that no bond house however reliable, can foretell the future. In other words, a regular check-up on each security owned is his best safeguard.

If he could, the country banker would put his tongue in both cheeks at the same time when the salesman says "Our house stands back of this issue." He does not dispute the statement but has found that the house usually stands too far back in a time of need.

He has learned that tight money will cause his good bonds to sag and by the same token cheap money will cause an appreciation in prices.

He is less concerned about the fluctuation in prices of his good bonds than formerly. If his needs are pressing during a temporary period of high

rates, he need not sell and take a loss, but can use them as collateral on a satisfactory basis with his big city brother.

He has learned too that a good, well secured, marketable bond, netting from 5 per cent to 5½ per cent, will not go out of style for any considerable period.

He has set up a secondary reserve in accordance with his individual requirements. This varies from 20 per cent to 50 per cent of total deposits. Public money goes into secondary reserves rather than to local borrowers. The secondary reserve fund may be split in equal amounts among the five recognized classifications.

That seasonal withdrawal of public monies should be anticipated and provided for by a like amount of short maturities.

He has learned that the test of a bond is much like the standard he unconsciously sets up for the individual—past performance is the best known guide.

A Real Problem

One of his most perplexing problems during a temporary depression in prices has been the Banking departments—state and national. Examiners generally, are woefully lacking in bond lore and until recently the heads of these departments have failed to even attempt to advise constructively on the subject. As on all other matters in connection with the operation of a bank, the examiners have an abundance of authority while they assume no responsibility.

In justice to the banking depart-

ments, and speaking from my own experience with both departments, I can say in all sincerity that their supervision is now constructive. Furthermore, these important departments would and could do more for the banks and their customers if not hampered by the meagre appropriations granted them by penny wise and pound foolish legislatures.

The crooked salesmen of worthless securities had more to do with forcing the country banker to distribute good securities than any other agency. The country banker would not buy from these tricksters, but they were selling their wares to the banks' customers, with the result that both principal and interest were lost to the individual, the bank, and the community.

The average banker was disinclined to deplete his time deposits through the sale of securities. He soon learned, however, that savings accounts are built up for a purpose and that purpose is not to be satisfied with 3 or 4 per cent. He learned too that if he failed to supply his customers with satisfactory securities, others would satisfy the demand with disastrous results. And, so, the country banker has become an important distributor of securities.

Beginning from necessity rather than choice, he has developed a new line which shows increasing profits and volume. What he lacks in theory is more than made up by hard headed, individual judgment. His frank acceptance of his personal responsibility to those he serves might well be emulated by all those who distribute in a wider field in a larger way.

ORDERS LIQUIDATION OF PETERS TRUST COMPANY

Liquidation of the Peters Trust company of Omaha was ordered by District Judge Redick in the Douglas county district court, on petition of the state department of trade and commerce, Monday, November 25.

The petition was filed, and the order entered on request of the directors of the company, under provisions of a law adopted in 1929 by the Nebraska legislature. An agent to supervise the liquidation will be appointed by C. G. Bliss, secretary of the department of trade and commerce.

Deflation in farm land values dating since 1920 was blamed for the condition of the company. It was emphasized that the principal loss would be stockholders in the company; that there was a comparatively small sum on deposit for investment that would have the standing of unsecured debts,

For complete investment
facilities and sound
sincere, counsel.

RUFUS E. LEE & COMPANY

Investment Bankers

1116-1122 City National Bank Bldg.

Omaha

and that the trust department under Judge Howard Kennedy was entirely separate from the other activities of the company.

The principal officers of the Peters Trust company are R. C. Peters, president, and M. D. Cameron, W. S. Weston, C. J. Claassen, H. W. Potter and Howard Kennedy, vice-presidents.

The following statement was issued:

"Business of the Company was definitely divided into two Departments. The Trust Department, under the direction of Judge Howard Kennedy acted as trustee for estates, escrows and other trusts involving in excess of \$12,000,000.00. Other activities of the Company included the merchandising of bonds and mortgages, the making of farm and city real estate loans, the writing of insurance and the renting of city property.

"The two lines of activities were entirely distinct and separate. Securities and moneys belonging to trusts administered in the Trust Department under Judge Kennedy's direction were held entirely separate from securities or funds of the Company itself. Separate safes were maintained for such securities and officers of the Company and the State Banking Department emphasized the fact that these trusts are in no way concerned or involved in the general affairs of the Company.

"The action taken marks the termination of a situation which developed as a result of the general agricultural deflation of 1920. The Peters Trust Company at that time was the largest single maker of farm loans in Nebraska. It represented a number of large insurance companies who invested their funds in Nebraska farm mortgages through the machinery which it provided. In addition, the Company placed farm mortgages with thousands of local investors in this territory. At the time that the prices of farm products and farm lands dropped in 1920, the Company had outstanding mortgages with thousands of local investors in this territory. At the time that the prices of farm products and farm lands dropped in 1920, the Company had outstanding mortgages with an aggregate face value in excess of \$50,000,000.00. The rapid reduction in the value of farm lands in a number of cases imperiled the security of these mortgages. While the Company was under no legal responsibility to protect the interests of its investors in such mortgages, inasmuch as it had acted only as a broker in negotiating them, nevertheless it made every effort to protect the investments which its customers had made through it. For

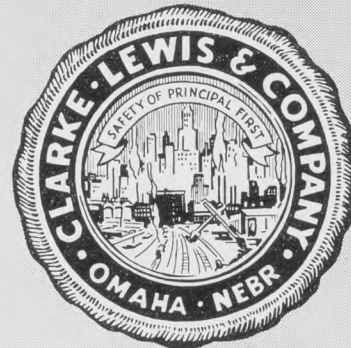
a considerable time, it made advances of interest to its customers and also provided funds for the payment of the taxes and expense of foreclosure in behalf of its customers.

"The price of farm lands continued to decline for several years, contrary to the general expectation of those in touch with the farm situation. As a result, the Company found itself burdened with a considerable quantity of real estate and slow mortgages. The amount of these slow assets was such as to seriously imperil the adequacy of the Company's working capital and it was this lack which finally made it

necessary to put the Company in liquidation.

"Considering the size of the Company's operations, its liabilities are relatively small and affect a comparatively few individuals. Total current liabilities will not exceed \$450,000.00, nearly one-half of which are bank loans properly secured by collateral.

"The Peters Trust Company was organized in 1907 under the leadership of R. C. Peters who is now president. Its last published statement showed a capital of \$600,000.00 and surplus of \$100,000.00. The invested capital necessarily included assets carried at



*Investment Counsel
and
Conservative Bond Issues*

CLARKE, LEWIS & CO.

318 SOUTH NINETEENTH STREET

OMAHA

a value beyond that at which they could be immediately sold although not necessarily beyond a fair value in ultimate liquidation.

"The present action in no way affects the purchase of the business of The Peters National Bank by The Omaha National Bank. The Peters National Bank owned no stock of The Peters Trust Company nor does the Trust Company own any stock of The Peters National Bank. The Peters Trust Company was not a debtor of The Peters National Bank. The only connection between the two institutions was that the same individuals owned the controlling stock interest."

Money No Object

A bank in New Jersey ran this advertisement in a local paper:

"Wanted—a clerk. Must be experienced in foreign exchange. Salary, \$15 a week."

This is one of the replies received:

"Dear Bank: I would respectfully apply for the position you offer. I am an expert in foreign exchange, in all branches. In addition, I converse fluently in Gum Arabic, Zola, Geogonzola and Billingsgate. I write shorthand, longhand, left-hand and right-hand. I can supply my own typewriter if necessary, and I may mention that I typewrite half an hour in ten minutes, the record.

"I would be willing also to let you have the service, gratis, of my large family of boys, and if agreeable to you, my wife would be pleased to clean your office regularly without extra charge. The cost of postage for your

answer to this application can be deducted from my salary.

"Please note, that if you have a back yard, I would make bricks in my spare time.

"Awaiting an early reply, I am," et cetera.

WHO ARE WE—AND WHY

(Continued from Page 10)

tiduous charges in our banks we should not lose sight of the value and importance of real banking service.

May I emphasize the value of this service, the nature of which I am sure you all understand by this little story and in that way bring out more clearly what I mean. There was once a man born in an obscure village. He worked in a carpenter shop until he was thirty, and then for three years he was an itinerant preacher. He never wrote a book. He never held an office. He never owned a home. He never had a family. He never went to college. He never put his foot inside a big city. He never traveled two hundred miles from the place where he was born. He never did one of the things that usually accompany greatness. He had no credentials but himself. He had no power except the naked power of his divine manhood. While still a young man, the tide of popular opinion turned against him. His friends ran away. One of them denied him. He was turned over to his enemies. He went through the mockery of a trial. He was nailed upon a cross between two thieves. His executioners gambled for the only piece of property he had on earth while he was dying—and that was his coat. When he was dead he was taken down and laid in a borrowed grave through the pity of a friend. Nineteen wide centuries have come and gone and today he is the centerpiece of the human race and the leader of the column of progress. I am far within the mark when I say that all the armies that ever marched and all the navies that were ever built, and all the parliaments that ever sat, and all the kings that ever reigned, together, have not affected the life of man upon this earth as powerfully as has the "service" of that one solitary life.

His Satanic Majesty

Little Jane was severely reprimanded by her mother for saying Devil.

The following Sunday when the little Miss returned from Sunday school her mother said, "What was the lesson about today?"

"Why mother," said Jane. "It was about our Lord being tempted by—by—by—the gentleman that keeps Hell."

