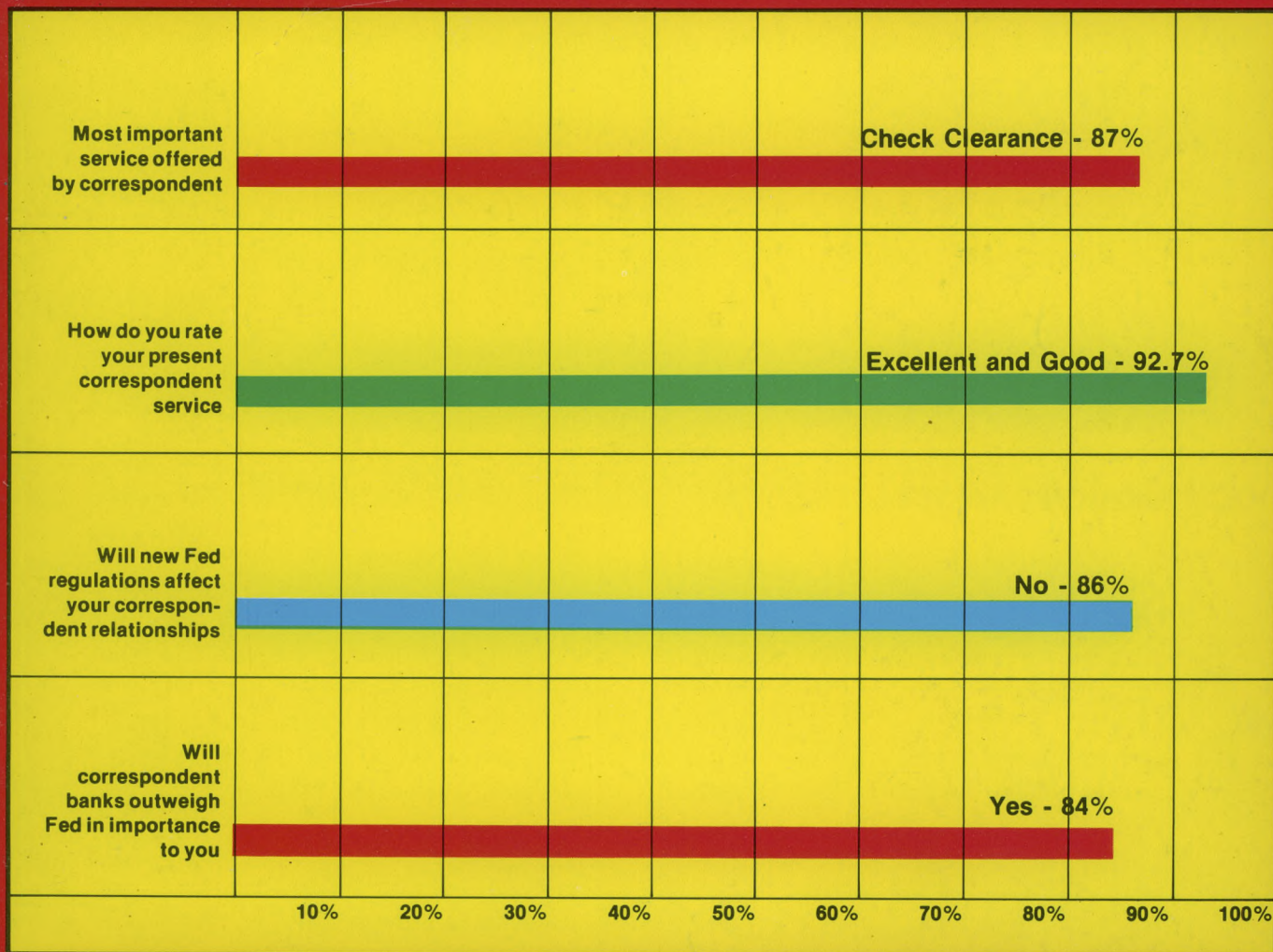


NORTHWESTERN *Banker*

FEBRUARY
1981

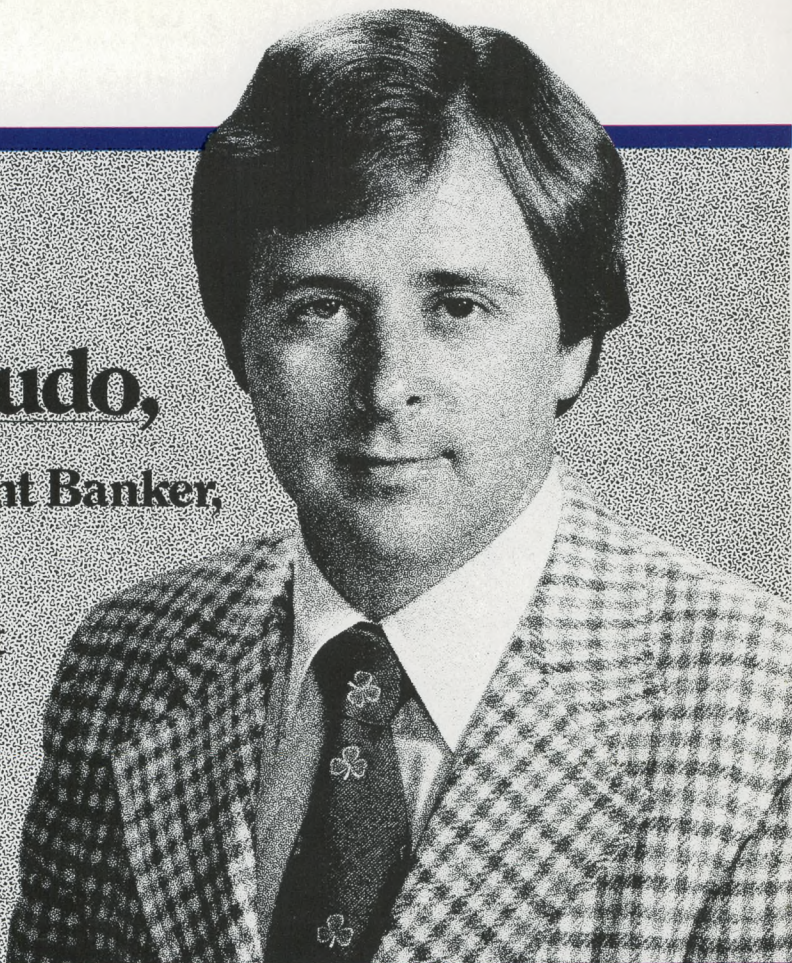


1981 Correspondent Bank Survey

• IBAA Meets in Las Vegas, March 22-26

Jerry N. Trudo,

**MNB Correspondent Banker,
on "Expertise
in meeting
your overline credit
requests."**



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An opportunity to serve.

"We believe a loan request is an opportunity to serve — not only the bor-

rower but the respondent bank and the community it serves. So, the close working relationship we create and maintain with each of our respondent banks and their overline customers assures continued growth, stability and quality in their loan portfolios and ours."

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Above: Assistant V.P. Engineering Arnie Buchholz inspects parts using an optical comparator.

Inset: Production standards are monitored with up to 86 quality checks.

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ON THE COVER EXCLUSIVE SURVEY

23 1981 Correspondent bank survey

Community bankers relate their preferences for services rendered by city correspondent banks, cite their reasons for choosing their present correspondents, and state strongly their preference for the correspondent bank system over service offered by the Federal Reserve Banks. This in-depth report is the latest in a series of exclusive Northwestern Banker Correspondent Bank Surveys that began more than 55 years ago.

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Drovers Bank of Chicago commits \$5 million for historic area

20 First of Chicago restructures

Chairman Barry Sullivan emphasizes customer relationships

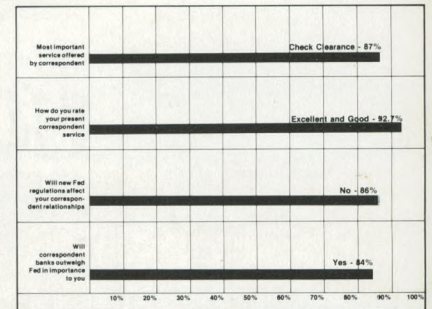
30 IBAA convention program

Independent bankers to meet in Las Vegas, March 22-26

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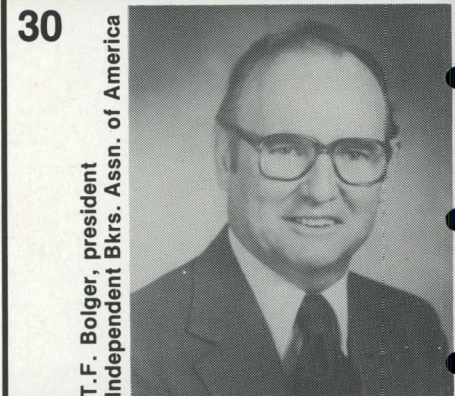
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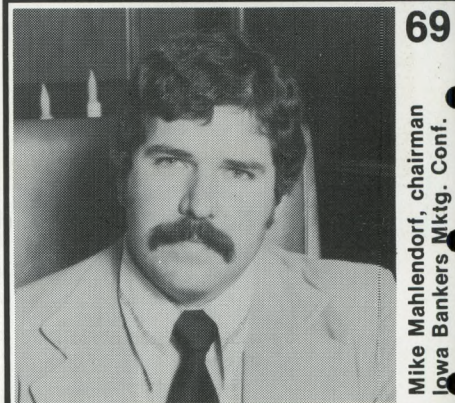
1981 Correspondent Bank Survey



19



T.F. Bolger, president
Independent Bkrs. Assn. of America



69

Mike Mahlendorf, chairman
Iowa Bankers Mktg. Conf.

NORTHWESTERN BANKER

306 15th Street, Des Moines, Iowa 50309 Phone (515) 244-8163

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No. 1409 Northwestern Banker (USPS 397-620) is published monthly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscription \$1.00 per copy, \$12 per year. Second class postage paid at Des Moines and at additional mailing office. Address all mail (subscriptions, change of address Form 3579, manuscripts, mail items) to above address.

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Convention Calendar

ABA—American Bankers Association
 AIB—American Institute of Banking
 BAI—Bank Administration Institute
 BMA—Bank Marketing Association
 IBAA—Independent Bankers Association of America
 NABW—National Association of Bank Women, Inc.
 RMA—Robert Morris Associates

National Conventions & Schools

Feb. 15-18—ABA Annual Community Bank Executive Conference, Hyatt Regency, Phoenix, Ari.
 Feb. 18-20—ABA Corporate/Commercial Marketing Conference, Fairmont Hotel, Dallas, Tex.
 Mar. 1-4—ABA Salary Administration Workshop, Stouffers Denver Inn, Denver, Col.
 Mar. 3-5—ABA Risk & Insurance Management in Banking Seminar, Sheraton, San Diego, Cal.
 Mar. 6-8—RMA Financial Statement Analysis, Denver.
 Mar. 8-11—RMA Commercial Loan Documentation, Denver.
 Mar. 8-11—ABA Bankers Education & Training Forum, Galleria, Houston, Tex.
 Mar. 15-18—ABA National Compliance Conference, Fairmont Hotel, Dallas, Tex.
 Mar. 15-18—BMA Community Bank CEO Seminar, San Diego, Cal.
 Mar. 22-24—ABA National Credit Conference, Chicago Marriott.
 Mar. 22-25—ABA National Instalment Credit Conference, Los Angeles Bona-venture.
 Mar. 22-26—IBAA 51st Annual Convention, Las Vegas Hilton, Las Vegas, Nev.
 Mar. 26-27—RMA Loan Portfolio Management, San Diego.
 Mar. 29-Apr. 4—ABA Business of Banking School, University of Notre Dame, South Bend, Ind.
 Mar. 29-Apr. 2—BAI Bank Auditors' Conference, Loews Anatole, Dallas, Tex.
 Apr. 12-17—ABA Management Seminar on Retail Banking, Vero Beach, Fla.
 Apr. 22-24—BAI 2nd Annual Accounting & Finance Conference, Chicago Marriott, Chicago.
 Apr. 27-28—RMA Branch Bank Loan Administration, Columbus, Ohio.
 May 18-20—BAI 4th Annual Bank Tax Conference, Hyatt Regency/Crown Center, Kansas City, Mo.
 May 20-22—Association of Bank Holding Companies, 23rd Annual Meeting, Waldorf Astoria, New York, N.Y.
 June 8-9—RMA Branch Bank Loan Administration, Boston.
 July 25-Aug. 7—BAI School for Bank Administration, University of Wisconsin, Madison, Wisc.
 Aug. 9-14—Central States Conference, Graduate School of Banking Post-graduate Course, Univ. of Wisc.-Madison, Madison, Wisc.
 Aug. 9-22—Central States Conference, Graduate School of Banking, Univ. of Wisc.-Madison, Madison, Wisc.
 Sept. 13-16—ABA National Personnel

Conference, Loews Anatole, Dallas, Tex.
 Sept. 13-16—BMA 66th Annual Convention, Washington, D.C.
 Sept. 27-30—National Association of Bank Women's annual convention, Hyatt Regency, Chicago.
 Oct. 3-7—ABA Annual Convention, San Francisco, Cal.
 Oct. 18-21—BMA Commercial Marketing Conference, Boston, Mass.
 Oct. 28-30—BMA Marketing in a Community Bank Seminar, Dallas, Tex.
 Nov. 8-11—ABA National Agricultural Bankers Conference, Sheraton Washington, Washington, D.C.
 Nov. 15-18—ABA National Correspondent Banking Conference, Hyatt Regency Kansas City, Kansas City, Mo.

State Conventions & Schools

Colorado:

Feb. 15-18—CBA Consumer Credit Conference, Broadmoor Hotel, Colorado Springs, Col.
 Mar. 8-10—CBA Agricultural Credit Conference, Broadmoor Hotel, Colorado Springs, Col.
 June 3-6—CBA Annual Convention, Broadmoor Hotel, Colorado Springs, Col.

Illinois:

Feb. 25-26—IBA Marketing & Public Relations Conference, Holiday Inn-East, Springfield.
 Mar. 4-6—AMBI Consumer Credit Conference, Marriott Hotel, Chicago.
 May 25-June 6—IBA Illinois Bankers School, Southern Illinois Univ., Carbondale, Ill.
 June 7-13—IBA Agricultural Lending School, Illinois State University, Normal, Ill.
 June 10-13—IBA Advanced Agricultural Lending Clinic, Illinois State Univ., Normal, Ill.
 June 14-16—IBA Annual Convention, Chicago Marriott Hotel, Chicago.
 June 21-27—IBA Commercial Lending School, University of Illinois, Urbana, Ill.
 Sept. 16-17—IBA Agricultural Credit Conference, Ramada Inn, Champaign, Ill.

Iowa:

Feb. 13-14—IBA Group 1 Meeting, Sioux City.
 Feb. 15-16—IBA Group 11 Meeting, Burlington.
 July 16-18—Iowa Independent Bankers 10th Annual Convention, Lake Okoboji.

Minnesota:

Feb. 18-19—MBA Senior Management Conference, Radisson St. Paul Hotel, St. Paul.
 June 15-16—MBA Annual Convention, Radisson South, Bloomington, Minn.

Montana:

June 24-26—MBA Annual Convention, Big Sky of Montana, Big Sky, Mont.

Nebraska:

Feb. 19-24—NBA Bank Presidents Confer-

ence, Orlando, Fla.

Mar. 19-20—NBA Agricultural Outlook Conference, Holiday Inn, Kearney.
 May 7-9—NBA Annual convention, Lincoln.

North Dakota:

Apr. 7-8—NDBA Consumer Credit Conference, Ramada Inn, Jamestown, N.D.
 Apr. 21-24—NDBA Teller/Staff Conferences, N.D.
 May 17-19—NDBA 96th Annual Convention, Holiday Inn, Fargo, N.D.

South Dakota:

May 11-12—SDBA Annual Convention, Downtown Holiday Inn, Sioux Falls, S.D.

Wyoming:

June 10-12—WBA Annual Convention, Jackson Lake Lodge, Moran, Wyo.

Fed's Gross Earnings Climb 24% in 1980

Preliminary figures indicate that gross earnings of the Federal Reserve Banks amounted to \$12,802 million during 1980, a 24.2% increase from a year earlier. Current expenses for the 12 Reserve Banks and their branches totaled \$791 million—14.1% above a year earlier.

Assessment for expenditures of the Board of Governors amounted to \$62 million. There was a net deduction in the profit and loss account of \$115 million, resulting primarily from a net loss of \$199 million on sales of U.S. Government securities and a net profit of \$96 million on foreign exchange operations.

Net earnings before payments to the Treasury totaled \$11,834 million. Payments to the Treasury as interest on Federal Reserve notes amounted to \$11,707 million; statutory dividends to member banks, \$70 million; and additions to Reserve Bank surplus, \$57 million.

Under the policy adopted by the Board of Governors at the end of 1964, all net earnings after the statutory dividend to member banks and additions to surplus to bring it to the level of paid-in capital were paid to the U.S. Treasury as interest on Federal Reserve notes.

Compared with 1979, gross earnings were up \$2,492 million, due mainly to an increase of \$2,407 million on U.S. Government securities.

Earnings of the Federal Reserve System are derived primarily from interest accrued on U.S. Government securities that the Federal Reserve has acquired through Open Market Operations, one of the tools of monetary policy.

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Bank Promotions

PROMOTIONS and other changes have been announced by the following banks:

American National Bank and Trust Company, Chicago: William J.

Huck, 55, has been elected a senior vice president and will continue as director of personnel. Mr. Huck joined the bank in 1973 following 20 years of experience in industry and education.



W.J. HUCK

Following graduation from Marquette University, Milwaukee, he worked with Abbott Laboratories, Uniroyal Inc. and as an elementary school principal.

Three officers at American National have been named vice presidents: John L. Losquadro, 35, and Joseph P. Walker, 41, in the commercial banking department, and J. Michael Whelan, 41, in the trust department.

Promoted to second vice presidents are: F. Amyre Coleman, manager of compensation and benefits; William R. Grady, manager of item entry processing; Kathlyne E. Irvine, group head of retail banking, and Robert J. Rogoz, commercial banking department at the Elk Grove business service office.

Continental Bank, Chicago: A number of promotions were announced in recent weeks.

New vice presidents are: Donald C. Antikauskas, bond and treasury services department; Ibrahim M. Ibrahim and Charles C. Eby, international banking services department, and Thomas M. Cleary and Richard J. Jurgovan, trust and investment services department.

New second vice presidents are: John E. Gorecki and Frank A. Goss III, bond and treasury services department; Dorothy Osborn Walton, international banking services department; James L. Barrett, Averill C. Colby III, John E. Houlihan, John C. Mull, Jr., and Kenneth G. Neeley, trust and investment services department; John F. Balevic, Nancy Miller,

Bernadette L. Petrauskas and Michael A. Smith, financial services department.

Drovers Bank of Chicago: Max A. Roy has been advanced from vice president to senior vice president, Correspondent bank department. Two additional promotions in the department include Kathleen T. Hardy, to assistant vice president,



M. ROY



K. HARDY

and Bruce W. Taylor, to correspondent banking officer.

Mr. Roy joined the bank in May, 1979 after serving 19 years with LaSalle National Bank, Chicago. A graduate of Iowa State University, he started his career with Merrill Lynch, Pierce, Fenner & Smith, Inc., and later spent five years with Iowa-Des Moines National Bank.

Mrs. Hardy joined Drovers in December 1978 after seven years with the correspondent department at LaSalle National Bank.

Mr. Taylor started his career with Main Bank in Chicago following graduation from Babson College. He joined Drovers in July, 1979.

Other promotions announced include: Victor R. Komaskinski, to vice president and senior auditor; Michael Wozek, to vice president; Dennis E. Laria, to vice president; Nancy Szkodzinski, to auditor; James Corkery, to loan officer; Barry E. Sloat, to trust officer; Edna Coffey, to operations officer, and Phyllis Sowinski, to operations officer.

The bank also announced the retirement last month of Robert S. Ruwitch, vice president and head of the general merchandising lending division in the commercial banking services department. Mr. Ruwitch retired December 31 after more than 20 years of service.

Nine to One.

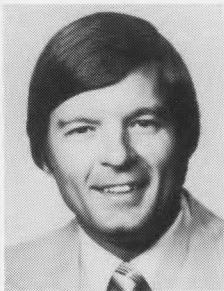
A recent national study shows that people who ask for travelers cheques by name ask for American Express at least 9 times more often than they ask for Citicorp*. So if you're not selling American Express, you're disappointing an awful lot of customers.

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*Reliable at the 95% confidence level.

First National Bank of Arizona, Phoenix: F. Harlan Loffman has been named vice president and trust officer in charge of trust and estate administration, it was announced by Edward M. Carson, president and chief executive officer. He will be responsible for the operation and future development of branch trust offices currently located in Phoenix, Tucson, Mesa, Scottsdale and Sun City. Mr. Loffman, who began his career in trust work with The First in 1969, returns to the bank following two years in private law practice.



H. LOFFMAN

First National Bank of Chicago: Two new key senior posts have been filled, it was announced recently by Barry F. Sullivan, chairman and chief executive officer.

Leo Mullin, 37, joined the bank in mid-January as senior vice president



L. MULLIN



J. HASELTINE

and department head-corporate planning, and will report directly to the chairman.

John Haseltine, 41, will become a senior vice president and director-institutional relations. He will report to James A. Cassin, executive vice president and head of the worldwide banking department.

Mr. Mullin has been senior vice president, planning, control and information systems for Conrail in Philadelphia, where he supervised more than 1,000 people involved in corporate planning, capital budgeting, costing and performance analysis, financial reporting, information systems and operating budgeting. At First National, he will be responsible for developing corporate strategies as well as assisting managers of business units in maximizing their future growth and profitability. He received his BS, MS and MBA degrees from Harvard University.

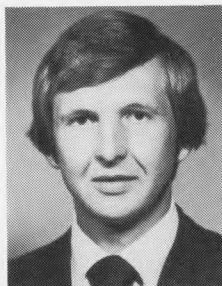
Mr. Haseltine most recently has been vice president/section head of Morgan Guaranty Trust Company's international money management group. Since 1977 he has managed all of the New York bank's treasury consulting activities, including marketing this service to senior executives of multinational companies. Previously, he had been general manager for the bank's operations in Germany. He joined Morgan Guaranty in 1964 after receiving BA and MBA degrees from Drury College and George Washington University. He also has an MBA degree from the European Institute of Business Administration in Fontainebleau, France.

First National Bank in St. Louis: Allan G. Curtis has been elected a vice president in the metro division. In addition, four were advanced to assistant vice president: Larry K. Allin and Gordon K. Love, data processing; Charles M. Stout, commercial banking, and Mildred B. Yahl, personal banking.

First National Charter Corporation, Kansas City: Michael W. Gegen joined the holding company last month as vice president and loan coordinator. He had been president of the First National Bank of Liberty, Mo., since 1977. Prior to that, he was with Charter's largest affiliate, First National Bank of Kansas City, for 10 years.

First National Bank of Kansas City announced seven officer promotions and the election of two officers.

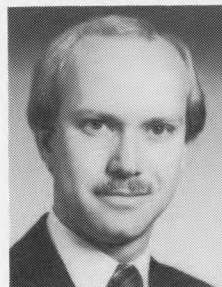
Promoted to vice president were



D.O. BORGMAN



J.D. NICHOLSON



S.E. POHLE



J.K. SHINEMAN

Donald O. Borgman, farm management program; Jennifer D. Nicholson and Steven E. Pohle, personal trust section, and James K. Shineman, corporate trust division.

N. Elaine Crider was advanced to assistant vice president.

William T. Marks and Barbara A. Romines were promoted to trust officers and James H. Conley and Julia B. Ferner were elected assistant trust officers.

Harris Bank, Chicago: Edmund A. Schroer, chairman, president and chief executive officer of Northern Indiana Public Service Company, Hammond, has been elected a director of Harris Bankcorp, Inc., and its subsidiary, Harris Trust and Savings Bank.

David S. Finch, senior vice president, has been named head of the Harris Bank trust department. He replaces F. Wendell Gooch, executive vice president, who resigned effective February 1 to pursue a second career as owner and publisher of The Paoli News-Republican, Paoli, Inc., a company which publishes two weekly newspapers in Orange County, Ind. Mr. Gooch, 48, joined Harris in 1955 and has headed the trust department for the past three years. Mr. Finch, 39, first joined Harris Bank in 1967 as a trainee. He left the bank in 1970 for the agribusiness field, then rejoined Harris bank in 1973 in the trust division.

The election of seven senior vice presidents also has been announced at Harris Bank. In the trust department they include: Joan M. Baratta, Edward B. Dillmann, Thomas F. Jones, Jr., and Victor M. Woldridge. Mrs. Baratta, the first woman to be named senior vice president among Chicago's four largest banks, is group executive of personal trust, of which Mr. Jones also is a member. Mr. Dillmann and Mr. Woldridge direct, respectively, the institutional equity and corporate trust and operations groups.

Dennis E. LeJeune was named senior vice president and heads the investment department-treasury office.

Edward W. Lyman and Edward J. Williams also were named senior vice presidents. Mr. Lyman is group executive in the metropolitan banking department. Mr. Williams heads the consumer banking group.

Eleven to One.

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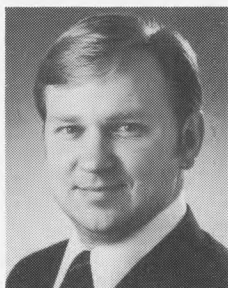
*Reliable at the 95% confidence level.

National Boulevard Bank of Chicago: James J. Doyle, executive vice president and a director of International Harvester Company, was elected to the bank's board of directors last month, according to Henry K. Gardner, president. He succeeds Robert H. Burnside, International Harvester executive who was on the board since 1967 and retired recently.

Mr. Gardner also announced the election of George J. Butvilas as a senior vice president. Mr. Butvilas will head the bank's operations department.

A graduate of the U.S. Naval Academy at Annapolis with a BS degree in engineering, Mr. Butvilas also received his MBA degree from Illinois Institute of Technology, where he had completed courses toward a PhD.

Prior to joining National Boulevard, Mr. Butvilas was vice president at American National Bank of Chicago, where he concurrently held



G.J. BUTVILAS

the title of president of Tel-A-Data Corporation, a wholly owned subsidiary of that bank, providing data processing services to more than 45 savings and loans in the Chicago area.

Northern Trust Company, Chicago: Promoted to senior vice presidents in the banking department recently were Craig W. Schopf, William S. Trukenbrod and Harry B. Wilson.

William B. Doepke and Harold J. Wiadick, Jr., were promo-



C.W. SCHOPF



W.S. TRUKENBROD

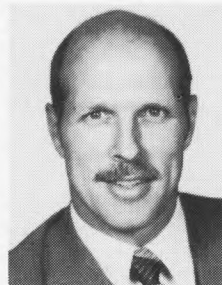


H.B. WILSON

ted to vice president in the banking department. Riley J. Morgan was named a vice president in the bond department. Other new vice presidents are: Sue A. Rageas and Charles E.B. Jessopp in the corporate communications department; Friedrich Burian at the bank's London branch, and Naran J. Patel in the international services division.

Robert A. Bailey, Barbara E. Lundberg, Rosemary A. Martin and James M. Snyder were elected vice presidents in the trust department. Sheila A. Penrose was elected vice president and economist in the economic research department.

Zions First National Bank, Orem: Rich Persons has been appointed executive vice president and a director. Prior to this appointment, Mr. Persons was assistant vice president of Zions Bank's University Branch in Provo and operations officer at the Zions Bank First South office in



R. PERSONS

Salt Lake City. He has been with the bank since 1968.

Mr. Persons received a BS degree from Brigham Young University in 1967 and an MBA from the University of Utah in 1968.

Northern Trust Reports Net Income Up 17.9%

Northern Trust Corporation, parent holding company of The Northern Trust Company, Chicago, reported preliminary unaudited operating results for the year ended December 31, 1980. Income before security transactions totaled a record \$33,091,000 or \$6.89 per share for the year, a 9% increase from the \$30,357,000 or \$6.32 per share earned in 1979. Net income, after reflecting security losses of \$1,848,000, totaled \$31,243,000 or \$6.51 per share, compared with \$26,497,000 or \$5.52 per share for 1979, a 17.9% increase.

E. Norman Staub, chairman and chief executive officer, stated that a strong increase in net interest income was the most important factor contributing to the higher earnings for the year. Net interest income stated on a fully taxable equivalent basis totaled \$145,671,000, up 13% from the \$128,586,000 reported in 1979. This record performance was the result of an 8% increase in average earning assets combined with an improved net interest margin of 3.29%, compared with 3.15% last year.

Total loans averaged 14% higher than in 1979 and reached a new high of \$2.9 billion at year-end.