OUR OFFERING LIST
WILL BE MAILED REGULARLY UPON REQUEST

A National Standard for Short Term Investment

GMAC obligations have been purchased by a clientele of nearly 8,000 banks, insurance companies, institutions and individuals, the country over. Their rating, as a national standard for short term investment, reflects established public confidence in GMAC prestige.

offered at current discount rates

GENERAL MOTORS ACCEPTANCE CORPORATION

OFFICES IN PRINCIPAL CITIES

Executive Office - BROADWAY at 57TH STREET - New York City

CAPITAL, SURPLUS AND UNDIVIDED PROFITS
OVER \$66,000,000

OPTIMISTIC FUTURE FOR INSURED BONDS, SAYS EDLIN

An optimistic outlook for real estate bonds, secured by mortgages on real estate and guaranteed by surety companies, for the coming year, is expressed by J. Kenneth Edlin of Chicago, president of the Provident States Securities Company. In an interview he points out that no unfavorable reaction has been felt toward this class of security in recent months.

"For the past year," said Mr. Edlin, "investors who had previously confined themselves to prudent investments, have been carried away by the wave of speculation that accompanies every great wave of prosperity.

"This condition probably will always be correlated with times of prosperity, large earnings on the part of corporations, and consequent easy money. The general public in practically every nation of the world, has taken the stock market into their own hands and has bid prices of stocks and other securities of like nature to extremely high levels.

"This situation had the tendency to depress such fields of investment as mortgages and bonds secured by improved real estate, and other forms of investment based on real estate. This condition immediately following a period of abnormal activity in real estate financing, where first mortgage bond houses were heavily committed to underwritings, led the houses to believe that this activity would continue indefinitely; consequently, when the public turned from conservative investments to speculative activity, the houses of issue found themselves with a large volume of frozen and partially frozen paper, with the unfavorable result that, as money grew tighter and bankers curtailed their loans, they were unable to liquidate their holdings, in consequence of which some of them have experienced more or less trouble.

"The very fact that building was extremely active also had the effect of over-building certain communities, and it may be said that the curtailment of building operation will, in the long run, prove a blessing.

"The investing public is learning that the surety companies, as a condition of placing their guaranty upon insured bonds, insist upon requirements that prevent the house of issue from underwriting loans that are not of the highest type and which are not assured of success.

"In other words, they do not permit the house of issue to underwrite, nor will they guarantee, bonds secured by a property that is to be used for some purpose that has not been proven and which has not demonstrated to be a successful proposition. They will not

guarantee bonds secured by the type of apartment building located in sections that cater to the transient type of resident. They will not consider cooperative properties, garage buildings or other types of property that the fashions of the day may affect, but which have not been proven to be desirable over a long period of years.

Properties of the very highest type may be located in sections of a city that are in process of transition, but not desirable as a place of residence by reason of the old buildings, such as those devoted to light manufacturing, garages and other structures that detract from a neighborhood.

The strict zoning laws of the cities that have been surveyed and approved

by the surety companies who guarantee real estate bonds, protect the owner of the property against depreciation of income through the invasion of undesirable buildings.

"In thus maintaining a strictly conservative attitude in the matter of bonds which they will guarantee, they compel the house to follow conservative lines and old landmarks, with the result that the properties which secure bonds which they have guaranteed are always in demand.

"Combining all of the factors, insured bonds offer to the individual investor, to banks and other institutions, a safe form of real estate bond, and assure him in advance of a high-grade security yielding a liberal income."

FOREIGN BONDS

Men who are following the financial situation very closely have advanced the opinion that good foreign bonds will be selling within six months at prices on the average of five to ten points above present quotations.

We have listed below those bonds which we believe are exceptionally good purchases at present prices and suggest the purchase of a bond of each issue for the purpose of diversification:

	Rate	Maturity	Approximate Price
City of Berlin	6%	1958	89 3/4
Republic of Brazil	6 1/2	1957	81
Department of Caldas	7 1/2	1946	83 1/2
Untereibe Power & Light	6	1953	80
Agriculture Mortgage Bank of Columbia	6	1947	71
Republic of Peru	6	1961	78
Rhine Westphalia Elec. Power	6	1953	91
Rio Grande de Sol	7	1966	84 1/8

Upon request we will purchase for you any number of the above listed bonds at the then prevailing prices, and we suggest an early purchase before these prices materially change.

Requests for bonds may be wired at our expense.

SMITH, LANDERYOU & CO.

210 Farnam Building,

Omaha, Nebraska

Ja. 5065

Building Damaged

Fire, believed to have been caused by a blaze in a trash can, caused approximately \$10,000 damage to the rear part of the Pueblo, Colorado, Trust and Savings Bank building, recently, while firemen battled an hour to extinguish the flames.

The building is one of the most beautiful in Pueblo. Traffic in the entire business district was tied up as firemen stretched hose through the streets. Dense smoke and water did most of the damage.

Increased Construction

Building construction and bank debits showed big increases recently in Colorado Springs reports reveal. Colorado Springs was one of 19 cities of the tenth federal reserve district to show an increase in individual bank accounts, according to reports from bank headquarters in Kansas City.

Building construction reports show that 21 permits valued at \$75,020, were issued in September, an increase of 44 per cent over the same period last year.

Increased Savings

The two Pueblo, Colorado, banks specializing in Christmas savings accounts, will pay out to Santa Claus savers \$100,000 Dec. 1. The sum will be divided among 1,798 depositors, which averages a little more than \$55 for each check issued.

Depositors in Christmas savings accounts at the Southern Colorado Bank, numbering 698, will receive \$35,000, which is an increase of nearly 30 per cent in both the number of accounts and the total paid out last year.

The Pueblo Savings & Trust Co. has carried 1,200 accounts in the Christmas savings department this year, and will pay out \$65,000, a increase of 10 per cent over last year.

Merged

The American National Bank and the new First National Bank of Silver City, New Mexico, have been consolidated.

The new institution will be known as the American National Bank and will be housed in the First National Bank building and the personnel of the entire institutions will be retained. The officers and directors of the American National Bank are now as follows:

J. B. Gilchrist, president; Frank Light, vice president; W. S. Haston, cashier; Paul S. Ashby, assistant cashier; directors, J. B. Gilchrist, A. S. Goodell, Leo J. Schiff, Lela A. Manville, P. M. Shelley, Ira J. Bassett, Hugh McKeen, Ira L. Wright, Frank Light, and Charles Stephens.

Deposits Increase

A substantial increase in deposits in Centerville, South Dakota, banks is shown in latest reports. Total deposits of the two banks doing business in the city is \$1,551,641.

The current statement of the First National Bank shows deposits in the bank have increased \$85,740 since the report of June 29 last. Since October 3, 1928, deposits in the Bank of Centerville have increased \$147,334, and now total \$400,000.

Damaged by Fire

Fire believed to have started from an overheated pipe caused damage estimated at \$5,000 to Citizens Bank building of Parker, South Dakota. The entire basement was gutted and the fire threatened the first and second floors when it spread through a partition.

The greatest damage was in the office of the Dakota Central Telephone Company.

For the Convenience OF INDIVIDUAL AND CORPORATE INVESTORS

PRINCIPAL CORRESPONDENT OFFICES IN THE UNITED STATES AND CANADA

Albany, N. Y.	Indianapolis, Ind.	Portland, Ore.
Atlanta, Ga.	Kansas City, Mo.	Providence, R. I.
Atlantic City, N. J.	Los Angeles, Cal.	Rochester, N. Y.
Baltimore, Md.	Louisville, Ky.	St. Louis, Mo.
Birmingham, Ala.	Memphis, Tenn.	St. Paul, Minn.
Boston, Mass.	Miami, Fla.	San Diego, Cal.
Buffalo, N. Y.	Milwaukee, Wis.	San Francisco, Cal.
Chicago, Ill.	Minneapolis, Minn.	Scranton, Pa.
Cincinnati, Ohio	Newark, N. J.	Seattle, Wash.
Cleveland, Ohio	New Orleans, La.	Spokane, Wash.
Dallas, Texas	Oakland, Cal.	Tacoma, Wash.
Davenport, Iowa	Omaha, Neb.	Toledo, Ohio
Denver, Colo.	Pasadena, Cal.	Washington, D. C.
Detroit, Mich.	Philadelphia, Pa.	Wilkes-Barre, Pa.
Hartford, Conn.	Pittsburgh, Pa.	Montreal, Canada
Houston, Texas	Portland, Me.	Toronto, Canada

FOREIGN OFFICES

London, England	Geneva, Switzerland
Manchester, England	Tokio, Japan
Amsterdam, The Netherlands	Shanghai, China

The National City Company

National City Bank Building, New York
INVESTMENT SECURITIES



Insurance

The A B C's of Business Insurance

By Hillsman Taylor

President, Missouri State Life Insurance Co., St. Louis

INSURANCE sold for the purpose of protecting one's business interests is called "Business Insurance." It is also often referred to as Corporation or Partnership Insurance. This, however, is not a broad definition because Business Insurance protects any firm, be it conducted by a corporation, partnership, or individual.

Business Insurance selling differs from the selling of personal insurance in that in the first case you are appealing almost entirely to reason, that is, good business sense and judgment. In the latter, your appeal is often largely made to the heart—to a man's love for those most dear to him.

A great many life insurance salesmen and Trust Companies have made the mistake of neglecting the small corporation or partnership. It is estimated by Bradstreet that about ninety percent of our business failures are among firms having less than a twenty thousand dollar working capital. This is easy to see when you take into consideration that the large firm has the financial means to develop under studies, hoping through this medium to materially offset the loss of an executive. The small firm, due to its limited finances, is unable to make any such preparation.

A Few Hazards

The untimely death of a valuable man often threatens a concern's very existence. Many adjustments must be made. Some of the hazards that a corporation may be forced to mount are, as follows:

STOCK PURCHASES:

Quite frequently it is necessary to make a stock readjustment with the heirs of the deceased member of the firm. The surviving stockholders may not wish the heirs to have any voice in the firm's operation. A controversy may arise as to the final disposition of the stock, and as a result some outside interest may purchase the deceased's interest, which, of course, may cause friction. This has happened in many instances. Thus Life Insurance when used for the purchase of the deceased member's stock serves a double purpose. It guarantees control of the corporation to the surviving stockholders and it transforms the estate of the deceased into a liquid asset, thereby pro-

tecting both the interests of the living and dead. This especially applies to small corporations where there is no ready market for the stock. These closed corporations are virtually limited partnerships and the survivor owes it to himself to see that he is protected



HILLSMAN TAYLOR

in his business, as well as to see that the representatives of the deceased are paid a fair and commensurate value for the interest in the business.

EXPANSION PROGRAM:

The death of an executive may disturb some expansion program, so the firm needs to capitalize the brains of management just as all other assets are protected. Life insurance payable to

the corporation will protect creditors as well as stockholders. Bond and note issues can be guaranteed by life insurance on the life of a key man.

It happens very often that the company has a contract or contracts where the profit is entirely or largely dependent upon the personal efforts of the executive or executives. The death of one may shake the faith of bankers or business people generally in the strength of the corporation but if this business ability is fully protected by insurance, the death substitutes financial power for executive power. No medium sized company can afford to enter upon a period of expansion without due preparations having first been made and the most important of these is adequate insurance.

PARTNERSHIP:

In the case of a partnership, the death of one of the partners immediately dissolves the partnership. It cannot be otherwise unless the partners themselves provide for the continuation of the business in a legal manner. Each partner having a proportionate interest in the partnership assets, the interests of the dead partner naturally passes to his estate. His heirs are not entitled to the partnership assets, but they are entitled to their share of the assets liquidated by the surviving partner. All partnership assets remain to be administered by the surviving partner. A surviving partner must perform each of the following duties:

1. An immediate inventory and appraisal of the partnership assets and liabilities must be made.

2. As the surviving partner, he is not the owner of any part of the partnership assets. He has the responsibility of liquidating the business, selling the assets for the best price.

3. Any partnership assets sold must be subject to the approval of the Probate Court, executor or heirs of the deceased. The surviving partner has no priority over others.

4. He cannot incur any obligations except those necessary to liquidate.

Solves the Problem

Partnership life insurance solves the problem. In a great many instances, it is advisable to have an outside party named as trustee in the partnership

(From address before Trust Co. Division of the A. B. A., at San Francisco)

agreement. This second party should render unbiased decisions and, of course, will see that the articles of agreement are all performed. Under ordinary conditions, the average firm is more interested in Ordinary Life for business insurance purposes than any other form of contract; the reason being that it purchases maximum protection for the premium outlay and on a permanent basis, thus creating a corporation asset year by year, as shown in the cash values of the contract. Sometimes however, Term Insurance is used to advantage and also Twenty Year Endowment; the latter form of contract may be used for the purpose of retiring a bond issue.

The *Magazine of Business*, in a study of businesses, has estimated that only five and a half per cent of all businesses survive over a period of thirty years, and that forty-five per cent of all new business die within five years. The Federal Trade Commission, a few years ago, estimated that there were 250,000 businesses in the United States. Of these concerns, 190,000 made less than \$5,000 of profits; 100,000 of this 190,000 group made no profit at all. In other words, about seventy-six per cent of all businesses are on the danger line where any unexpected happening might throw them into insolvency.

The small firm needs business in-

urance most of all. Ninety-five per cent of all businesses which fail have little or no capital, ninety per cent have less than \$5,000 capital.

According to R. G. Dunn & Company, 390,000 commercial failures are recorded for the United States in the past 25 years. In practically every case, these recorded failures are those which involve loss to creditors. Those where the owners absorbed the loss themselves are not reported. From this, we may gain a fair idea of the hazard of investing money in business or industry and, therefore, more clearly see the need for business life insurance.

When death removes the owner of an Individual business, the executor needs cash, or credit, or both in order to carry on with the business—possession of capital or credit will prevent heavy loss through the forced sale of the business and will enable the executor to carry on until a proper disposition of the business can be arranged. Credit at banks and with wholesalers will be safeguarded.

In a partnership, death automatically dissolves the firm and requires that the affairs of the firm be wound up. Business Life insurance where the insurance is on the life of a partner enables the survivor to meet the immediate demands upon the business from creditors and to satisfy major and pressing obligations. Thus he is able to discharge partnership obligations and continue the business as a sole owner or until such time as he may wish to take another partner.

Corporations are becoming more and more liberal users of business life insurance. The usual custom is to insure the key-man or key-men of the corporation—executives and others whose removal by death would bring great loss to the business. Immediately upon the death of such a key-man, life insurance would step in and absorb the financial shock which otherwise might result in ruin or near-bankruptcy. Life insurance may also be used to adjust stock interests in a corporation where members of a family are in control so that when a stockholding official dies, the family control may be continued.

Business life insurance is designed to accomplish three things: To protect against direct financial loss through death; to maintain credit which might be impaired; and to create new credit by establishing immediate confidence in the ability of the business to successfully carry on.

It is a remarkable fact that American Life Insurance enjoyed nearly a half century of rapid development and progress in its tremendous service to



THE Federal Surety Company really recognizes the agent as a partner. We realize that this company's growth is dependent upon its agency force—and *we are determined to grow.*

FEDERAL SURETY COMPANY

A NATIONAL INSTITUTION OF SERVICE

W. L. TAYLOR, President

Casualty Insurance

HOME OFFICE

Surety Bonds

DAVENPORT, IOWA

Central Western Banker, December, 1929

mankind before the idea of Business Insurance took tangible form. But there are a number of reasons to account for this delay in advancing this important branch of the Life Insurance business.

Indemnifies Against Loss

Business Life Insurance is simply a special application of the general principle of "Indemnity Against Loss" which is embodied in any real insurance contract. It has, however, become almost a separate branch of the business requiring on the part of the life insurance man a definite knowledge both of business operations and the details of his own contract and company practice.

FUNCTIONS DURING LIFE OF INSURED:

There are certain very important benefits resulting from business insurance even though the insured officer or proprietor does not die but lives out his normal span of usefulness to the concern.

Business insurance safeguards the reservoirs of cash and strengthens the credit of carrying it in the following ways:

a. By creating a favorable impression upon the banker because of its indication of foresight and caution.

b. By providing through the loan values of the policies, a separate source of borrowing power when other avenues of credit may be closed.

c. By furnishing assurance that the policies may be borrowed upon in cases of emergency at reasonable interest rates definitely stated in the policy contract.

d. This ability to borrow upon the business insurance policies may save the concern from the danger of having to borrow from individuals who are seeking to get control of the company.

The carrying of business insurance inspires the confidence of possible investors who otherwise might be repelled through fear of loss in case of death of "key-men" if not insured.

The particular advantages of an emergency surplus created through business life insurance are:

a. The funds are figured beyond danger of loss because of the guarantee contained in the policy contract, supported by the millions of assets of the Insurance Company.

b. Such a reserve is entirely separate from the general assets or working capital of the concern.

c. It is always available even in times of financial stress.

d. It is accumulated regularly because of the compulsion exercised through the regular premium notices, etc.

e. The funds are free from care and require no thought or re-investment.

f. Such a reserve is available without publicity and is a concealed asset.

g. It is constantly increasing without loss to other operation of com-

ound interest and it is available at a guaranteed low rate of interest.

Business insurance inspires in the insured officer himself a sense of loyalty and enthusiasm which he might not otherwise have. The very act of

The Time, The Contract And The Man

We might aid you in bringing
about the proper combination
of these three elements.

OMAHA LIFE INSURANCE COMPANY
Omaha, Nebraska

H. E. WORRELL, Sec.-Treas.

The SERVICE LIFE INSURANCE COMPANY

of Lincoln, Nebraska

B. R. BAYS, President

The Service Life is known as a company of Service,
Ideals and Aggressive Principles

WE STAND ON OUR RECORD
STARTED BUSINESS SEPTEMBER 20, 1923

Total Admitted Assets		Standard Business in Force
\$125,682.73	Dec. 31, 1923	\$196,000
\$140,737.36	Dec. 31, 1924	\$3,142,500
\$303,724.87	Dec. 31, 1925	\$7,058,600
\$522,557.94	Dec. 31, 1926	\$10,829,700
\$767,380.73	Dec. 31, 1927	\$13,071,662
\$1,013,048.00	Dec. 31, 1928	\$15,506,000

Central Western Banker, December, 1929

insuring him is in itself definite expression on the part of his organization that they regard him highly. It also inspires loyalty in the junior officers and employees because of their feeling of security and confidence in the continuance of the business, even in the case of the death of this officer. Therefore, the carrying of business insurance by a firm has a tendency to attract to it high-grade men who feel a confidence in their loyalty toward a business which is thus provided for in its continuance.

Goes to Lincoln

D. E. Ruggles, until recently with the Fred S. James Co., of Chicago, has gone to Lincoln, Nebraska, to become sales director for the Midwest Life Insurance Co. He takes over the sales ac-

tivities of Carl B. Newlon, secretary of the company, now on an indefinite leave in search of health. Mr. Ruggles was with the Travelers life department for a number of years at Pittsburgh and Boston and later as agency manager at Cincinnati and Baltimore. Of late he has worked on special lines such as establishing life connections with brokerage offices.

Likes Home Office School

A. B. Olson, sales director for the Bankers Life of Nebraska, has been completely sold on the home office school for agents, a recent survey showing that while this plan has been in operation less than two years more than 30 per cent of the total volume of business is coming from the forty-odd graduates of this school who are regu-

lar producers. Sixteen men were graduated at the term just closed. Only those are accepted as students are recommended by general agents who pick them among the more alert men with whom they come in contact.

Travelers President Dead

Louis F. Butler, president of the three Travelers insurance companies of Hartford, died last month after a two weeks' illness.

Mr. Butler was the chief executive of Hartford's largest business enterprise and the world's largest multiple-line insurance organization.

He spent his entire business life of nearly forty years with the Travelers, having entered the employ of the company after his graduation from the Hartford (Connecticut) Public High School in 1890.

an IDEAL BANK for Bankers

THE UNION of the State Bank of Chicago with The Foreman National Bank and The Foreman Trust & Savings Bank is one of vital interest.