The provision for loan losses charged to earnings was \$4,000,000, compared with net charge-offs of \$2,668,000, bringing the reserve for loan losses to \$27,477,000.

Trust fees reached a record \$48,844,000, a 16% increase from a year ago. Highly volatile interest rates throughout 1980 contributed to lower bond trading profits which were \$1,381,000 compared with \$4,106,000 in 1979. Other income increased during the year, reflecting higher foreign exchange profits and increases in domestic and international banking fees. Operating expenses were up 17% from a year ago due to the impact of inflation and increased staff to service a greater volume of business.

Total assets of the Corporation reached a record level of \$5.8 billion at year-end, and for the year averaged \$5.6 billion, 10% higher than in 1979.

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Corporate

PROMOTIONS and other announcements have been made by the following firms:

Diebold, Incorporated, Canton, Ohio: Three new appointments have been announced by the company.

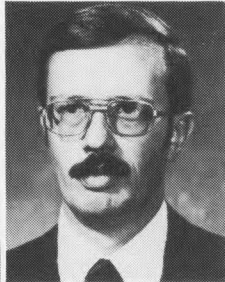
The appointment of Timothy A. Reed to vice president and director of information systems was announced by Harry E. Parr, Jr., vice president of fi-



T.A. REED



S. FRONZAGLIA



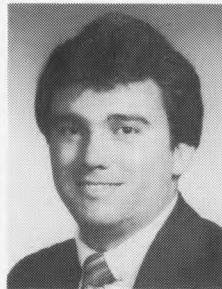
W.R. AITKEN

nance and treasurer of the firm. Mr. Reed is responsible for management of the information systems, data center and telecommunications. He has been with Diebold since October, 1977.

William R. Aitken was appointed director of customer development systems by Frank G. D'Angelo, vice president of bank/systems division. Mr. Aitken is responsible for customer software production and software quality assurance, which supports the TABS (Total Automatic Banking Systems) line. He joined Diebold in June, 1979, from Burroughs Corporation in New York.

Stanley Fronzaglia has been named manager of ABS operations by Robert Barone, vice president and general manager of the Automatic Banking Systems Group. In this new position, Mr. Fronzaglia will be responsible for coordinating and managing all of the financial and operational areas of the TABS business. He has been with Diebold since July, 1978, and prior to that was an Army officer stationed at Ohio University ROTC office.

Orlando, Fla.: William C. Pollard has been promoted to senior vice president of finance. Mr. Pollard joined the company in September, 1979. Prior to joining the company, he received his MBA degree from Memphis State University.



W.C. POLLARD

LeFebure, Cedar Rapids, Ia.: Robert W. Kappmeyer has joined the firm as manager of product planning, surveillance and alarm systems. A graduate of Coe College in Cedar Rapids, Mr. Kappmeyer has extensive experience in electronics systems development and marketing. At Grumman Aircraft he was a systems engineer and a member of the lunar module launch team for the Apollo Space Program. For the past 11 years he has been associated with Rockwell-Collins in various aspects of engineering and marketing for communications equipment and voice security products.



R. KAPPMAYER

North Central Life Insurance Company, St. Paul, Minn.: Bruce A. Glewwe, formerly credit insurance regional vice president for the southeastern United States, has been named regional vice president for Minnesota, Iowa, North and South Dakota. His appointment was announced by Walter A. Griffin, senior vice president and sales director.

Mr. Glewwe will be responsible for all credit insurance sales through financial institutions in his region and will assist Roger Pulkrabek, national sales manager, in developing business in other areas of the country. He joined North Central Life in June, 1973.

Minneapolis: Michael Wanchena and Andrew S. Duff have joined the public finance department of this Minneapolis-based investment firm. Previously, Mr. Wanchena was a registered representative with Offerman & Co., Inc., in St. Louis Park for three years.

Travelers Express Company, Inc., Minneapolis: The board of directors has elected Donald D. Dix as vice president for region administration and has elected Dennis C. Feit as controller.

Mr. Dix joined Travelers Express as a Florida area supervisor in 1966. After extensive field service, he was named product manager for official checks and assigned to the home office in 1980.

Mr. Feit joined the company as a staff accountant in 1967 and became chief accountant in 1978.

Travelers Express, a Greyhound subsidiary, is one of the largest money order issuers and credit union share draft processors in the United States. It also provides financial institutions with official checks, clearing services for NOWs and is actively engaged in the nation's developing electronic payment systems.

Walter E. Heller & Co., Chicago: Maynard I. Wishner, president, has announced the appointments of Thomas L. Henderson and Gary Mrazsko as senior vice president of the company.

Mr. Henderson will be senior vice president of the central factoring division, with added responsibilities as senior vice president of the central credit services division. Mr. Henderson, 40, moves up from vice president, central factoring division, a position he has held since 1975. He began his Heller career in 1965 in the Chicago office.

Mr. Mrazsko is senior vice president of the central commercial finance division. Mr. Mrazsko, 32, steps up from vice president and general manager of the division, which serves 16 states out of offices in Chicago, Cleveland, Denver, Detroit, Kansas City and Minneapolis. He retains his responsibilities as general manager. He joined Heller in 1972, then in 1974 was named assistant vice president in charge of the Denver asset-based financing operation serving Colorado, Wyoming and Nebraska.

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Daktronics Presents Booster Awards



Warren Williamson (2nd from left) and John Beatty (3rd from left), recipients of the 1980 Daktronics Booster Award, are shown with Aelred Kurtenbach (left) and Duane Sander (right), founders of the manufacturing firm.

TWO residents of Brookings, S.D., are recipients of the 1980 Daktronics Booster Award, made annually to individuals who have contributed to the growth of Daktronics, Inc., located in Brookings. They are John Beatty and Warren Williamson, who were presented the awards by Aelred Kurtenbach, president, and Duane Sander, a co-founder of the firm.

Mr. Beatty, a long-time member of the Brookings Industrial Development Committee, initially encouraged Mr. Kurtenbach, then a member of the electrical engineering department at South Dakota State University in Brookings, to start an industry in that city in the spring of

1965. This encouragement was continued until December 9, 1968, when Daktronics was formed and opened by Mr. Kurtenbach and Duane Sander, also a professor in engineering at the university.

Mr. Williamson has been acquainted with the Kurtenbach family since a recruiting trip to the family farm in 1956. Frank Kurtenbach, standard scoreboard manager at Daktronics, wrestled under Coach Williamson at SDSU from 1957-1961. Mr. Williamson was instrumental in Daktronics entering the scoreboard business. He encouraged design of the scoreboard suited for wrestling during the early days of Daktronics' history. After that floor level scoreboard was

developed, he introduced Aelred Kurtenbach to members of the national rules committee and other influential people in wrestling in the United States. It was through these contacts that Daktronics was able to gain a foothold in the wrestling scoreboard market. From that point, Daktronics broadened its scoreboard offerings until today it offers the most complete line of scoreboards available from any single manufacturer in the United States. This position was recognized when Daktronics was named official supplier of electronic scoreboards to the 1980 Olympic Winter Games at Lake Placid, N.Y.

Chicago Fed Makes Three Staff Changes

The board of directors of the Federal Reserve Bank of Chicago has announced three changes in its official staff.

Gary L. Benjamin has been promoted to economic advisor and vice president. Mr. Benjamin joined the bank's research department staff in 1971, after receiving a Ph.D. in agricultural economics from the University of Illinois.

Charles L. Schultz, manager in computer operations, has been appointed assistant vice president in that department. Prior to joining the bank in 1976, Mr. Schultz held several positions in the computer operations field.

Janet Terry, manager of facilities support, was promoted to assistant vice president. Mr. Terry has bachelors degrees in math and psychology and entered the computer field in 1967.

Northern Trust, Morgan Sign Processing Agreement

The Northern Trust Company, Chicago, in its capacity as transfer agent for various corporations has entered into an agreement with Morgan Guaranty Trust Company, New York, whereby Morgan will be The Northern Trust's security processing agent.

Robert F. Reusche, Northern Trust executive vice president, stated that the new arrangement with Morgan provides Northern's trust department with a versatile, on-line stock transfer system which produces quality service for its corporate customers at improved cost effectiveness.



ALL MAJOR basketball and hockey scoreboards manufactured by Daktronics, Inc., Brookings, S.D., are now listed by Electronic Testing Laboratory of Cortland, N.Y., a nationally recognized independent safety testing laboratory. **Jim Morgan**, Daktronics v.p., states that the Daktronics "All Sport" indoor scoreboard has met ETL specifications for safety in wiring types, resistance, insulation and access to line electrical parts. Listed scoreboards are available from stock for immediate shipment. Daktronics is also a premier manufacturer of electronic identification and message signs for banks. **Allen VanBommel**, standard scoreboard production manager for Daktronics, is pictured above with one of the firm's basketball scoreboards.

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Honored for Support of The Arts



American Express Company was honored recently for its international program in support of the arts. **James D. Robinson III**, chmn. of American Express, is shown receiving the New Perspectives Award for 1981 from **Russell E. Palmer** (right), managing partner and c.e.o. of Touche Ross & Co., the international accounting and management consulting firm. Touche Ross presents the award annually to firms, institutions and individuals who have demonstrated boldness, courage and creativity in approaching some of the problems facing mankind.

Mosler Given Plaque for Security Film



A PLAQUE in recognition of its efforts toward the development of a training film, "Safe Deposit Security," for persons and organizations engaged in the safe deposit business was presented recently to Mosler Safe Company. Shown above at the award ceremony are, from left: **Roy Satchell**, sr. v.p., American Standard, Inc., parent firm of Mosler; **Robert F. Murphy**, pres. of Mosler, receiving the award from **Robert W. Martin**, 2nd v.p. of the American Safe Deposit Assn., which sponsored the award, and **Joe MacDonald**, sr. v.p.-sales, installation and service for Mosler. The 16mm color/sound motion picture was produced by Robert R. Rosberg of Mosler's Anti-Crime Bureau, the company's security training unit. The education committee of ASDA assisted Mosler in production of the film.

Rocky Mountain "PLUS" To Support Docutel ATMs

Docutel Corporation, Dallas, Tex., has received a commitment from Rocky Mountain BankCard's "PLUS" System for support of its TOTAL TELLER® 2300 series automated teller machines (ATMs).

The PLUS System, the nation's largest shared interstate electronic banking network, will support Docutel's TT2300 ATMs in the native mode according to D. Dale Browning, president of Rocky Mountain BankCard, who added that the System is expected to operate TT2300 machines by April, 1981.

Frank R. Marlow, Docutel's vice president of marketing, pointed out that the system's support of Docutel will "not only prove beneficial for existing TT2300 customers in the PLUS geographic region but also enhance the attractiveness of Docutel ATMs to other financial institutions."

Started as a proprietary Colorado credit card service in 1966, Rocky Mountain BankCard today serves institutions of all varieties in eight states and, said Mr. Browning, is about to expand to 12 states. The System presently comprises 181 live ATMs, up from 76 a year ago, which perform more than 650,000 transactions per month. In all, participating institutions represent a base of some 1.7 million cards, with 65% of these being Visa cards, noted Mr. Browning.

First Chicago Consolidates Five Edge Corporations

The First National Bank of Chicago has reorganized its five separate Edge corporations under a single "parent" corporation, First Chicago International, headquartered in Chicago.

The predecessor corporations, located in New York City, Los Angeles, San Francisco, Houston and Boston, were converted into branches of the new parent Edge.

The reorganization, which took place December 31, was made possible by a 1979 revision in the Federal Reserve System's Regulation K governing international banking operations. The revision allows federally-chartered Edge corporations to establish branches in the United States. Previously, a separate corporation had to be set up in each location.



CHICAGO Mayor Jane M. Byrne helps **Sidney J. Taylor**, chmn., and **Robert I. Logan**, sr. v.p. & exec. tr. off., announce that Drovers Bank of Chicago has put aside \$5 million in prime rate interim construction money for use by qualified businesses that establish plants in the Stock Yards Industrial Park.

Drovers Bank, Chicago, Commits \$5 Million For Construction Loans in Yards Area

DROVERS Bank of Chicago, 47th & South Ashland Avenue, Chicago, has set aside \$5 million in prime rate construction loans for businesses that build plants in the Stockyards Industrial Park, according to Sidney J. Taylor, chairman of Drovers Bank.

Mr. Taylor stated, "The low cost loans will be available to organizations qualifying for conventional financing Under The Chicago Plan. We estimate that a company with a Drovers prime rate loan will save about \$50,000 per one million dollars in interest over 18 months, compared to a typical two points plus 2% over prime interim construction loan covering the same period."

Chicago Mayor Jane M. Byrne, in applauding the Drovers plan, said, "This kind of cooperation between private enterprise and government benefits everyone: business, the public and the city. I hope Drovers sets a precedent for similar commitments by banks in other areas of our city."

Mr. Taylor noted that the Drovers plan would help bring business back into the inner-city and further the bank goal of bringing more jobs into the "Back of the Yards community."

In addition to the low cost, short term construction financing available through Drovers, the Chicago Economic Development Commission offers a wide range of incentives to

companies establishing in the yards. Among them: Industrial Revenue Bonds; property tax relief on industrial construction; land cost write down; job training funds; reduced carrying charges on industrial parks through joint ventures; federally guaranteed loans; public works and infra-structure, sales and use tax on manufacturing equipment; on-site improvements.

One hundred eighty acres of the Yards is ready for immediate development. Forty-two business and industrial firms reside there. Recent projects include National Can Company; Bienenfeld Glass Corp., and the Sears Roebuck & Company Chicago freight terminal.

Plan Advanced Commodity Marketing School

A comprehensive school on commodity marketing has been announced by the American Society of Farm Managers and Rural Appraisers for March 3-5 in Chicago.

This in-depth program is designed for attorneys, public accountants, CPA's, farm owners, farmer-ranchers, trust officers, finance or loan personnel, and others responsible for marketing agricultural commodities.

The program will offer an opportunity for individuals to have a better understanding of the commodities marketing system. It will be

helpful to those who have a client responsibility with agricultural commodities.

A majority of the classroom time will be at the Midland Hotel. Approximately a half day will be at the Chicago Board of Trade, utilizing their classroom, where the enrollees will have an opportunity to talk firsthand with the brokers. Emphasis will be on marketing and not necessarily on the Board of Trade.

Registration fee for the program is \$390.00. Enrollment forms and additional information may be obtained from the Manager, Continuing Education, American Society of Farm Managers and Rural Appraisers, 360 S. Monroe, Suite 460, P.O. Box 6857, Denver, Colorado 80206.