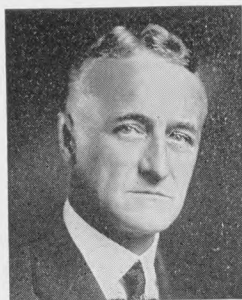
As a result of this union, the new institution—with its invested capital of \$38,000,000 and resources exceeding \$220,000,000—takes its place as one of the truly complete banking institutions in the world.

These two old banks—both well known for the high type of service rendered to correspondent banks in the past—are now consolidated into a larger, greater institution. It will offer—in addition to the same individual attention—the even greater facilities made possible by the consolidation of two large, experienced and highly capable staffs . . . the combined sound counsel of years of banking.

We place these complete facilities at your disposal and invite you and your business to this ideal bank for bankers.

**THE FOREMAN NATIONAL BANK
THE FOREMAN TRUST AND SAVINGS BANK
STATE BANK OF CHICAGO
CHICAGO**

Nebraska News



WM. B. HUGHES, Secretary
Nebraska Bankers Association

Re-organized

The American State Bank of Kearney, Nebraska, has been re-organized and will be opened for business by the first of December, with a capital of \$50,000 and a surplus of \$10,000. It will be operated by the following officers: Thomas Gass, president; R. H. Barber, Paxton, vice-president and Paul H. Kannow, Keyston, cashier. These three men, with John A. Miller and Horace Cary, Kearney, will form the directorate.

Both Barber and Kannow have been in the banking business over fifteen years, holding executive offices in banks at Paxton, Keystone and Arthur. The list of stockholders in the new bank is representative of the business interests of Kearney.

Heads Clearing House

Phil Hall of Greenwood, past president of the Nebraska Bankers' Association, was elected president of the second regional clearing house Association following its organization at Lincoln recently. S. H. Buck of Otoe was named vice president. Floyd Pope of Lincoln, secretary, and E. C. Carter of Seward, treasurer. Cass, Otoe, Seward and Lancaster are included in the district.

J. M. Sorenson of Fremont, chairman of the regional clearing house committee of the Nebraska Bankers' Association, explained the work of the Fremont association. Clarence Bliss, secretary of the department of trade and commerce, explained the re-organization work under way in failed banks today.

L. C. Chapin, representing the Lincoln banks, officially joined the organization and offered the cooperation of the city banks in the work.

M. Weil and Stanley Maly of Lincoln, and Con Classon of Omaha also spoke briefly. Other speakers included Fred Carston of Hallam, Henry Schneider of Plattsmouth, Will Moore of Denton, Henry Guthman of Murdock and a number of others.

Eighty bankers were present, twice the number that originally were ex-

pected. The organization of the clearing house was effected by a unanimous decision of those present.

New Bank President

At the regular monthly meeting of the directors and stockholders of the First National Bank of Snyder, Nebraska, Edwin A. Duff was elected president of that bank in place of the late W. A. Cotton who passed away some months ago.

Re-opened

With deposits amounting to \$104,000 and an ample cash reserve, the Farmers and Merchants Bank of Edison, Nebraska, was reopened Commissioner Woods announced recently.

Under new management, the bank has \$20,000 capital and a surplus of \$5,000.

The Edison bank, Mr. Woods stated, is the seventeenth institution reopened under the provision of a legislative enactment permitting the depositors to undertake reorganizations.

In this case, he said, depositors agreed to accept a 60 per cent reduction in their respective accounts. They will receive in turn, all slow and doubtful assets for possible liquidation in addition to the 40 per cent credit to each account.

G. E. Fritzer is the new president and Merlin R. Garey is cashier.

Applied Science

"That was an excellent paper your daughter read on The Influence of Science as Applied to Practical Government."

"Yes, Helen is the pride of her class, and now that she has mastered The Influence of Science as Applied to Practical Government I hope she will be willing to find out something concerning The Influence of the Vacuum Cleaner as applied to the Parlor Rug."

Buys Bank

Purchase of the Farmers State Bank at Collegeview, Nebraska, by W. E. Barkley and Morris Weil of Lincoln was announced recently as the outcome of negotiations in progress with a committee of depositors for some time past.

The new owners will resubscribe the \$25,000 capital and \$5,000 surplus, while the depositors committee will take over all doubtful paper and real estate.

Several citizens of the suburban

community are to be directors and officers of the bank when it is reopened. It is possible that the Normal State Bank, acquired some time ago by Mr. Barkley and others, will be consolidated with the one at Collegeview, though this has not been definitely decided.

Under the agreement, the purchasers will pay \$20,500 for an equal amount of good paper in the bank and \$2,500 for its furniture and fixtures making the total price \$23,000. About \$8,000 in cash collected by the state bank examiner in charge will be retained for the depositors, giving them a total credit of \$31,000 on the books of the bank when it reopens.

With Bancorporation

Two Fairbury, Nebraska, banks, the First National and the Fairbury savings, recently announced their affiliation with the Northwest Bancorporation of Minneapolis, which controls seventy-nine banking institutions in the middle west. The Fairbury banks are the first Nebraska banks outside of Omaha to become affiliated with the organization.

Luther Bonham, president of the two institutions, said the deal involved a consideration of \$3,000,000. The First National Bank was founded in 1883 and the Savings Bank in 1892. The total capital of the two banks is \$227,414 and their deposits \$2,541,814. Both banks have resources of \$2,868,229.

Reopens at Clarks

With the reopening of the Farmers' State Bank at Clarks, Nebraska, the list of institutions brought back to solvent condition under the new law providing for composition settlements with depositors holding 85 per cent of all claims is increased to 18.

The bank at Clarks had \$180,000 of deposits at the time it was closed. Under the signed agreement which has been carried out, every depositor will be credited with 60 per cent of his account, the remainder being charged off to balance the removal of bad and doubtful assets from the bank, which are turned over to a committee of the depositors to realize whatever salvage they will bring. State Commerce Secretary Bliss made the following announcement:

"The Farmers' State Bank of Clarks, has submitted all papers necessary for reopening to the department of trade

and commerce and these have been approved.

"The bank will reopen with a new capital of \$20,000 and surplus of \$5,000. The new officers are F. L. West, president, and Vincent Douglas, cashier."

Fourth Clearing House

Bankers of Pawnee county went to Humboldt, Nebraska, recently to attend a meeting called for the purpose of organizing the fourth regional bank clearing house association in Nebraska. The district will comprise four counties, Pawnee, Richardson, Johnson and Nemaha.

The meeting at Humboldt was called following discussions by bankers of the counties interested at the state bankers' convention in Omaha.

Formal organization of the clearing house district will be effected by election of a president, board of directors, and other officers, and the adoption of a constitution and by-laws.

AFTER DISCUSSIONS lasting several weeks, President W. Dale Clark of the Omaha National Bank

has announced that all proposals for the sale of its stock has been abandoned. The announcement followed a lengthy meeting of the directors of the Omaha National Bank, attended by Walter W. Head, chairman of the board, of Chicago. During the conference, Ford Hovey, president of the Stock Yards National Bank, and Gwyer Yates, vice president of the United States National Bank, both of which Omaha institutions are members of the Northwest Bancorporation, were called into the discussion.

Mr. Clark's statement follows:

"Inquiries have been made regarding current rumors as to the possible affiliation of the Omaha National Bank with some one of the large bank groups which have been formed in various sections of the country. While, as I stated some time ago, we have been approached by several such organizations, these discussions have been definitely abandoned. We are not considering any plan which will change the present control of our bank or its affiliated institutions."

Despite this announcement, rumors continue in Omaha that the discussions

might be resumed later. It was pointed out that the drastic drop in New York stock exchange prices had made the banking situation uncertain, and Mr. Head remarked, on his arrival in Omaha, that he would prefer to own Omaha National Bank stock, rather than almost any other. It was also said that as much as \$600 a share had been offered for the Omaha National stock, during the merger discussions.

NEBRASKA'S third regional clearing house association, which was formed at Hastings by bankers representing 48 banks in Adams, Franklin, Kearney and Webster counties, began operations with J. W. Ouderkirk, Kene-saw, chairman; Vern Manahan, Hastings, secretary.

DEPOSITS in the state banks of Nebraska decreased approximately 2½ million dollars between June 29 and September 24, according to the report of George W. Woods, state bank commissioner.

On September 24 the deposits were \$217,646,215 and on June 29, 1929, \$220 million dollars. Twenty-one state banks were closed and fifteen reopened during July, August and September, the closings being said responsible, in large measure, for the decrease in reported deposits.

On September 24, Mr. Woods said, individual deposits subject to check, in the state banks, totalled \$85,520,364; demand certificates of deposit, \$16,738,290; time certificates of deposit, \$93,694,139; savings deposits, \$15,710,913.

Loans and discounts totalled \$151,945,997 compared to the previous total of \$156,498,766. Total resources of the state banks on the date last determined were \$248,535,959.

OMAHA BANK clearings for October, 1929, totalling \$230,118,611, were the largest for any single month since the post-war boom days of 1920, according to announcement of the Omaha Clearing House Association. In March, 1920, clearings reached a peak of \$393,358,086.

The total for October, 1928, was \$219,214,148. The total for September, 1929, was \$199,974,207.

Bankers said the large October clearings were, for the most part, due to heavy purchases in this territory of live stock for feeding purposes, transactions incidental to the large turnover of stocks, and the normal fall increase in business.

BYRON DUNN, banker of Lincoln, Nebraska, was seriously hurt recently when his car crashed into the supports

ENDEAVORING AT ALL TIMES TO
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ERS IN THEIR INVESTMENT NEEDS

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ANNOUNCES A COMPLETE LINE OF THE MOST UP-TO-DATE, HEAVY DUTY ADDING AND BOOKKEEPING MACHINES EVER OFFERED. DIRECT SUBTRACTION, VISIBLE TOTALS AND EVERY FEATURE MAKING FOR EASE OF OPERATION AND SPEED.

NEBRASKA DISTRIBUTORS

Central Typewriter Exchange, Inc.

1912 Farnam St.

(Established 1903)

OMAHA, NEBR.

of an overhead railroad bridge in Lincoln.

REORGANIZATION of the Potter State Bank, Potter, Nebraska, was affected November 20, when the interests of C. A. Larsen, president and F. C. Harris, cashier, were acquired by a local group who named the following officers: N. H. Troelstrup, president; Joseph Johnson, vice president; F. T. Enveldson, cashier; William Hagenmeister, Joseph Nelson and Ferd Wiekhorst, directors. The capital of the bank was increased from 20 thousand dollars to 25 thousand dollars.

A REPORT by the American Bankers Association on savings deposits for the year ending June 29, 1929, lists a loss of 102 thousand savings depositors in Nebraska for the year, over the preceding year, and a shrinkage of \$17 an average deposit.

In Omaha, however, the banks reported a substantial increase in Christmas savings funds, to that over half a million dollars was ready to be paid out in December.

The Omaha National Bank was first in total of Christmas savings funds with 190 thousand dollars, compared to 165 thousand dollars the year before. The United States National Bank, with 175 thousand dollars in such funds, almost doubled its savings total over the previous year. The First National Bank reported 50 thousand dollars, an increase of 10 thousand dollars. The First National Bank also conducts vacation savings clubs, and a public school savings account plan.

The total Christmas savings funds in Nebraska this year was said to be \$2,710,000.

DEPOSITORS of the Irrigation Bank at Scottsbluff, Neb., which has been closed, decided, at a meeting November 16, to ask for receivership of the bank. Attempts to reach an agreement with James H. Casselman, president of the bank regarding the management of some property he had turned over to the bank at the time of its closing, led to the decision to ask for a receivership, and not to waive claim to stockholders and directors liabilities. No further efforts will be made, it was said, to reorganize the bank.

THE RESIGNATION of Neil H. Dunn, president of the First National Bank of Hastings, Nebraska, was accepted November 19. The resignation followed Mr. Dunn's indictment by the federal grand jury at Lincoln, on charge of mishandling bank funds; a

charge which arose from operations, it is said, in which the bank lost nothing.

To succeed Mr. Dunn the Hastings bank named A. H. Jones, a director for the past 11 years, president of the bank. E. E. Cushing was added to the directorate in the vacancy made by Mr. Dunn's resignation.

A FIVE FLOOR addition to the First National Bank of Omaha is being constructed, to cover 63 by 112 feet of ground on the west of the present building. The addition is to be completed May 1.

The second floor of the addition will connect with the present main floor of the bank, and the third with the bank's mezzanine floor.

The First Trust Company, affiliated with the First National Bank, recently moved to larger quarters in the First National Bank building.

LEAVING the convention of the Nebraska Bankers Association at Omaha, A. N. Mathers of Gering, the newly elected president of the group, called on Governor Weaver at Lincoln, Nebraska, and told him that banking

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EDWIN N. VAN HORNE, President
T. B. STRAIN, Vice-President
EDWARD A. BECKER, Cashier

W. S. BATTEY, Asst. Vice-Pres.
RAY C. JOHNSON, Asst. Vice-Pres.
WHEATON BATTEY, Asst. Cashier.

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T. F. MURPHY, *Vice-President*

C. F. BRINKMAN, *Ass't V.-President*

P. B. HENDRICKS, *Ass't Vice-President*

R. R. RAINEY, *Cashier*

H. E. ROGERS, *Assistant Cashier*

E. E. LANDSTROM, *Assistant Cashier*

A. L. VICKERY, *Assistant Cashier*

V. B. CALDWELL, *Assistant Cashier*



OUR BANKING ROOM
MAIN FLOOR RIGHT

OFFICERS

FORD E. HOVEY, President
 JAS. B. OWEN, Vice-Pres.
 F. J. ENERSON, Vice-Pres.
 W. H. DRESSLER, Cashier
 L. K. MOORE, Asst. to Pres.
 H. C. MILLER, Asst. Cash.
 C. L. OWEN, Asst. Cash.
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In the very midst of the Omaha Live Stock Market, stands this bank—a material factor in the production and distribution of Live Stock.

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Live Stock Proceeds

Stock Yards National Bank of South Omaha



Affiliated with the
Northwest Bancorporation

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conditions in the state are "decidedly on the upgrade."

He said improvement was due to a general betterment in business methods, and to a raising of banking ethics to a higher plane, and generally, the exercise of more sound judgment.

"We have had some closings, it is true, but they are the natural result of an over-banked state," said Mr. Mathers. "A banking business today, unlike any other enterprise, is not easily disposed of and closings have been the eventual conclusion."

Mr. Mathers said more efficient inspection and regulations have improved the condition of state banks in Nebraska.

Is Appointed Actuary

Announcement has been made of the appointment of Waid J. Davidson as Actuary of the National Life Company, Des Moines, Iowa. Mr. Davidson was born in Marion County, Iowa, and is a graduate of the State University of Iowa where he majored in mathematics. He is an associate member of the American Institute of Actuaries as well as a member of the Fraternal Actuarial Society. For the past two and a half years he has been chief actuary of the Nebraska Insurance Department.

Branch Office in Omaha

R. J. Schofield, formerly with the Royal and Eagle Indemnity in Chicago, has moved to Omaha to open up a new branch office for the same companies, in Missouri, Kansas, Iowa, Nebraska and South Dakota. His offices will be at 1504 Dodge Street, Omaha. The new office will be a branch service office for agents only.

Business Good

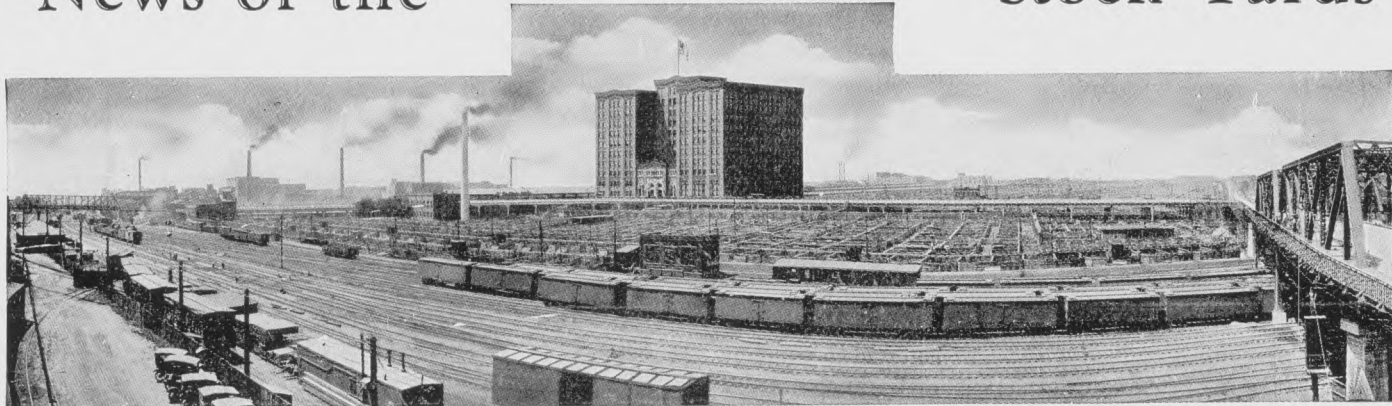
That the tone of South Dakota business is uniformly wholesome is indicated by the reports from scattered parts of the state following interviews with business men and bankers in their respective communities.

In spite of the fact that "farm relief" has not actually come, the agricultural districts are reporting increased bank deposits. Running through reports also is cognizance of the part that dairy and poultry are playing in giving an increased and steady income.

Irish Bull

PAT: "Have you seen the new agent, Mickey? Sure, he's the thinnest man I iver saw. You're thin, and I'm thinner, but he's thinner than the two of us put together!"

News of the Omaha Stock Yards



One-Quarter of Farm Income

Last year the farm value of dairy products amounted to approximately three billion dollars, according to figures compiled by the United States Department of Agriculture.

"Many people fail to realize the size and importance of this industry," says O. E. Reed, chief of the Bureau of Dairy Industry. "It may help some to a clearer realization of the dairying business to learn that this three billion dollars amounts to 26 per cent or a little more than a quarter of the total value of all agricultural produce. The dairy cow accounts for about one dollar as against three by all the other animals and crops in the country."

"This development," Doctor Reed says, "has been accompanied by an ever increasing appreciation by the public of the value of milk and dairy products in the diet and their relation to the health and general welfare of the people."

In the relative stability of the dairy industry, Doctor Reed finds an obvious explanation of the increasing number of investors who are keenly interested in the industry. "The stability of dairying," he says, "has resulted in large investments of capital, not only on farms but in manufacturing, processing, and distribution plants."

It would be unfortunate, however, Doctor Reed points out, if the present favorable position of the dairy industry should lead many producers to expand their business or if it should induce many men not now in the business to enter the field. In recent years the domestic production of all dairy products has amounted to about 99 per cent of the demand, a close margin.

Output Per Feed Unit Increased

Illustrating the postwar increase in the output of animal products per unit of feed consumed, the United States Department of Agriculture points out that in Illinois, for example, the pro-

duction of milk increased 17 per cent between 1919 and 1924, whereas the number of cows and heifers kept for milk remained stationary. In seven Corn Belt States as a whole milk production increased 20 per cent during the same period, while the number of cows and heifers kept for milk increased only 8 per cent. For the United States as a whole milk production per cow increased 12 per cent.

Output of hog products also increased. The average number of hogs on farms January 1 in the period 1922-1926 was about the same as in the period 1917-1921. Between the same periods the increase in pork and lard produced under federal inspected slaughter, which is nearly two-thirds of the total slaughter, was 25 per cent. Allowing for the increase in inspected slaughter it is estimated the total increase in the output of hog products between these two periods was about 20 per cent.

The increase in the production of beef and veal per head of cattle on farms was less. Increase in production per animal is, of course, much greater than increase in production per unit of feed consumed by the animals; but after allowing for the feed released by the decline in horses and mules, it appears that whereas animal products increased about 16 per cent the feed consumed by the animals increased only about 8 per cent between the two periods five years apart.