Joins CSBS Staff

Keith H. Ellis has joined the executive staff of the Conference of State Bank Supervisors as assistant director of federal legislation, it was announced by Lawrence E. Kreider, executive vice president-economist of CSBS, at Washington, D.C., headquarters.

Mr. Ellis, 30, joins the Conference from the House Committee on Banking, Finance and Urban Affairs where he served as minority counsel for the subcommittee on the city from August of 1979. Previously, he served as a law clerk for firms in Bethesda, Maryland, and Washington, DC, and then was associated with the DC law firm of Conner, Moore & Corber for three years.

First of Chicago's Chairman Sullivan Announces New Organization Structure

BARRY F. Sullivan, chairman and chief executive officer of The First National Bank of Chicago, has announced a realigned and broadened organizational structure designed to serve customers more effectively during the 1980s. Mr. Sullivan said



B.F. SULLIVAN



R.L. THOMAS



N. McKAY

the changes reflect management's strong emphasis on customer relationships, particularly in the bank's traditional Chicago and midwest markets.

To be implemented over the next few months, the reorganization plan calls for Mr. Sullivan, as chairman and chief executive officer, to set the strategic direction for the corporation.

Richard L. Thomas, president, will oversee all banking functions.

Neil McKay, vice chairman, will have responsibility for key administrative functions.

The worldwide Banking department has been significantly recast and expanded to improve service to its global customers. Headed by James A. Cassin, executive vice president, it will continue to serve established overseas clients and focus on multinational, energy and transportation companies, both in the United States and abroad. A special group will be formed to serve international financial institutions and central banks on a worldwide basis.

The U.S. banking department will be organized around specific industry markets. Special emphasis will be placed on correspondent banks and thrift institutions. Pursuant to the bank's goal of becoming the premier bank in the midwest, Mr. Sullivan said, a division covering Illinois and surrounding states will be established to service middle-market and large corporate customers not included in specialized industry groups. A national division will serve these same customers through the bank's regional offices. Mr. Thomas will serve as acting head of the U.S. banking department until a successor is named.

The financial products department will encompass such financial services as international merchant banking, private placements, project finance, public finance and leasing. Special emphasis will be given to trade finance and venture capital. The department will be formed after a head has been named.

The service products department will develop and manage noncredit products for the worldwide and U.S. banking departments. A head of this department will be named in the near future.

The personal banking and trust department, directed by Charles W. Woodford, senior vice president, will provide personal banking and trust services to high income and high net worth individuals, as well as to institutions and corporations, on a worldwide basis.

The retail banking department will continue to offer a full range of consumer services through its downtown facilities and will oversee VISA credit card and travelers cheque operations. A. Ray Einsel, senior vice president, will head the department.

Five departments reporting to Mr. McKay are law, control, building corporate/security, audit, and communications.

The asset and liability management committee will be chaired by Executive Vice President William J. McDonough. The bond and treasury departments will report to him.

The credit policy committee will be chaired by D. John Stavropoulos, who will be responsible for the quality of the bank's loan portfolio, credit

policy administration, country risk analysis and loan workouts.

The personnel department will be headed by Senior Vice President Arthur J. Massolo. The newly formed planning department will be headed by Leo Mullin, senior vice president. It will be responsible for developing corporate strategies as well as assisting managers of business units in achieving their growth and profitability objectives.

To broaden its support services, the First National has created a worldwide systems & MIS department to develop necessary strategies to meet worldwide requirements of the bank in terms of data processing and management information systems.

Council Would Ban Credit Life Fees to All Banks

If a recommendation by the Federal Financial Institutions Examination Council is adopted, all financial institutions officers and staff would be banned from personally benefiting from the sale of credit life insurance. Presently, the bank extends to the 4,700 national banks affected by a Comptroller of the Currency regulation stemming from a 1979 recommendation.

The proposed recommendation extending the ban to all thrift institutions and banks would affect an estimated 33,000 institutions.

The Supreme Court sustained the Comptroller, in effect, last October by dismissing the Independent Bankers Association of America suit aimed at stopping the Comptroller's action.

Hardest hit would be an estimated 8,300 state chartered commercial banks which are heavily engaged in the sale of credit life insurance. Their regulators at the federal level, the Federal Reserve Board and the FDIC, could adopt the proposed policy, and the Federal Home Loan Bank Board could do the same, thus affecting the 4,000 FSLIC covered s&ls.

The recommendation proposes two years in which to comply with the regulation, and if hardship is demonstrated, that period could be extended. Employees and officers could share in the credit life sale income through a bonus or incentive arrangement within the institution, but such bonuses could not exceed 5% of the recipient's salary.

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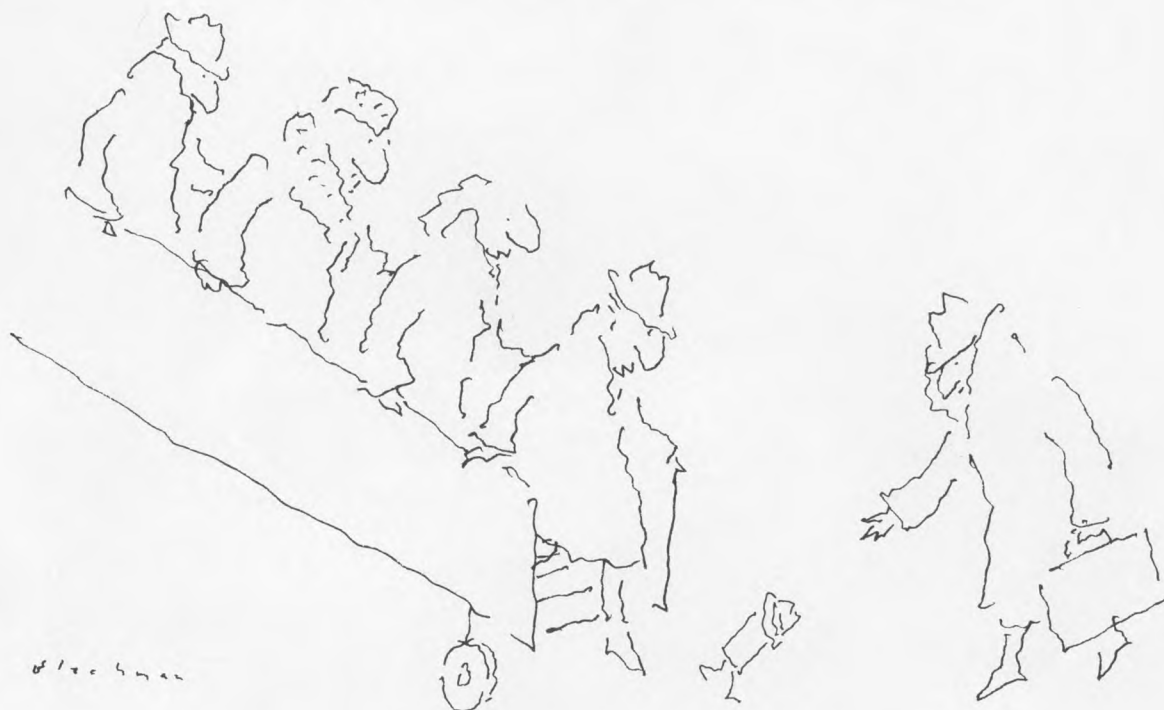
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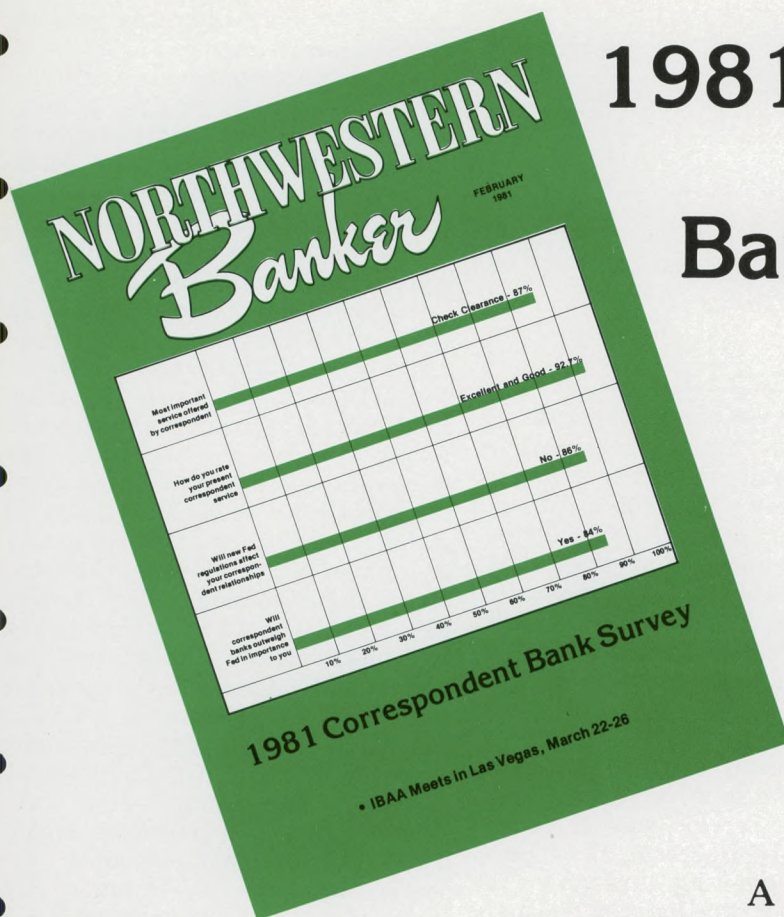
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1981 Correspondent Bank Survey

A NORTHWESTERN BANKER SURVEY

COMMUNITY banks have given high marks to their city correspondent banks in a comprehensive survey just completed by the NORTHWESTERN BANKER. In this important study, 93% of the 200 participating banks rate their city correspondents "Good" or "Excellent."

This newest report on Correspondent Banking is a continuation of surveys on this topic conducted by the NORTHWESTERN BANKER since 1924.

In response to some detailed questions, the executives replying to the survey have stated these key points:

1. 87.7% say Check Clearance is the most important service offered by their city correspondents. Safekeeping and overlines are rated as the second and third most important services, with 64.8% and 55.8% respectively.

2. 60% say Location is their reason for selecting their city correspondent, and 58% say Reputation is their second choice for such selection.

3. While community banks still furnish more balances than fees in payment for services (86% presently,

30% state they would prefer to pay fees if given the choice; 5% would be interested in a combination, and a whopping 25% say "it doesn't matter."

4. 52% of those responding to the question say they will close their accounts with major money market banks which attempt to expand their markets nationwide, stating they "will not deal with competitors." Also, 40% of the respondents say such action by major banks "will have no effect."

5. In a series of questions relating to correspondent bank service also offered by the Fed, as well as the

subject of required new reserves to be held at the Fed by non-members and how correspondent bank services compare with the Fed, the community banks have opted overwhelmingly in favor of their city banks. For example:

- 86% say the Fed requirements will have no effect on their correspondent relationships.

- Of the banks who may have to carry reserves at the Fed, 74% say they would rather deal through their correspondents on a "pass-through" basis, and 13% are not yet decided.

- 84% of the respondents say correspondent banks will outweigh

CHART NO. 1

Q. What is the most important service your correspondent now renders you?

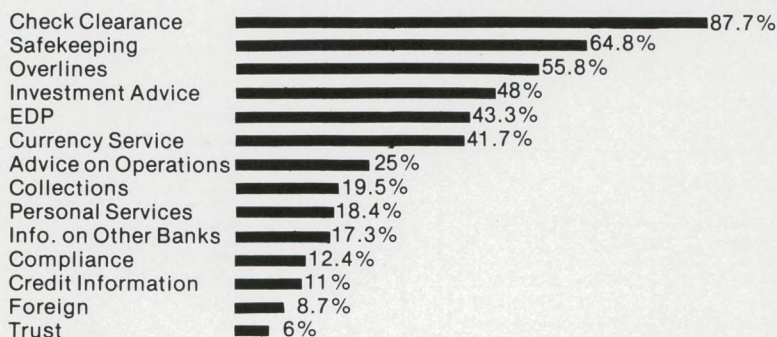
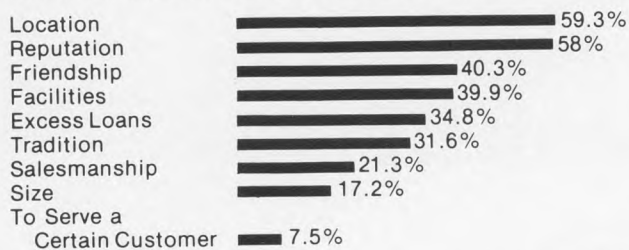


CHART NO. 2

Q. For what reasons did you choose your present correspondent bank(s)?



the Fed in importance to them.

• The most valuable aspects of correspondent banking that the Fed can't achieve, in the opinion of most respondents, are personalized service, overlines and investment advice.

Many other important findings are contained in the results of this extensive, exclusive survey and they are detailed in the following answers to the questions as stated:

Q. 1. What is the most important service your correspondent now renders you?

Following this was a list of 14 services suggested by a panel of bankers who helped prepare the questionnaire. Since a total of 14 rankings could be made, each category was weighted in reverse order; i.e., each No. 1 vote was given 14 points, each No. 2 vote was given 13 points, and so on until No. 14 was given one point.

To determine if there were any distinct differences by states or geographical regions this question was compiled by individual states. This process, though lengthy and tedious, showed strikingly similar selections among the 200 answers furnished from bankers in the nine states surveyed. For example, each state voted Check Clearance as its No. 1 choice, except for Montana, where it was second by five weighted points to Safekeeping, which was selected by all the other eight states as their No. 2 choice. Since all the states were very close in their tabulation throughout this question, the answers were finally consolidated into one summary chart of all states (Chart No. 1). In last month's

CHART NO. 3

Q. How many correspondent bank accounts do you maintain?

Primary	1.4 accounts
Secondary	2.16 accounts
Dormant	2.16 accounts

January NORTHWESTERN BANKER, 21 executives who head their respective city correspondent bank departments expressed their views about Correspondent Banking in the 1980s. These officials examined the services most frequently used by their banks by community correspondents and their listing of services coincides closely with the findings in the current survey.

In the current survey, a few states put Investment Advice ahead of Overlines, and in some states, EDP or Currency Service was placed a little ahead of one of them, all of these changes being by slight margins. All in all, it is noteworthy that the first six places each garnered more than 40% of the votes from all respondents.