Cattle Valuation Revised by Court

The recent ruling of the supreme court of Nebraska in the matter of the increased valuation of cattle in this state for taxation purposes is of interest to every stock grower in the state.

On August 2nd the State Board of Equalization, without notice to any one, entered an order increasing the assessed values of all cattle in Nebraska in the amount of 10 per cent. The increase in assessed valuation was \$9,843,480.00.

The county of Stanton, jointly with Louis Smithberger and Theodor Lamml, two prominent Stanton county cattlemen, immediately filed petition in error in the supreme court of Nebraska, and the attorney secured an advancement of the case for early hearing. It was argued before the supreme court, November 8th, and the decision by the court was that:

1. Increase in assessed valuation cannot be made without notice.
2. Uniform increase in all counties does not constitute equalization.
3. Procedure adopted was in contravention of constitutional guarantees.

The above mentioned case was by agreement made the test case, the result of which was to determine the validity of the increase in all counties. The increase would have resulted in approximately \$125,000 in extra taxes upon the cattlemen of Nebraska, besides a precedent dangerous in the future if the state board could possess such autocratic powers.

In the same order the board of equalization, increases were also made in telephone, telegraph and power values. These were of less importance than the cattle increase. It was argued to the court that these utility companies would but raise their rates and cause their consumers to pay additional taxes, where the cattle owners were powerless to shift the burden of the tax if it was legal.

The Defendant

THE JUDGE: "This lady says you tried to speak to her at the station."

SALESMAN: "It was a mistake. I was looking for my friend's sister, whom I had never seen before, but who's been described to me as a handsome blonde with classic features, fine complexion, perfect figure, beautifully dressed and ———"

THE WITNESS: "I don't care to prosecute the gentleman. Any one might have made the same mistake."

Wanted: --- A Moses To Lead Us Into the PROMISED LAND

With the problems of group and chain banking, and transformations on every hand, the banking business is crying out for great leaders. How can we supply them?

NEVER was the time more favorable for the development of leadership. In the complexities of modern civilization, every hamlet, every city, every industry is crying for a Moses to lead it out of the wilderness. Where one leader was demanded three centuries ago, thousands of them today find the golden opportunity to demonstrate their skill.

Leadership and success, in a general way, are synonymous. They are both founded upon simple codes of thought and action; upon the realization that he who wins the laurels must be a doer, not a waiter; that application of energy, not time or luck, is what counts most. A rabbit's foot is a poor substitute for horse sense.

Both success and leadership, if they be of the highest quality, are the result of service to humanity. Service has been aptly described as "The supreme commitment of life." Analyze the lives and times of all great leaders of history and you will find those whose names are enshrined in the hearts of their countrymen are those who sought to render a needed service for the populace.

But leadership, like success, need not be international or national to achieve its greatest results. There is room for each of us to be a leader in his community, in his work, in his church, and in various organizations.

One of the indispensable qualities of leadership is the ability to persist steadfastly in the face of discouragements. If Napoleon had not possessed this ability, he would not have become one of the great figures of the French Revolution. If George Washington had not possessed the quality of persistence, he and his soldiers would never have survived the hunger and privations which were theirs at Valley Forge.

We have too many young men and young women these days saying a job



JOHN G. LONSDALE

cannot be done. Too many spend their time explaining why a thing can't be done, instead of saying, with firm resolve, that it can be done, and then going out and doing it. When Napoleon was advised by his engineers that it would be impossible for an army to cross the Alps in dead of winter, his reply was: "Impossibility is a word found only in the dictionary of fools. Forward, march!" And over the Alps went Napoleon and his army.

Reaching the Top

"The quickest way to go to the top is to go to the bottom of things. Let us hope the American Institute of Banking will realize this and that among its members will be found many who will not only aspire to leadership but will be successful in reaching their coveted goal."

Thus we demonstrate the principles that anything that ought to be done is capable of being done. And anything worth doing at all is worth doing well. The fellow who handles a little job in a big way is always on the road to greater fields.

To the other fundamentals of leadership already enumerated I should

By John G. Lonsdale
President, American Bankers
Association

like to add thrift, honesty, and belief in a Divine Power. There can be no material success where thrift is lacking, nor where inherent honesty is absent. And it seems to me highly essential that we have faith in the wisdom and beneficence of a Higher Power.

Honesty should be not only the best policy but the only policy for bankers, statesmen, merchants, captains of industry, and all others. One phase of honesty toward which all business men should devote more attention is the keeping of promises. Any business man who is cautious about making promises, and keeps every one he makes, is building a powerful trade-mark for his firm and in time will reap his reward in the form of increased patronage and good will.

Leadership is founded upon ability to think and to interpret. In my opinion, the greatest need of the world today is interpreters of our times—modern Daniels in agriculture, finance, politics, industry—who can see through the fog and haze that enshrouds our difficult problems and advise, instruct, and influence those who are either indifferent or limited in their preceptions. And where could we find a better recruiting ground for interpreters than among the A. I. B. membership?—the rising generation of bankers who in time must shoulder their responsibilities as conservators of public thrift.

Even nations, long after the clouds of war have vanished, have need for interpreters to sit at their conference tables in seeking to arrive at just reparation measures.

Through the thinker and the interpreter, unknown situations are disclosed; or puzzling conditions explained in logical light. The American people are so constituted that they can meet and combat any situation, once it is known and understood. It's the unknown that

WHO ARE WE — AND WHY?

(Continued from Page 12)

comes like the thief in the night and brings disaster.

Someone has defined prosperity as something the business men create for the politicians to take credit for. But America's present-day prosperity can be defined as a product resulting from the business man's ability to study and to interpret. Huge corporations maintain research staffs and special bureaus to interpret the times for them. Disaster looms in the offing for any industry that goes blithely on its way day after day without due regard to significant trends in trade and business. So rapidly do changes come about, one cannot afford to relax his vigilance, even momentarily.

What is true of industry is true of banking. Leaders of finance have discovered they cannot remain passive in an age when all the rest of the world is in a transitional stage. The modern banker not only must know about the changing styles in other lines of business, but above all must be alert to the transformations which are taking place in his own.

He must be a man of keener, broader vision, because the order of the day is for larger units of service. Mergers and consolidations have taken place in

great numbers. We now talk of billions where a few years ago we talked of millions or only thousands. Where we rendered one service a few decades back, we now render a half dozen, or more.

And perhaps we have only begun our changes, for banking of today faces many revolutionary transformations. What disposition is to be made of the many problems, including chain systems, group operation, and branch banking, will depend in large measure upon our leaders; upon the students and the interpreters who can read accurately the signs of the times so that we may base future actions and hopes upon their wisdom. Let us hope that these 65,000 men and women of the American Institute of Banking will realize that the quickest way to go to the top is to go to the bottom of things, and that among them will be found many who will not only aspire to leadership but will be successful in reaching their coveted goal.

Savings Deposits Now Popular

The gospel of savings is spreading and the savings deposit is now eagerly sought by banks, said Taylor R. Durham, president of the Savings Bank Division in his address to the Division at the American Bankers Association

convention in San Francisco. Time was when savings went begging for a place of deposit—the old sock, the sugar bowl, the opening in the hearth, the hidden drawer—all came into use as depositories because there were no convenient banks doing a savings business. It is different now, said Mr. Durham, who is vice-president of the First National Bank of Chattanooga, Tennessee. Where once a sprinkling of banks encouraged savings deposits, it is estimated that 85 per cent of the 25,000 banks in the United States now advertise for them.

Within the past ten years newspapers have referred to savings deposits as "small savings," he said, and it is only in recent years that savings became a recognized factor of size and importance in economics. He quoted the president of a large bank as saying, in instructing one of his vice-presidents to make a study of the savings business: "I believe the savings business is the best in banking. We are going into it strong." Mr. Durham said financial plans would change with the years but savings in some form would remain and continue popular.

Consider how few things are worthy of anger, and thou wilt wonder than any fools be wroth.—*Robert Dodsley.*



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Union Stock Yards
OMAHA

W. P. ADKINS, President

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HOWARD O. WILSON, Cashier

R. H. KROEGER, Asst. Cashier

L. V. PULLIAM, Asst. Cashier

W. S. HOGUE, Asst. Cashier

South Dakota News

Merge in Wolsey

Purchase of the Bank of Wolsey, South Dakota, by the First State Bank and consolidation of the two banks into one institution was announced recently by R. F. Chenoweth, president of the First State Bank, who will continue as president. The new bank will be known as the First State Bank of Wolsey.

Cashier of the bank will be C. N. Schnetzer. R. L. Atkinson, president

of the Bank of Wolsey, has announced that he will retire, and probably will move to a dairy ranch in the Black Hills next spring. Mr. Atkinson will remain at the bank for a time to help in the reorganization.

Deposits of the combined institution amount to about \$300,000.

Locates in Illinois

Verne C. Bonesteel, one-time cashier of the old James Valley Bank of

Huron, South Dakota, has been made president of the First National Bank of Aurora, Illinois, which has deposits in excess of \$6,000,000.

Mr. Bonesteel left Huron several years ago to join the Security National Bank at Sioux City. He became vice president of the Sioux City bank and served in that capacity for a number of years before he left for Aurora about two years ago.

Bank Clearings

Sioux Falls bank clearings for the month of October aggregated \$8,497,358.42, which is \$1,239,755.66 more than the Sioux Falls bank clearings of October, 1928, when the total was \$7,257,602.76. The total bank clearings exceed those of the month prior by \$854,090.50. The bank clearings for September were \$7,652,267.92.

Vice-President

F. W. Koneman, Minneapolis, president of the Citizens Investment Company of Sioux Falls, South Dakota, and former resident there, was elected as one of the vice-presidents of the Mortgage Bankers Association of America at the closing of its annual convention.

Others elected were: A. A. Zinn, Kansas City, president; A. Y. Creager, Sherman, Texas, vice-president; R. S. Beachy, Kansas City, vice-president; and E. H. Krueger, Cleveland, vice-president.

New members of the board of governors selected were: William H. McNeal, New York; E. C. Waples, Cedar Rapids, Iowa; R. B. Bishop, New Orleans; Byron V. Kanaley, Chicago, and E. D. Schumacher, Richmond, Virginia.

For Night Deposits

For the convenience and the safe keeping of its customers' money over night the Security National Bank of Sioux Falls, South Dakota, has completed installation of an after-hour depository, of steel and concrete, thus giving those who do not wish to leave money at their places of business after the bank's closing hours, a safe and dependable means of having their funds carefully protected.

The new deposit box is the latest type of protective means, bank officials state, and special electrical devices assure the depositor that the money put into the box will be received and handled by the bank in the usual manner. The customer calls at the bank in the morning and the amount is deposited in the regular way.



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you need
to know!*

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Omaha, Nebraska	Hotel Fontenelle Hotel Rome Hotel Logan, Apartment Hotel
Lincoln, Nebr.	Hotel Lincoln Hotel Capital
Norfolk, Neb.	Hotel Norfolk
Council Bluffs, Ia.	Hotel Chieftain
Marshalltown, Ia.	Hotel Tallcorn
Cedar Rapids, Ia.	Hotel Montrose
Sioux City, Ia.	Hotel Martin
Sioux Falls, S D.	Hotel Carpenter Hotel Cataract

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EPPLEY HOTELS COMPANY
E. C. EPPLEY, PRESIDENT
EXECUTIVE OFFICES ~ OMAHA

Utah News

Resources Increase

Consolidated statements of 85 state banks and trust companies in Utah at the close of business September 28, shows total resources of \$134,916,596.24, an increase of approximately \$2,000,000 over the resources in banks at the same time last year, it is found in the statement issued by Walter H. Hadlock, state bank commissioner.

Hold Bank Meeting

The employes' club of the First National and First Savings Banks of Ogden, Utah, held a dinner meeting in the Spanish room of the Hotel Bigelow recently. There were over forty members in attendance. In the absence of President S. M. Watson, Vice President Leonard Wright presided.

W. H. Loos, trust officer for the banks gave an interesting talk on the trust division and its activities.

Pending Tax Suits

The Sanpete, Utah, county commissioners, consisting of Junius Metcalf, John Gunderson and G. E. Cook, waited upon the Utah county commissioners recently to discuss the pending tax suits that have been instituted by the banks of the various counties.

The visiting commissioners were informed that the bankers in Utah county had agreed to pay 35 per cent of the taxes levied, but until the matter had been decided by the courts, they had no power of making such an adjustment. The Sanpete commissioners stated that they were of the same opinion.

Joseph R. Murdock, president of the Provo Reservoir Company, also visited the commissioners in regard to the proposed reclamation of the lands of the west side of Utah lake. The commissioners assured him that they would help in any way possible to put the reclamation project over, as far as it affected these lands.

New Building

With the completion of the new \$30,000 Midvale, Utah, State Bank, Salt Lake County has added another modern establishment to the list of complete structures started during the summer.

The new building is a fireproof structure built entirely of firebrick and contains one of the latest model safety deposit vaults in the state, according to bank officials.

Officers of the bank, who had direct charge of the affair, are W. S. Chip-

man, American Fork, president; Anthony W. Ivins, vice president; B. M. Todd, cashier; Herbert J. Grant, Harry T. McEwan, Joseph M. Holt, E. E. Burgon, John A. Aylett, Walter Steadman and James S. Over, directors.

Trust Section Meets

The trust section of the Utah Bankers' Association held a dinner meeting at Ogden. Covers were laid for 30 representing members from Provo, Salt Lake, Logan and Ogden banks. Short

talks were given by O. J. Stillwell, of the trust department of the Ogden State Bank, and William H. Loos, of the First National Bank trust section. The meeting was presided over by President D. J. Barker, of Ogden.

Tricks of the Trade

"Great Caesar's ghost!" shouted the editor of the tabloid newspaper. "I can't make head or tail out of this dispatch from our special correspondent in South America."

"Neither can I," said his assistant.

"Jimmie," called the editor to the office boy, "ask the South American correspondent to step in here a minute."

The problems of our correspondents are viewed in the light of the best banking procedure; given the importance and individual treatment to which each customer naturally feels his business is entitled.

THE NORTHERN TRUST COMPANY

Northwest Corner LaSalle and Monroe Streets
CHICAGO

Kansas News

New Building

At Tribune, Kansas, plans have been completed to begin work on the new building for the First National Bank.

A. I. B. Chapter

An A.I.B. chapter has been organized at Hutchinson, Kansas, with about fifty members. A. C. Hedrick, of the Hutchinson State Bank is president, Buford Hayden, of the Exchange National is vice-president and Miss Anna Waddle, of the Hutchinson State, is secretary and Miss Millicent Phillips of the Exchange National is treasurer. Walter Huxman is instructor.

Pioneer Dies

Daniel B. Mason, who was president of the Jarbalo State Bank of Jarbalo, Kansas, died recently. Mr. Mason, 77 years of age, was a pioneer resident of Leavenworth County.

Elected Director

J. Ernest Jones, who is president of the Merchants National Bank of Topeka, Kansas, has been elected a director of the Shawnee Building and Loan Association to succeed the late W. H. Eastman.

Merged

Merger of the Bucyrus State Bank of Spring Hill at Spring Hill, Kansas, was completed recently. The consolidated bank will be continued at Spring

Hill. Harrell Thomas, who recently took the cashiership of the Bucyrus Bank is to be assistant cashier of the new institution. Fred W. Sponable is president.

Total Deposits

Five banks in Meade County, Kansas, had more than two million dollars deposit, according to the last call. The bank at Plains had total deposits of \$848,500, the two banks at Meade, \$724,000, and the two Fowler banks nearly one half million.

Service Charge

A service charge of 50 cents a month on all checking accounts of less than \$50 average balance was installed recently by banks of Cherryvale, Kansas.

Remodeling

Improvements on the building occupied by the Prairie State Bank at Augusta, Kansas, include erecting a new white stone front and installing a new vault.

Topeka A.I.B.

Topeka A.I.B. chapter has been successfully inaugurated. Sidney S. Smith, of the Central Trust Company, is president. The chapter has more than seventy members.

New Mexico News

Add to Force

Clyde Kirkwood has resigned as assistant cashier of the American National Bank of Tucumcari, New Mexico, to accept a position as roadmaster clerk in the Southern Pacific offices.

Two young men, Lawrence Poe of McAlister and Harold Mundell of Tucumcari, have been added to the clerical force of the American National.

Resigns

Patrons of the Star Valley State Bank of Springer, New Mexico, will regret to learn that D. D. Lynch has tendered his resignation to the board of directors, to take effect about the

first of the year, after having served the people of Star valley for 22 years.

As a successor to Mr. Lynch the directors of the bank have been extremely fortunate in securing T. E. Madding of Nampa, Idaho, who will take over the management of the institution. Mr. Madding comes to Star valley with 14 years of experience in the banking business.

Meet in Taos

The Northern Group of New Mexico Bankers held a meeting in Taos recently when about sixty gathered at the banquet at the Don Fernando Hotel, over forty ladies being present. After the banquet a business session was held, President Van Houten presiding, with members present from Raton, Springer, Wagon Mound, Roy and Clayton.

The next meeting will be held at Springer, New Mexico, next January, if the weather conditions permit.

Endorses Farm Activities

Hearty endorsement of the Roosevelt County Dairy Association and the other coöperative marketing associations of Portales, New Mexico district, is voiced by Arthur F. Jones, cashier in active charge of the management of the First National Bank of Portales, and chairman of the agricultural committee of the State Bankers' Association of New Mexico.

Not Exactly Downy

Mrs. Flanagan: "Was your old man in comfortable circumstances when he died?"

Mrs. Murphy: "No, 'e was 'alf way under a train."

HAVE YOU CUSTOMERS CALIFORNIA BOUND?

Whether they are coming as permanent residents, or for a short stay, you will render them a genuine service by giving them cards of introduction to . . .

SECURITY-FIRST NATIONAL BANK OF LOS ANGELES



J. F. SARTORI
President and Chairman
of the Executive Committee



HENRY M. ROBINSON
Chairman of the Board

This Bank has Branches, which are complete Banks, in all parts of the Los Angeles area, and in 61 communities in California, extending from Fresno and San Luis Obispo to the Imperial Valley.

We have arrangements for giving information, maps, etc., to new arrivals in California which materially aid their comfort and pleasure while in the State.

Colorado News

Attend Convention

Denver investment houses were well represented at the annual convention of the Investment Bankers Association of America. The convention was held at Quebec.

The list of Denver men who attended the week's sessions includes O. F. Benwell of Benwell & Co.; Paul Loughridge of Bosworth, Chanute, Loughridge & Co.; Gray B. Gray of Gray, Emery, Vasconcells & Co.; Charles B. Engle of the International Trust Co.; Albert I. Peck of Peck, Brown & Co.; Burdick Simons of Sidlo, Simons, Day & Co.; M. E. Traylor of M. E. Traylor & Co., and Canton O'Donell and Harold Writer of the United States National Co.

Boettcher, Newton & Co. were represented by Charles L. Stacy of the New York office and E. H. Rollins & Sons were also represented by the New York office.

Put On Committees

Four Denver bankers have been appointed to committees of the American Bankers Association by John G. Lonsdale, president of the organization.

Those chosen are James Ringold, president of the United States National Bank; C. G. Mitchell, vice president, Denver National Bank; Ben B. Aley, United States National Bank, and P. K. Alexander, vice president of the First National Bank.

A. I. B. Meets

Pueblo, Colorado, chapter of the American Institute of Banking has opened its 1929-30 school year. Approximately 15 members were present at the meeting and received their books and assignments. The course this year is "Standard Economics," and the text used is the same as the one used in Harvard university. Among the members of the class are officers and employes of Pueblo's banks, and two or three prominent business men of Pueblo.