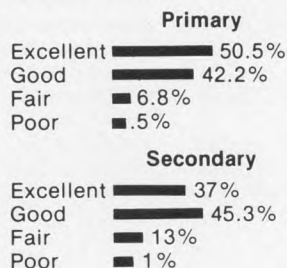
Q. 2. For what reasons did you choose your present correspondent bank[s]?

Respondents chose Location by a hair over Reputation (59.3% to 58%) as their first reason for selecting a city correspondent. Interestingly, Reputation was selected first in several of the states, with Location second by a handful of points, but more responses were received from larger states that selected Location. The findings from this question are shown in Chart No. 2.

Q. 3. How many correspondent bank accounts do you maintain: Primary _____ Secondary _____ Dormant _____

CHART NO. 4

Q. How do you rate your present correspondent service?



_____? If more than one primary account, please explain.

All of the respondents combined show an average of 1.4 primary accounts, 2.16 secondary accounts and 2.16 dormant accounts. However, there is an interesting split among the states. Those questionnaires which were not identified by state or bank name, and those from Iowa, Nebraska, Illinois, Minnesota and South Dakota had a range from 1.1 to 1.3 primary accounts. Then, in North Dakota, Montana, Wyoming and Colorado, the range moved up to 1.4 to 2.3 primary accounts. The same differences prevail in the other two categories. The first group of states listed 2 to 2.1 secondary accounts, while North Dakota, Montana, Wyoming and Colorado have a range of 2.3 to 3.1 secondary accounts. The same thing prevails in dormant accounts where the range for the first group of states is 1.7 to 2, while in the second group of states the range is from 1.6 to 2.5 dormant accounts per bank. The only variation here is in Nebraska, which listed 2.6 dormant accounts per community bank. A summary by states of these account relationships appears in Chart No. 3.

Q. 4. How do you rate your present correspondent service? Respondents were asked to rate their Primary and Secondary accounts as Excellent, Good, Fair or Poor.

These results are shown in Chart No. 4.

As noted earlier, Community Bankers gave their city correspondent high marks in answering this question, since 50.5% rated their Primary accounts as Excellent, while an additional 42.2% rated them Good, for a combined total of 92.7%. The other votes on Primary accounts, compiled among all responding states, were 6.8% Fair and .5% Poor. In fact, in only one state did banks rate any Primary account Poor in

CHART NO. 5

Q. How do you rate the calling personnel of correspondent banks?

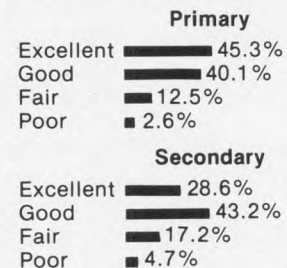


CHART NO. 6

Q. What do you like most about your correspondent bank(s)?

Willingness to work with our bank	34.4%
They take care of us	24.5%
Personnel	13.5%
Convenience	5.7%
Investment Help	4.2%
EDP Service	4.2%
Know personally	2.6%
Compliance Help	2.6%
Communications	2.6%

Other factors mentioned once or twice were: No fee, independent bank ownership so profit returns to us, necessary evil, lending advice, confidentiality, accuracy, Fed Funds service, finance bank stock, improving check collection, safekeeping.

service and that was the vote from one Illinois bank.

The assessment of service from Secondary accounts was 37% Excellent, 45.3% Good, for a total of 82.3%, and 13% Fair and 1% Poor.

Q. 5. How do you rate the calling personnel of correspondent banks?

Again, the respondents were asked to rank Primary and Secondary account personnel from city correspondent banks as Excellent, Good, Fair or Poor.

In this case, the personnel themselves did not rate as highly as their institutions did in the preceding question. Among Primary accounts, personnel were rated 45.3% Excellent and 40.1% Good, for a total of 85.4%, with 12.5% Fair and 2.6% Poor. Among Secondary account personnel, the rating was 28.6% Excellent and 43.2% Good, for a total of 71.8%, and 17.2% Fair and 4.7% Poor. These results are shown as Chart No. 5.

Q. 6. What do you like most about your correspondent bank[s]? Comment.

Respondents were given no list to check off with this question, but were asked instead to fill in their own choices. These resulted in a long list, with similar preferences expressed in various ways. Two categories stood out from the rest of the answers. The

first was "Willingness to work with our bank" and the response, interestingly, was stated in those words by so many of the respondents. A total of 34.4% of all respondents listed this as the trait they liked most about their city correspondents.

The second distinct grouping of responses, described by many in these exact words, was "They take care of us" and this was then described further as dependability, willingness to handle overlines, provide service, be flexible, or just rated as performance. This general heading accounted for 24.5% of the votes.

The third largest segment of votes went to Personnel, frequently identified as "their professionalism," and this segment garnered 13.5% of the voting.

These results and the balance of the votes cast are reflected in Chart No. 6.

Q. 7. What is the chief criticism you would make about correspondent service? Comment.

First of all, 84 of the responding banks, or 44%, said they had no criticism or did not answer this question. Of the 108 banks offering comments, 11% said "lack of performance after the account was opened" was their chief criticism. The second most frequently voiced criticism, from 7.4% of those commenting, was "infrequent calls," and "slow getting credit." In third place with 6.5% votes was "weak on overlines." Poor back room service and lack of knowledge were the fourth and fifth criticisms.

Results of this question are shown in Chart No. 7.

Charts for Questions 8 through 19 are self-explanatory and the results may be observed quickly by reviewing the charts.

A further comment on Question 14 results from asking "if services go more to a fee basis, how will this affect the correspondent system's ability to obtain the necessary money to give mobility to funds through

CHART NO. 7

Q. What is the chief criticism you would make about correspondent service?

No Answer or No Criticism	44%
Lack of Performance	11%
Infrequent Calls	7.4%
Slow Getting Credit	7.4%
Overlines Weak	6.5%

Other criticisms mentioned one to four times were these: Too big and complex, too few correspondent personnel, trouble on participations, difficult in tight money times, calling personnel too pushy, no grasp of small community problems, EDP needs improving, failure to answer correspondence, big versus little attitude, arbitrary in dealing with country banks, slow getting advice slips out, red tape, distance, safekeeping department needs work, currency service, lack of knowledge, slow to offer new services/products, EDP costs, adapting to their policies and not ours, no credit balances for bond business, principal to two banks in same community, lack of use of deposit funds, personal touch is gone, inconsistency in philosophy, fees too high, missing items cash letters, no follow-up, poor investment advice, poor back room service, mail sloppy, do not live up to advertised claims, too little service, no toll free number (South Dakota and Montana), do not give average credit, second class service because we're small and not a holding company bank.

overlines to respondent banks?" In response to this, 25% stated flatly this could curtail availability of overlines and an added 14% said they would have to reduce balances accordingly. Other answers were scattered.

On Question 19, respondents were asked to tell why they have their own in-house computer or, if not, under what conditions they would convert to an in-house computer. The reasons given to both these queries follow:

From those who presently are on an in-house computer (43 of the 197 banks included in this part), three distinct answers stood out. The first was "better control on premise," listed by 14 banks. The second was "to stabilize costs," listed by nine banks. The third was "better customer service," listed by six banks. Three banks said they are part of a holding company which has on-premise computer and three listed poor weather and courier service in the Rocky Mountain states as reasons. The others were for various reasons, such as convenience, own preference, coop with other banks and volume.

"Lack of performance after the account was opened" was the chief criticism voiced by 11% of banks making comments.

CHART NO. 8

Q. Will the new reserve requirements of the Federal Reserve have any effect on your correspondent bank relationships?

Yes — 11%
 No — 85.9%
 No Answer — 3.1%

From those who are not presently on an in-house computer (131 banks), the ones responding gave these conditions under which they would convert. Better cost control, 42 banks; satisfactory equipment, growth or if have to, six banks each; if present source unavailable, five banks; manpower, four banks. Several other reasons were listed by one bank each. A total of 21 of the 131 banks said they would not consider an in-house computer under any conditions.

Following are a few of the comments offered by respondents to some of the questions. The first two comments below did not list their state:

"You only need to deal with the Fed and its personnel a short period of time to realize their inability to handle their current workload."

"(On topic of fees) balances should then return interest to avoid overcharges . . . If major money market banks continue to expand nationwide we will close (accounts) and go to a non-competitive relationship such as the Federal Reserve or seek out a regional bank that has not generated a competitive position against our bank."

Iowa, \$16 million deposits: I like the dependability of my correspondents. When I need them I want to know my needs will be taken care of without hassle. (Criticism) The change in personnel and/or areas of responsibility. I want to do business with people who will be there tomorrow—continuity. I don't want to get reacquainted with a correspondent officer every six months. (Re

Fed) I just don't need the Fed. They seem to need me. (Re in-house computer) Just converted to in-house computer. Cannot afford EDP by correspondent. Mini computer prices are finally reasonable for a bank our size."

Iowa, \$9 million deposits: "You can never get an exact comment on any subject you call the Fed about, no matter who you talk to. I can call a correspondent banker and he can give me an answer or he will get it for me."

Iowa, \$14.5 million: "I like my correspondents' ready response to our request for service or advice. I would like to have them contact us through their representatives calling on our bank on a more regular basis. Most of their calls are in response to our requests. (On the Fed) In our particular case, we feel that we have a much closer relationship with our primary correspondent than we ever could with the Fed."

"I like our correspondents' willingness to help small banks get and keep customers whose credit needs exceed their small bank lending limits."

Iowa, \$11.5 million deposits: "Quality of the (correspondent) service in many of the departments has gone down due to the change in personnel. Lots of errors that previously would not have occurred, particularly in proof transit. (On Fed) Would rather not go to the federal agency for anything if we can continue to have a choice. We get personal, on-the-spot service from our correspondents without calling someone to see if it is OK to say yes. (On major banks expanding) Our bank would probably close the accounts and move the funds back to Iowa to help local correspondents work the fight to hold the local markets. (On in-house computers) We are planning to convert to an in-house computer because I like to control my own business and not have to depend on telephones and/or some sort of transportation. Small, in-house computers can and will do more than the correspondents presently offer."

CHART NO. 10

Q. If you are not now a member of the Fed, has your primary correspondent(s) offered to accept your pass-through reserve account?

Yes — 68.6%
 No — 4.7%
 No Answer — 11.5%
 Present Fed Member — 15.2%

If you have to pay reserves, will you elect to pay those reserves direct to the Fed or will you elect to use a correspondent bank's pass-through account?

Pass-Through — 73.5%
 Pay Direct — 13.6%
 No Answer — 12.9%

Iowa, \$10 million deposits: "There is nothing the Fed can do better than any of our correspondents. Doing business with the Fed is like doing business with any government agency. They are unable to eliminate red tape. Can you imagine someone calling on you from the Fed and saying, 'I'm from the Fed and here to help you?' (On fees) I am not opposed to fee payments if reasonable."

Nebraska, \$15 million deposits: "I like our correspondents' willingness to help small banks get and keep customers whose credit needs exceed their small bank lending limits. I do think they pay too much attention to details before approving overline requests. We are not dealing with the same individual or group of individuals. (On Fed) Fed does not care if they lose an account relationship. A correspondent will try harder to keep an account. (On fees and their effect on mobility of money for overlines) I believe money will have to be purchased. No more free balances. This will make the cost of funds more expensive and we will have to pass this additional cost through in the form of higher rates on loans."

Nebraska, \$21 million deposits: "We have a good, dependable working relationship with our correspondents; we know who we are working with. If they can't answer our questions they'll admit it and find some-

CHART NO. 9

Q. If you are not now a member of the Fed, will your bank be required to carry reserves with the Fed during 1981?

Yes — 23%
 No — 55%
 No Answer — 11.2%
 Present Fed Member — 10.7%

CHART NO. 11

Q. Will correspondent banks and their traditional services outweigh the Fed in importance to you?

Yes — 84%
 No — 11.2%
 No Answer — 4.8%

one who can. (On fees) Would rather see a fee amount and be able to relate actual cost versus actual benefit. Currently, our correspondent gives us the specific fee amount and then relates it to the required balance amount to offset that fee, which is the best of both options. (On major banks expanding) There would be very little change unless advantages are superior. We would rather deal with the known, versus the unknown. Only time and experience will tell."

Nebraska, \$14 million deposits: "Our experience with the Fed indicates that they cannot compete with our correspondent in services rendered. The Fed has nothing to offer us. (On in-house computer) Would consider one only under conditions in which the supplier

CHART NO. 12

Q. What are the services you value most that you feel your correspondent(s) can provide better than the Fed?

All Services	18.3%
Overlines	19.9%
Check Clearing	13%
Personal Service	13%
Investments	9%
EDP Service	8.6%
Safekeeping	2.7%
Currency-Coin	2.7%
Advice and Closer	2.2%
Personal Loans	1.6%
Less Red Tape	1.6%

Others (1% or less each): Management advice, contacts, credit information, efficiency, operations advice Fed Funds.

would underwrite the cost of obsolescence to the user."

Nebraska, \$11 million deposits: "We get prompt, courteous service without back slapping and a lot of lip service. (Criticism) The large correspondents call on us in the rural areas and ask for business. When we call them for an overline it is very difficult to place with them. My secondary correspondents are small banks that I have no problem overlining with."

Nebraska, \$66 million deposits: (On what do you like most about correspondents) Nothing. We are trying to eliminate our primary and become completely independent. Our secondary correspondent banks do an excellent job of pricing funds. What is sold to a bank is not what happens in actual day-to-day operation. But once you're tied in you have no choice. (On services correspondent

CHART NO. 13

Q. What is the most valuable aspect of correspondent banking that you cannot achieve with a Fed relationship?

Personal Relations	29.5%
Overlines Handling	20.9%
Investment Advice	10%
EDP	5.4%

Other comments included these: Fed too formal, too much red tape, local knowledge, credit information, know small bank operations, prompt service, bank stock loans.

can do better than the Fed) None. (On fees) I would rather pay the fees."

Illinois, \$39 million deposits: "When I need help, I know they (my correspondents) will help. (Criticism) Many times you have to go from area to area to get the correct solution.

"Our experience with the Fed indicates they cannot compete with our correspondent in services rendered."

One person can't seem to take care of more than one thing. (On major banks expanding) I will probably quit doing business with them. (On in-house computers) I would consider one only if the price fell drastically and the need for programmers, etc., on a full-time basis did not exist."

CHART NO. 14

Q. With primary correspondent account(s), how much of your service is based on balances and how much on fees?

Balances	86%
Fees	4%
No Answer	10%

What is your feeling about fee payments as opposed to traditional balances?

Prefer Balances	40%
Prefer Fees	30%
Doesn't Matter	25%
Both	5%

Illinois, \$35 million deposits: (On fees) "We will probably see more of this and properly so. (On major banks expanding) It would appear that they should attend to their own 'houses' rather than trying to usurp ours!"

Illinois, \$87 million deposits: "Data processing aspects cause most concern (in correspondent service). (On correspondent service outweighing the Fed in importance) Not at this early stage, but if Fed charges continually rise, this may happen. We value most from our correspondents their banking assistance in all areas of banking except with regulations. Bankers are dealing with bankers, not government employees. (On fees) Much fairer to all involved. (On major bank expansion) All smaller banks will be endangered to being purchased and lose their individuality. Over-all service to the

CHART NO. 15

Q. Since city correspondents will be obligated now to pay the Fed for the services rendered to them by the Fed, will you increase your balances or pay fees to offset those added costs?

Increase Balances	56%
Pay Fees	40%
Whatever Needed	5%
Both	4%
No Effect	1%
Neither	1%

(Above figures do not total 100% since some respondents checked more than one.)

public would probably be increased; however, our relationship with our primary account would be greatly strengthened, I believe."

Illinois, \$13 million deposits: "The use of checks and drafts will soon cease. The method of the future is EFTS. I support its need and feel a cost savings by using the pass-through method will be realized. (On fees) With such an unpredictable market, fee pay may allow greater flexibility for daily investment."

Minnesota \$6.5 million deposits: "(Criticism) They wish to know as much personal information as possible, while being unwilling to make pertinent comments about their findings. (On in-house computers) We went on an in-house computer. We felt we would have more flexibility, while being better able to control future costs. Also, documents don't have to leave the bank."

Minnesota, \$38 million deposits: "(On major bank expansion) Probab-

CHART NO. 16

Q. If major money market banks continue to expand their markets nationwide, how will this affect your account relationships with them?

Will Close Accounts	52%
No Effect	40%
Will Compete	5%
Other*	3%

*"Not good for small banks," "will be squeezed out or bought out," "can do little."

ly no effect in rural area. They should offer no more competition than we now have from money funds, such as Lutheran Brotherhood, offers now."

Minnesota, \$28 million: "(On correspondent service outweighing Fed) Qualifiedly. We may begin utilizing the Fed in some areas and services where correspondents are currently being used. (On fees) A rose by any other name would smell the same! There is no such thing as a free lunch. The cost must be borne for the service and whether the cost is via a fee or a balance doesn't make too much difference—it's still a cost!"

South Dakota, \$27 million: "You can hold your correspondent responsible for what they do. The Fed does what they please—they lose a check and charge it to you. I believe that correspondents can do all services cheaper and more efficiently than the Fed and all business in time will switch to them."

South Dakota, \$8 million: "Our correspondents have a tendency to ask us to adhere to their ideas and mechanics of doing business. They recently asked us to go to variable rate on overlines. We are not on computer so this would involve a considerable amount of adjustment on our part. We do feel that a good

share of their requests are beneficial, as they require us to update outdated policy."

North Dakota, \$18 million deposits: "Because we are smaller, and not part of a holding company, we get the second class service (from correspondent banks). (On Fed) The Fed is part of the bureaucratic system. I believe better service comes from private enterprise. (On major bank expansion) Rural areas should not receive too much after shock. The S&Ls have fairly well penetrated the western area county seat towns, and then some! (On in-house computer) Serious thought being given this—will wait."

North Dakota, \$14 million deposits: (On fees) "Balances allow the respondent a greater degree of independence."

Montana, \$11 million deposits: "I like their (correspondents') good, competent service and advice when I need it. However, the 'correspondent banker' working out of many large regional banks is typically someone

Balances or Fees?

"A rose by any other name would smell the same! There is no such thing as a free lunch."

who cannot do many of the things his customers must do daily and, consequently, he fails to understand a country bank's needs."

Montana, \$8.5 million deposits: (On in-house computer) We have one and will change. We are stuck with a mini-computer. When we can get rid of it we will then go through a correspondent."

Montana, \$14 million deposits: "I feel banks of a size to establish correspondent relationships should have WATS number for access. Generally, there are a minimum of two phone calls a day from us to correspondent banks. (On in-house computer) We have one because we prefer to keep records private—can get program we want rather than having to take the program offered by off-premises service."

Wyoming, \$29 million deposits: "We like the prompt, capable attention (of correspondent banks) to our requests for service; their

CHART NO. 18

Q. Is your bank presently on cash or accrual basis?

Accrual	55%
Cash	35%
No Answer	10%

If on "Cash" basis, do you plan to switch to "Accrual" during 1981?

Yes	24%
No	74%
No Answer	2%

preciseness in handling our business; mistakes and errors at a minimum; quick response to getting mistakes corrected; pleasant, willing, helpful attitude to give us service; availability when we call for help. (Criticism) Lack of competent persons to see that a problem is promptly corrected. No one is there to give an answer when we call. Not enough incoming phone lines or persons to handle calls promptly."

Colorado, \$10 million deposits: (Criticism of correspondents) "Check clearing one day beyond actual float. No advice offered on operations or investments. Unwilling to assist investment of bank's idle funds by passing overlines down. (On major bank expansion) Support independent correspondent bank concept."

Colorado, \$15 million deposits: (On fees) "Fee payment may not reflect the service rendered as fees are averaged for all correspondents, regardless of the amount of service or volume handled. (On major bank expansion) The rise of Bankers' Banks is the answer. Colorado is getting one now; also, the defining of loyalty to their smaller correspondents by big banks will be carefully studied and resulting action taken. The possibility of small bank pools or cooperative, joint transactions by small rural or regional banks could evolve in the next two to three years."

CHART NO. 17

Q. Of the EDP services offered by correspondent banks, how do you rate them in order of importance to you?

DDA	25%
Savings & CDs	24%
Loans	15%
Bond Accounting	15%
General Ledger	7%
Payroll	6%
CIF	4%
Cost & Income Analysis	4%

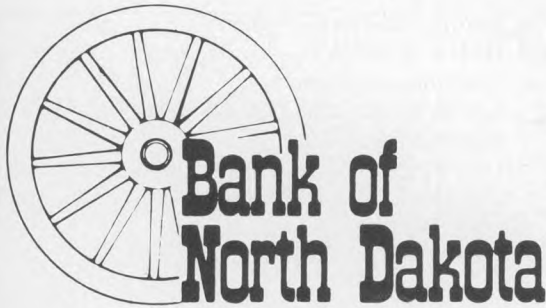
CHART NO. 19

Q. Are you on an in-house computer now (not just automated bookkeeping machine)?

Yes	22%
No	66%
No Answer	12%

If above answer is "No," are you planning to convert to an in-house computer?

Yes	12%
No	82%
No Answer	6%



700 Main Street
P.O. Box 1657
Bismarck,
North Dakota 58505

"The Bank of North Dakota Philosophy"

I

To encourage and promote Agriculture
Commerce, and Industry
in North Dakota

II

To provide the most efficient and economical
financial services to the State,
its Agencies, and
Instrumentalities

III

To provide professional assistance whenever
possible and wherever it will encourage
and promote the well being and
Advancement of North Dakota
and its citizens

STATEMENT OF CONDITION

December 31, 1980

RESOURCES

Cash and Due from Banks	\$44,284,629.90
U.S. Government Securities	72,952,351.37
Federal Agencies Securities	64,475,135.87
Bankers Acceptances and Other Investments	36,010,724.02
State and Municipal Securities	14,067,630.59
Federal Funds Sold	135,000,000.00

Loans

FmHA Business & Industry Guaranty	7,637,986.28
FmHA Housing Guaranty	819,084.98
FHA and GI Home Loans	156,691,744.33
Farm R.E. Loans	30,552,815.23
R.E. Contracts	259,067.09
Loans to State Institutions	215,949.03
Bank Stock Loans	5,041,213.18
SBA Participation Loans	17,202,792.25
N.D. Bank Participation Loans	103,865,274.34
Other Loans	6,793,019.49
TOTAL LOANS	329,078,946.20
Accrued Interest Receivable	8,422,005.91
Bank Building Equipment	1,424,550.58
Unamortized Bond Issue Costs	477,747.00
Other Assets	502,313.42
TOTAL RESOURCES	\$706,696,034.86

LIABILITIES

Demand Deposits: Individuals, Partnerships and Corporations	\$ 4,897,729.01
Deposits of Banks	27,643,409.26
State and Political Subdivisions	72,741,530.99
Official Checks, etc.	1,262,076.18
	<u>106,544,745.44</u>

Time and Savings Deposits: Individuals, Partnerships and Corporations	17,811,467.53
State and Political Subdivisions	312,408,128.49
	<u>330,219,596.02</u>

TOTAL DEPOSITS	436,764,341.46
Fed. Fds. Purch. & Sec. Sold under Agreement to Repurchase	171,557,340.28
Accrued Interest Payable	5,913,415.60
Other Liabilities	5,113,812.65
Long Term Debt.-Mtg. Bonds	45,000,000.00
Reserves	3,500,000.00
Capital	16,000,000.00
Surplus	12,000,000.00
Undivided Profits	10,847,124.87
	<u>42,347,124.87</u>

TOTAL LIABILITIES RESERVE & CAPITAL	\$706,696,034.86
--	-------------------------

This Bank is owned, operated and controlled by the
State of North Dakota under the supervision of the
Industrial Commission.

Ranked as the 34th largest bank agricultural lender in
1979 by the A.B.A.



INDUSTRIAL COMMISSION

ARTHUR A. LINK

Governor

ALLEN I. OLSON

Attorney General

MYRON JUST

Comm. of Agriculture

H. L. THORNDAL

President

Northwestern Banker, February, 1981

IBAA Meets in Las Vegas, March 22-26



T.F. BOLGER



W.C. BENNETT

MORE than 3,000 bankers and wives are expected to attend the 51st annual convention of the Independent Bankers Association of America March 22-26 at the Las Vegas Hilton Hotel in Las Vegas, Nev.

IBAA President Thomas F. Bolger, president of McHenry State Bank at McHenry, Ill., will preside at the general sessions featuring speakers from government, banking, business and academic life. More than 80 exhibitors will staff booths in the giant exhibition hall.

Slated to succeed Mr. Bolger as president is W.C. Bennett, chief executive officer of the Arthur State Bank at Union, S.C., and Mr. Bennett will be succeeded as first vice president by Robert L. McCormick, Jr., president of Stillwater National Bank & Trust Co., Stillwater, Okla. A new second vice president and a new treasurer will be elected.

The complete program follows:

Sunday, March 22

A.M.

- 8:30- 5:30 Registration.
- 8:30- 5:30 Dinner table reservation desk open.
- 8:30- 5:30 Exhibits open—Pavilion sections 4-8.
- 10:00 Committee meetings: Agriculture, Bank Education, Bank Operations, Federal Legislation, Regulation Review, Resolutions, State Legislation.

P.M.

- 1:30- 5:00 Executive Council.
- 3:00 Hostess Coffee Party—IBAA President's Suite.

Monday, March 23

A.M.

- 8:30- 5:00 Registration.

- 8:30- 5:00 Dinner table reservations.
- 8:30-11:00 Buffet Breakfast—Ballrooms, A.B.C.
- 9:00- 5:00 Continuous showing of IBAA 50th Anniversary film and the Colorado Victory in Referendum film.
- 10:00-Noon Ladies get-acquainted session.
- Noon Luncheon—Conference of State Independent Bankers Association
- Executives—Conference Rooms 1-2.
- P.M.
- 1:00 Special Interest Session. "Prospects for Inter-State Branching"—Panel of Congressional staff members—Pavilions 9-10.
- 2:30 Special Interest Session. "How to Improve Asset/Liability Management—Michael P. McCarthy, CPA, and Dr. Bill Handorf, professor, George Washington University, Washington, D.C.—Pavilions 9-10.
- 6:30 Reception—Pavilions 1-3.
- 7:30 Festive Dinner—Ballrooms A-G.
- 8:45 Floor show featuring The Warrens and Comedian Johnny O'Brien, followed by dancing.

Tuesday, March 24

A.M.

- 8:30- 4:30 Registration.
- 8:30- 4:30 Dinner table reservation desk open.
- 9:00- 5:00 Exhibits Open.
- 9:00 First General Session—Ballrooms A-B. Presiding—IBAA President Thomas F. Bolger.
- Address—William Monroe, moderator
- NBC Meet the Press.
- Report of nominating committee and election of officers.
- Address—Donald E. Wilkinson, Governor of Farm Credit Administration.
- Panel—The Future of Your Bank.
- Panelists: Alex Sheshunoff, president, Sheshunoff & Co., Austin, Tex.; Robert L. McCormick, IBAA second vice president, and Angelo Bianchi, New Jersey commissioner of banks and president, C.S.B.S.

P.M.

- 1:00 Men's and Women's Luncheons.
- Balance of day open.

Wednesday, March 25

A.M.

- 8:30- 2:00 Registration.
- 8:30- 2:00 Dinner table reservation desk open.
- 9:00 Exhibits open.
- 9:00 Second General Session—Ballrooms A-B. Presiding—IBAA President Bolger.
- Address—The Mixed Bag for Agriculture in the 1980s—Prof. Donald G. Sisler, Cornell University, Ithaca, N.Y.
- "The Triumph of Independent Initiative in the Colorado Referendum"—Presentation

IBAA CONVENTION PROGRAM

(Turn to page 88, please)

Look for us in Las Vegas



Dave Hyduke



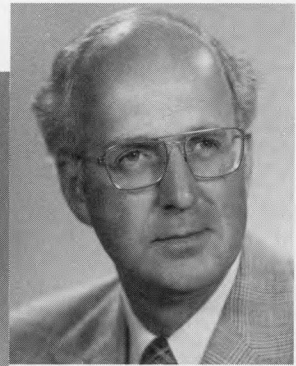
Bob Jacobson



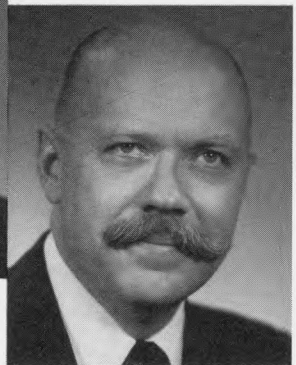
Bob Sipple



Don Johnson



Jim Reagan



Bill Langford

We look forward to seeing our Ninth Federal Reserve District banker friends at the Independent Bankers of America Convention.