Officers for the ensuing year were elected as follows: Val Smelich, president; F. W. Patchen, treasurer; Kathryn McIntyre, secretary.

Val Smelich is from the Western National Bank; F. W. Patchen from the First National and Kathryn McIntyre from the Southern Colorado Bank.

More Dairy Cattle

Several months ago an eastern Colorado banker was holding an interview with a farmer whose debts were far in excess of what they should have been. After talking the situation over thoroughly, the banker advised the purchase of several dairy cows and agreed to advance the money for the venture.

Today that farmer is rapidly paying off the purchase price for the cows through the receipts from cream checks. It is merely a matter of time until his debts will be wiped out and he will have a clean slate. The banker is pleased with his loan and the farmer is more than pleased with his new business venture.

Christmas Savings

Denver banks will assume their annual rôle as Santa Claus on Dec. 1.

In their holiday rôle, the banks will pour nearly \$1,000,000 down nearly 20,000 chimneys, as members of Christmas Savings Clubs reap the benefits of a year of thrift.

Virtually all banks specializing in Christmas savings accounts show an increase, both in the number of depositors and the amounts saved, over last year.

The American National Bank reported more accounts and an increase in volume. It will mail out checks totaling more than \$163,200 to 3,700 depositors.

Depositors in Christmas savings accounts at the Colorado National Bank, numbering 5,250, will receive \$240,000, an increase over last year.

The Denver National Bank will pay \$100,000 to 1,700 Christmas savers.

The International Trust Co., will mail out checks totaling \$80,500 to 1,200 depositors, also an increase over last year.

The South Broadway National will distribute \$25,000 to approximately 650 persons, an increase over 1928.

The First National reported a substantial increase both in volume and number of accounts, as did the U. S. National which will distribute approximately \$250,000; the National City Bank of Denver, with accounts totaling approximately \$40,000, and the Central Savings Bank, with Christmas funds of more than \$70,000.

The Chase National Bank

of the City of New York

Pine Street corner of Nassau

Capital	-----	\$ 105,000,000.00
Surplus and Profits	-----	136,204,050.47
Deposits (Oct. 4, 1929)	-----	1,132,828,983.19

OFFICERS

Albert H. Wiggin,
Chairman of the Board

John McHugh
Chairman of the Executive Committee

Charles S. McCain
President

Robert L. Clarkson
Vice-Chairman of the Board

Vice-Presidents

Carl J. Schmidlapp
Reeve Schley
Henry Ollesmeimer
James T. Lee
Sherrill Smith
Alfred C. Andrews
Robert L. Barr
George T. Warren
George D. Graves
Frank O. Roe
Harry H. Pond
Samuel S. Campbell
William E. Lake
Charles A. Sackett

Hugh N. Kirkland
James H. Gannon
William E. Purdy
George H. Saylor
M. Hadden Howell
Joseph C. Rovensky
Ruel W. Poor
Edwin A. Lee
Leon H. Johnston
William H. Moorhead
Horace F. Poor
Edward E. Watts
J. Sperry Kane

Franklin H. Gates
T. Arthur Pyterman
Amrose E. Impey
Lynde Selden
Maurice H. Ewer
Hugo E. Scheuermann
Ralph L. Cerero
Jay D. Rising
Harold W. Vanderpoel
James Bruce
Walter S. Jelliffe
Arthur W. McCain
Claude H. Beaty
Frederick O. Foxcroft

Vice-President and Cashier
William P. Holly

Wyoming News

Heads State Council

S. Conant Parks, president, First National Bank of Shoshone, Wyoming, has been honored by appointment as state chairman of the Federal Legislative council and the State Legislative council of the American Bankers Association by John G. Lonsdale, newly elected president of the organization and head of the Mercantile Commerce Bank and Trust Company, St. Louis, Missouri. Mr. Parks has also been chosen member of the committee on taxation.

Buys Banks

Purchase of the assets and fixtures of the bank of Glenrock, Wyoming, by himself and his associates, has been announced by J. E. Scott.

Mr. Scott, during the past several years, has purchased the assets of five defunct Wyoming banking organizations for himself and others interested with him. The following are the banks which he and his business associates now hold: Bank of Glenrock, Salt Creek State Bank, Thermopolis State Bank, First State Bank of Greybull, and First National Bank of Gering, Nebraska.

Start Savings Plan

Following the action taken by banks in Casper and all over the nation, the Wyoming Trust Company will early in December inaugurate a Christmas savings club plan, it was announced by Leo Dunn, cashier.

The club, which has been found successful all over the country, will be open to anyone who wishes to enter.

The Wyoming National Bank and the Casper National Bank have had the club plan in effect for the past number of years.

Meet in Greybull

The members of the Big Horn basin group of the Wyoming Bankers' Association held their first meeting in Greybull with George A. Hinman acting as chairman and Tom V. Trimmer acting as secretary. This is the first of a series of meetings to be held in Greybull during the next few months.

Many matters of mutual interest were discussed. The business conditions over the basin are good and the banks are all occupying strong positions and the banks of the Big Horn basin are all keenly interested in further development of the basin.

Leaves Position

Leland P. Draney, has left the First Security Bank of Rock Springs, Wyoming, where for a number of years he was employed as assistant cashier. Shortly he and his family will go to Santa Fe, New Mexico, as representative of a large Denver investment company.

Hold Conference

Conferences are being held between A. J. Lochrie, superintendent of banks for Montana; John A. Reed, superin-

tendent of banks for Wyoming, and Walter H. Hadlock, Utah state bank commissioner, with a view of drawing up uniform agreements for the inspection of building and loan companies which operate in the three states.

Group Three Meets

Group number three of the New Mexico Bankers Association has been organized at a meeting of bankers at Artesia, seven banks in the district being represented at the organization meeting.

G. K. Richardson, of Carlsbad, was elected president and C. E. Mann, of Artesia, was elected vice-president. Floyd Childress of Roswell was elected secretary. Bankers from all banks in Chaves, Eddy and Lea counties were present at the meeting.

The following banks and representatives were represented at the organization meeting:

First National Bank, Roswell, Claude Hobbse, cashier; Jack Moore, assistant cashier; Floyd Childress, auditor. Bank of Commerce, Roswell, W. S. Hodges, assistant cashier; Wayne Ake, teller. First National Bank, Hagerman, Peter Losey, cashier; R. W. Conner, assistant cashier. First National Bank, Artesia, J. E. Robertson, president; L. B. Feather, cashier, W. M. Linell, assistant cashier. Citizens State Bank, Artesia, C. E. Mann, cashier, Fred Cole, assistant cashier. Carlsbad National Bank, Carlsbad, G. K. Richardson, president; Burch Harrison, cashier; Roy Carey, teller. Lea County State Bank, Lovington, D. C. Berry, cashier; J. L. Reid, director; K. E. Nutt, assistant cashier. National Bank Examiners K. T. Witt and L. Goldstein were also present.

AUSTRALIA

BANK OF NEW SOUTH WALES

ESTABLISHED 1817

(With which is amalgamated THE WESTERN AUSTRALIAN BANK)

PAID-UP CAPITAL.....	\$ 37,500,000
RESERVE FUND.....	29,500,000
RESERVE LIABILITY OF PROPRIETORS.....	37,500,000
	<hr/>
	\$104,500,000



Aggregate Assets 30th September, 1928, \$444,912,925

AGENTS—FIRST NATIONAL BANK, OMAHA, NEBRASKA GENERAL MANAGER, ALFRED CHARLES DAVIDSON—

HEAD OFFICE, GEORGE ST., SYDNEY LONDON OFFICE, 29 THREADNEEDLE ST., E. C. 2

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THE CENTRAL WESTERN BANKER, OMAHA, PUBLISHED BY DEPUY PUBLISHING COMPANY

410 Arthur Bldg., Omaha, Nebraska

CLIFFORD DEPUY, Publisher

GERALD A. SNIDER, Associate Publisher

R. W. MOORHEAD, Editor

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Weather Every Storm of Depression and Inflation

HERE ARE SOME OF THE REASONS

The house of issue is an important but not a *vital* factor in the set-up of an Insured and Guaranteed Bond.

The surety companies, who guarantee the bonds by direct endorsement, are compelled by law to set up adequate reserves for their own protection and to safeguard their policy holders.

They cannot misapply the investment funds which they are *required* to deposit with their home state insurance departments; they are compelled to reinsure their risks. They cannot accept extra hazardous risks. They cannot speculate or invest in speculative securities.

They demand and require the same safeguards on the part of the house of issue.

They will not permit the misappropriation or diversion of the proceeds of the bond issue.

As a condition of guaranteeing a bond issue, they insist upon the following requirements:

1. That the mortgaged property be situated in the choicest locations only.
2. That the management be of the highest efficiency, to insure the success of the property.
3. That the valuations be conservative and based on competent appraisals of men expert in that line.
4. That no inflation enters into land values, the building itself or its equipment.
5. That sinking-funds be deposited monthly.
6. That full insurance protection is at all times carried by the Trustee.

They rigidly enforce these conditions for their own protection, as in safeguarding their own interests they automatically *make safe* the interests of the bondholder.

Thus the owner of an Insured Bond has the *assurance* that two old-line surety companies are at *all times* watching his interests, protecting his investment and guaranteeing the return of his investment capital.

We will be pleased to send you our booklet "Investment Safety in a Modern Form" and descriptive circulars of current offerings.

Provident State Securities Company

134 North La Salle Street

Chicago, Ill.

THE OMAHA NATIONAL BANK

Acquires the Business of THE PETERS NATIONAL BANK

The Omaha National Bank announces that it has acquired the business of The Peters National Bank, of Omaha.

The transfer of business took effect November 22nd. Mr. J. R. Cain, Jr., and Mr. W. S. Weston have become vice-presidents of The Omaha National Bank.

The merged assets of the two banks constitute one of the strongest banking institutions in the middle west.

The Omaha National Bank



RESOURCES OVER

FORTY MILLIONS