Come join us in our hospitality suite at the Las Vegas Hilton, Ballroom D-G, on Tuesday, March 24 from 5:30 - 7:30 p.m.

Do stop by and let us talk with you about how American's full line of correspondent services can benefit your bank.



**American National Bank
and Trust Company**

Correspondent Division • 5th & Minnesota Street, St. Paul, Minnesota 55101 • (612) 298-6331 • Member FDIC

Two ways to find out what we can do for you.

1. Send for one of our booklets
Our "Guide to Correspondent Banking Services" is designed to give you an overview of the different types of services we offer your bank. Call or write and we'll be glad to send one your way.

2. Send for one of us
If you want to find out *exactly* what we can do for you, send for one of us.

We'll come to your bank to discuss your specific needs and ex-

plain how we could work with you on a correspondent basis.

And, when you deal with us, you don't deal with a correspondent bank. You deal with a correspondent *banker*.

One who is assigned to you on a permanent basis so you develop a long-term, personal relation-

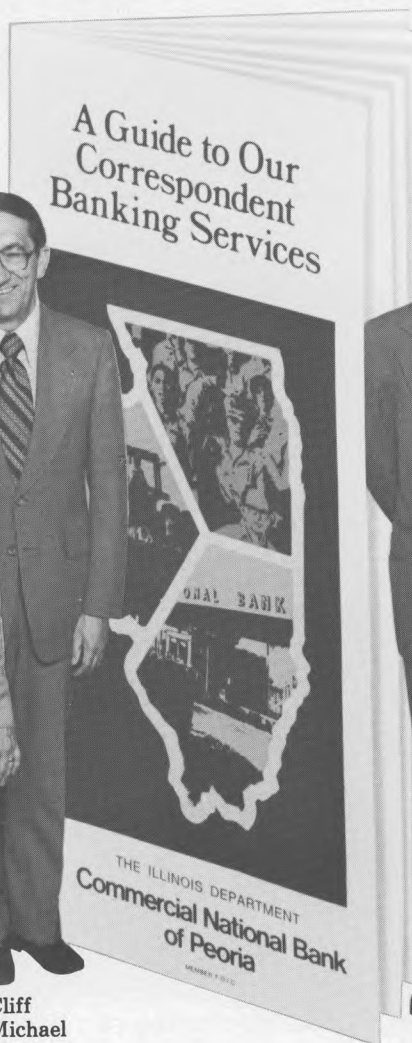
ship that will help set long-range plans and goals.

To request a booklet or a banker, write or call (toll free) (800) 322-2212.



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Pat
Barron

Ronalee
Covington

Art
Hipple

Illinois

J. D. Lemmerman, pres., Monmouth

W. J. Hocter, exec. v.p., Chicago



Steven Irvin Named Naperville President

THE board of directors at the Naperville National Bank and Trust Company named Steven A. Irvin president and a director. Mr. Irvin replaces Warren Wood, who will continue to serve the bank in the capacity of senior vice president and a member of the board of directors. During Mr. Wood's tenure as president (1964-1980), bank assets grew from \$18 million to \$106 million.

Mr. Irvin has been with the bank for eight years, recently serving as senior vice president and chief executive officer. He is the head of the bank's loan department. Mr. Irvin is a graduate of Southern Illinois University School of Banking, the Graduate School of Commercial Lending at the University of Oklahoma and the Graduate School of Banking at the University of Wisconsin.

The board of directors also announced the appointment of JoAnn M. Baumgartner as vice president of marketing, Laurel A. Bierovic as assistant vice president in the loan department and Richard A. Davenport as assistant vice president and cashier.

Ms. Baumgartner joined the bank as business development officer. She attended Loyola University, is a graduate of the Bank Marketing School at Temple University, attended the American Institute of Banking and is enrolled in the School of Bank Marketing at Boulder, Colo. for 1981.

Mrs. Bierovic has been in banking for eight years; she has been associated with the bank since 1974. In her previous position she was loan administrative officer. Mrs. Bierovic is a graduate of the Illinois Bankers School at Southern Illinois University in Carbondale.

Mr. Davenport joined the bank in 1976. He is a graduate of the College of DuPage, has earned the Foundation of Banking Certificate from the

American Institute of Banking, and attended the Illinois Bankers Association Commercial Lending School.

Baratta Joins Sears Bank and Trust Co.

Philip J. Baratta has joined Sears Bank and Trust Company of Chicago as vice president in charge of the bank's real estate construction lending department, according to Emory Williams, chairman and chief executive officer.

Mr. Baratta was formerly vice president in the real estate lending division of the Harris Trust and Savings Bank which he joined in 1972. Prior to that time he was associated with Continental Illinois National Bank in its real estate division.



P.J. BARATTA

Application Approved

The Federal Reserve Board has announced its approval of an application by Hutsonville Bank Corp., Hutsonville, to become a bank holding company by acquiring Farmers and Merchants Bank of Hutsonville.

Officer Promotions Told

FirstBank Evanston has announced four officer promotions. Howard I. Kain was promoted to senior vice president, Ann C. Casas was promoted to trust officer, Madelon B. Saltzman was promoted to personnel officer and John Schellinger was promoted to commercial banking officer.

Mr. Kain's responsibilities include finance, personal banking, personnel, long-range planning and co-ordinating of data processing services. He holds a AB and MBA from the University of Chicago.

Mrs. Casas is an officer of FirstBank Evanston's trust department. She holds a BA degree from Lawrence University.

Mrs. Saltzman holds a BA degree from Northwestern University. She is head of the bank's personnel department.

Mr. Schellinger, an officer in the commercial banking department, holds a BS degree from Northwestern University.

AMBI to Hold Consumer Credit Conference

The Association for Modern Banking in Illinois will conduct its 1981 Consumer Credit Conference March 4-6 at the Chicago Marriott Hotel, it was announced by James B. Watt, president. Conference theme will be "Retail Game Plan for the 80s."

Featured speakers will include Jack Whittle, chairman of Whittle, Raddon, Motley and Hanks Financial Marketing Group, Chicago, and Dr. Beryl W. Sprinkel, executive vice president, Harris Trust and Savings Bank, Chicago. Others on the program represent a wide range of interests from banking and government ranks.

1980 IBA Group Meetings

March 3	Group 7	Ramada Inn, Champaign
March 4	Group 10	SIU, Carbondale
March 5	Group 9	Augustine's, Belleville
March 17	Group 5	Holiday Inn East, Springfield
March 18	Group 8	Holiday Inn, Decatur
March 19	Group 6	Continental Regency, Peoria
March 31	Group 4	Emerald Hills Country Club, Sterling
April 1	Group 3	Hyatt Regency O'Hare, Rosemont
April 2	Group 2	Bon Vivant, Bourbonais
April 3	Group 1	Bismarck Hotel, Chicago

Minnesota

R. E. Gandrud, pres., Glenwood
T. L. Jeffers, exec. v.p., Minneapolis



Northwestern Nat'l Opens Northside Office



THE NORTHWESTERN National Bank of Rochester opened its Northside Office recently. Rochester Mayor Chuck Hazama joined bank President John Cochran and Northside manager Peg Matke in the ribbon cutting ceremony. Bank directors and the Ambassadors of the Rochester Chamber of Commerce also participated. The bank's newest facility is operating in a module office until a permanent building, now in construction, is completed.

Adams Bank Is Sold

The Farmers State Bank of Adams announces that agreements have been completed transferring ownership of the bank from Mr. and Mrs. Vance Torgerson to Robert D. Hanson and Gordon H. Klaudt, effective January 15, 1981.

President Torgerson, who has been with the bank since 1940, will continue as chairman of the board. Robert D. Hanson will become president of the bank and Gordon H. Klaudt will assume duties of vice president and cashier. Both Mr. Hanson and Mr. Klaudt have been with the bank for over 15 years.

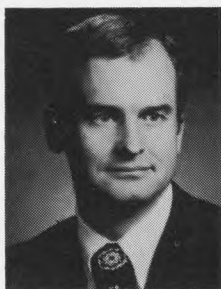
Acquisition Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application by Pipestone Bancshares, Inc., Pipestone, to become a bank holding company through the acquisition of The First National Bank of Pipestone.

Rejoins Mankato Bank

Starr J. Kirklin, president of First Bank Mankato, has announced the election of Richard M. Thomas as vice president-senior commercial loan officer.

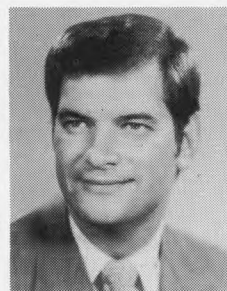
Mr. Thomas began his banking career at First Bank Mankato, an affiliate of First Bank System, as a trainee while attending Mankato State University. He completed his B.S. degree in Business Administration at Mankato State University in 1972 and began employment with First Bank Austin as an instalment loan officer. During his employment at First Bank Austin, also an affiliate of first Bank System, Mr. Thomas has held positions of commercial loan officer, assistant vice president and most recently vice president of the commercial loan department.



R.M. THOMAS

Queenan Named President

William H. Queenan has been named to succeed Eugene G. "Bud" Precht as president and chief executive officer of Northwestern National Bank Southwest, a Banco affiliate, in Bloomington. Mr. Queenan is currently executive vice president of the



W.H. QUEENAN

Bloomington bank. Mr. Precht is leaving Northwestern National to accept the position of president and chief executive officer at Iowa-Des Moines National Bank in Des Moines, Ia.

Mr. Queenan was associated with First Bank/ St. Paul for 11 years prior to joining Banco in 1973, when he was named vice president of commercial lending at Northwestern National Bank of St. Paul. He was elected group vice president of the St. Paul bank in 1977. In 1979, Mr. Queenan became executive vice president of the Bloomington bank.

Elected in Brainerd

The board of directors of the Citizens State Bank of Brainerd has announced the election of Thomas E. Welle to the position of executive vice president.

Mr. Welle, an honor graduate in business and finance at Bemidji State University joined Citizens State Bank as assistant vice president in 1975. He was formerly associated with the Bremer Service Company of St. Paul.

Most recently, Mr. Welle served as vice president and controller for operations at Citizens State Bank, and as head of the real estate loan department. He graduated this year from the Graduate School of Banking in Madison, Wis.

National Boulevard Has Record Net Income

National Boulevard Bank of Chicago reported record 1980 net earnings of \$3,076,000 or \$15.38 per share. These earnings represent a slight increase over the previous high achieved in 1978, and a substantial improvement over 1979, a year which was adversely affected by non-recurring loan charges.

WHAT TO LOOK FOR IN A GOOD AG LENDER.

Business relationships. They're the core of banking. Perhaps in no other area of banking are they as vital as in agricultural financing. And perhaps in no other area of banking are they put to the test as often.

As a banker in a rural community, you sit at the center of a number of growing business relationships. Your customers—farmers, ranchers, and agri-businessmen,—are dependent on your insight and resources to help them through present and future opportunities or challenges. Their business depends on yours, and yours on them.

But, as a partner in a correspondent banking relationship you may not find yourself in as mutually cooperative a situation. Although your ag business may rely heavily on the help of your regional bank, the reverse may not seem to hold true. And if your regional bank no longer meets that growing need for help, it's time to move.

But whether you're looking for a new correspondent relationship or merely taking a critical look at your existing relationship, there are certain criteria banks can and do use to evaluate a correspondent bank.

Capability

Of course the regional bank must have the financial resources to meet your ag financing needs. The bank must have the capacity that can give you the flexibility to plan for today and tomorrow.

And large dollar lending limits are not enough. Capability should also be measured in terms of human resources—professional skills and expertise.

The bank's size is important, because it certainly affects not only the amount of ag loans that can be funded, but also the number of ways in which those loans can be funded. A "bankers acceptance," for example, is one such means of funding.

Dependability

Solid banking relationships can't be transient. Bankers must share the mutual trust and understanding necessary for long-term growth.

Unfortunately, many financial institutions and associations get into the ag lending market without a long-run commitment to that market. They "dabble" while times are good, and somehow disappear when times are troubled.

Dependability isn't easily discerned. It's a quality proven over time and based on a bank's reputation, the risks it's willing to take, and its availability when you need help.

Flexibility

For one reason or another, some correspondent financial institutions and associations may try to "run" a loan. This may confuse customers and make local banks less sensitive to their needs. Even worse, it indicates poor trust in both the borrower's and the local lender's judgement.

A good regional bank, on the other hand, listens to the need to stay flexible enough to let local banks adapt to changing situations.

Innovation

Using financial tools in new and different ways can be the lifeblood of a good correspondent banking relationship. And because a local bank can never predict the changing needs of customers years in advance, it pays to develop a relationship with a regional bank which not only has financial tools, but also the expertise, desire, and commitment to continuously work with them.

And in a world where interest rates can rise and fall in a matter of days, the best regional bank is the one with the talent and desire to innovate and react thoughtfully and quickly.

Dedication

First, a country bank must be dedicated to its own business—ag financing. To do this effectively its regional bank must recognize the needs of the local bank's own customers, and offer help with needed services. Services like regional agricultural economic advice, estate planning, trust services, or speedy collection of large deposits. Not all banks can readily offer these.

Secondly, a regional bank must be dedicated to the country bank's welfare in its ag business market. Correspondent bankers must be willing to join local bankers out in the field, to become acquainted with customers and their problems first-hand,

and, if necessary, to help educate them in the growing complexities of ag finance. For example, the process of hedging as a market tool, and what it means for bankers and borrowers alike.

Look for an expert.

Obviously, this isn't a complete laundry list of criteria, and it's not really meant to be. What it is designed to do, however, is to give you a solid starting point for a realistic evaluation of your correspondent relationship.

At Northwestern National Bank of Minneapolis, we know how important an ag banking correspondent relationship is to you, and how important your selection of your regional bank can be to your success. And of course we like ag loan assets and recognize the tremendous importance of agriculture in this region.

That's why we're so deeply involved in that area. From top management on down, we've made a sincere commitment to servicing the ag needs of local banks and their customers.

And we can offer local banks the types of overlines and related banking products they need to keep their customers growing.

Our commitment, coupled with our flexibility, our expertise, and our size, has helped our bank grow rapidly over the past four years, to now rank 30th in size nationally in ag loan volume.

When you're looking for an ag partner, ask the experts. Ask us. We'll help you serve the needs of your most important customers—the farmers, ranchers, and agri-businesses in your community. We're on your side.

ASK THE EXPERTS.
ASK US.



Correspondent Banking
Department

**NORTHWESTERN
NATIONAL BANK**
Of Minneapolis

Telephone (612) 372-8200



Minnesota Energy Problems Need Careful Analysis, Economics Expert Advises

"PROPOSALS calling for Minnesota to become nearly self-sufficient in energy production need careful analysis," according to Dr. Larry J. Wipf, assistant vice president and director of regional economics at Northwestern National Bank of Minneapolis. "Concern over the instability of energy sources and our dependence on outside sources of energy should not lead us to adopt measures that may actually result in higher energy prices for the state or that would hamper economic development."

"Since Minnesota is almost completely dependent on outside sources of energy, stability of supply is a key concern," said Mr. Wipf. "Fears of supply disruptions have been heightened by the Iraqi-Iranian War. In addition, some analysts argue that traditional fuels such as oil, natural gas and coal drain dollars out of Minnesota which then jeopardizes the economic health of the state."

"The key question is how far should the government, both federal and state, go and what should the government do in intervening in the private sector in an effort to deal with our energy problems," he said.

"Proposals calling for Minnesota to become nearly self-sufficient in energy production are ill-advised," said Mr. Wipf. "The premature switch to non-conventional sources of

energy could saddle the state with higher-priced energy sources relative to other areas of the country. This would hamper our overall economic growth. The most valuable contribution the government could make in solving the energy crisis would be to encourage greater reliance on the free market system."

"Minnesota's overriding energy goal should be the development of the most efficient sources of energy, whether produced in Minnesota or in some other stable supplying area," he said. "This does not mean that there is no future for certain Minnesota-based energy sources. The crucial question is 'How should this be brought about?' In the search for alternative energy sources, it is preferable to allow the free market system to guide the choices. We must guard against giving incentives to new sources while hampering the development and use of traditional fuels."

Changes at Owatonna

Joseph A. Slezak, assistant vice president of Northwestern National Bank of Owatonna, elected to take early retirement as announced by Kenneth E. Wilcox, president.

Mr. Slezak's banking career commenced April 1, 1950, and he has worked in a variety of departments at the bank, including operations, audit, teller supervisor, installment lending, commercial loans and customer service. In addition to this, he has been in charge of the physical structure known as the "Sullivan Masterpiece" bank building.

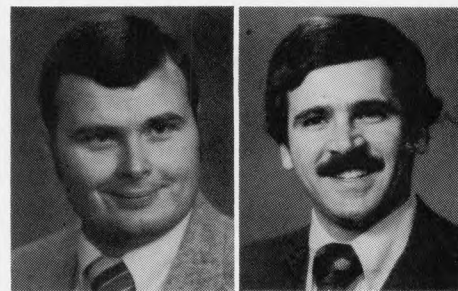
Also at Northwestern Dwight D. Randall has been elected to the position of vice president manager of the personal banking department.

Mr. Randall comes to Owatonna from Grand Rapids, where he most recently served as branch manager of the First National Bank of Deer River. Prior to that, he was employed at the First Northwestern National Bank of Eveleth and the First Northwestern National Bank of Hoyt Lakes.

Mr. Randall has been active in various civic and business organizations and has attended several banking seminars and schools.

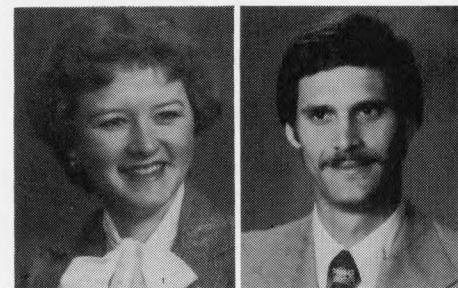
Hopkins Personnel Changes

The board of directors of First Bank Hopkins has announced the following management changes:



B. BEHRENBRINKER

J. DAMATO



C. JOHNSON

B. SENSKE

Bill Behrenbrinker has been named commercial banking and real estate loan officer. He joined the staff at First Bank Hopkins in 1978. His most recent position has been commercial lending officer.

Jim Damato has been named personal banking officer. He began with First Bank Hopkins in 1978. His most recent position has been personal banker.

Cynthia Johnson has been named commercial banking officer. She has been with First Bank Hopkins since September 1979 as a mortgage lender in the real estate department.

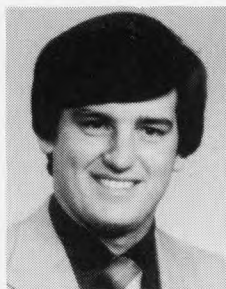
Bruce Senske has been named assistant vice president and commercial loan manager. He has been with First Bank Hopkins since May 1977, and his most recent position has been commercial loan officer.

Joins Citizens Bank

Michael J. Bissen, formerly cashier and head of operations at the State Bank & Trust Co., New Ulm, has joined Citizens Bank & Trust Co. as the new personnel and operations officer.

Prior to his association with the bank at New Ulm, he was employed as senior assistant examiner, operations and loan analyst with the Federal Deposit Insurance Corporation.

He is a graduate of St. John's University with a BA in business administration and German.



M.J. BISSEN

Seminars Successful

Attendance at the Minnesota Bankers Association sponsored Bank Staff Seminars reached 5,500.

Trish Faulbender, senior vice president for Financial Shares Corporation, Chicago, was the speaker for the series. Titled "The Winning Team," the seminars were designed to provide practical information to staff members on being team members and make them aware of the fast and increasing changes in the competitive marketplace.



ONE WAY OR ANOTHER, WE CAN LEAD YOUR CLIENTS TO WORKING CAPITAL.

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Your clients' assets can secure a tailor-made revolving credit line. Accounts receivable, inventories, machinery, equipment, land and buildings can be turned into Asset Money™. It's the smoothest route for companies short on working capital, those looking toward expansion or growing firms eager to increase sales. Or money for buy-outs, mergers and acquisitions. Bank participations.

Banco Financial Corporation can help get your clients off to a great future with Asset Money. Contact John Olson, Lee Mork, Robert Olson, Paul Weingart, or Jack Hart, (612) 372-7988, 830 Northwestern Bank Building, Minneapolis, Minnesota 55402.

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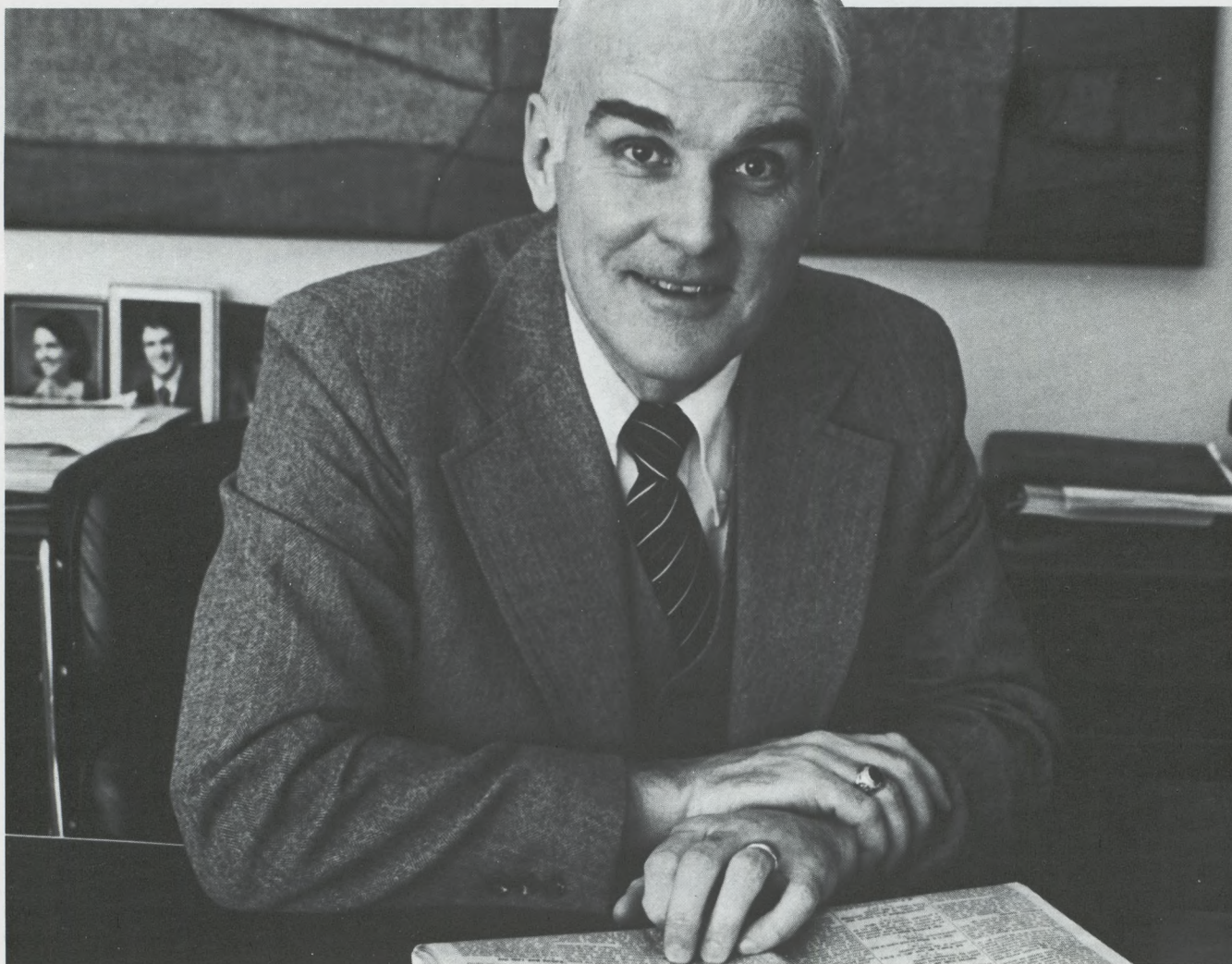
Get more mileage out of each dollar.

Clients with considerable working capital may wish to conserve it by leasing needed equipment. Decide on a Lease Purchase Contract with a guaranteed purchase option at the end of the term. Go with a leverage lease or purchase equipment outright.

Whatever your clients' business, whatever the equipment they need — Lease Northwest, Inc. has the financing options that put it to work.

Contact Dave Michael in Minneapolis at (612) 372-7416, Roger Meier in Omaha at (402) 536-2310, Jim Sheedy in Des Moines at (515) 245-3392, or Chris Hoss in Fargo at (701) 293-8136

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Jim Gowan, Vice President, Correspondent Bank Division (612) 291-5577

“My 25 year’s experience in banking could be your competitive edge.”

The banking experience you’ll find at The First National Bank of Saint Paul means banking service you can depend on.

“To make sure you get the service you need, when you need it, my division has seven correspondent bankers and a supporting staff of trained professionals. Together, we offer you all the experience and resources of First Bank Saint Paul.

“To maintain our high level of service, our correspondent bankers attend seminars and workshops so as to stay abreast of the latest developments in all phases of banking.

“By spending time in the field, our people make certain that they have first-hand knowledge of the day-to-day operations of their

customers. And if complex questions arise, they can draw upon my 25 year’s experience to help solve them.

“In today’s competitive financial world, experience is like money in the bank.

If we can help you, give me a call.”



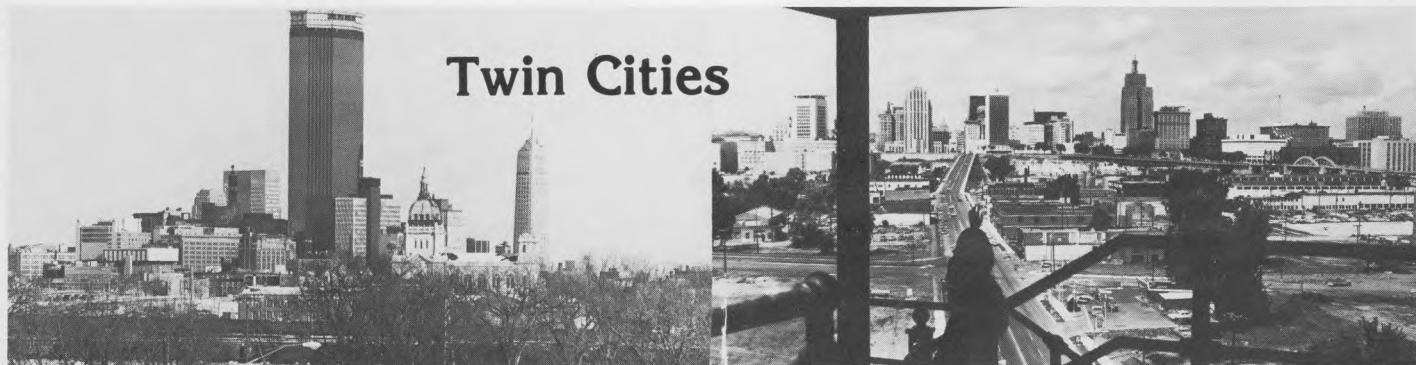
First Bank Saint Paul

Correspondent Bank Division

We do our job. You get the credit.

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Twin Cities



RECENTLY representatives of Midland National Bank of Minneapolis, state and St. Louis Park officials reviewed progress on the construction of Midland Bank's new branch office.

Midland's new St. Louis Park Branch will consist of a six lane drive-thru facility with complete customer serving capabilities and a full service bank office on the ground level of the Freidheim Building. Construction, which began in October is scheduled for completion by April 1, 1981.

Banking services will be provided in a 1,700 square foot area in the Freidheim Building, 3601 Park Center Boulevard, adjoining the new drive-thru facility. Midland's long-range plans include eventual expansion to 4,500 square feet in that building.

Tom James, assistant vice president, was appointed branch manager -St. Louis Park. He came to Midland from the Third National Bank and Trust Company of Dayton, Oh. where he served as an assistant vice president in the commercial lending department.

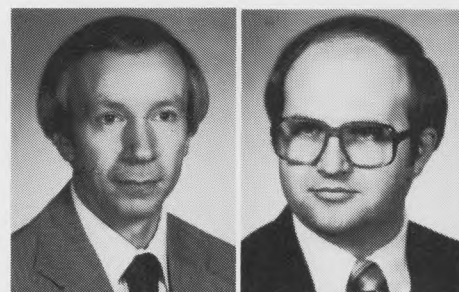
Mr. James is a graduate of the University of Illinois with a BA degree in business administration.

Nancy Rasmussen, assistant branch manager-St. Louis Park, joined Midland as a credit analyst in 1974. In 1978 she was elected personal banking officer and became a mortgage banking officer in 1979.

Ms. Rasmussen attended Marshalltown Community College, Marshalltown, Ia., and received her BS degree in business from Drake University, Des Moines, Ia.

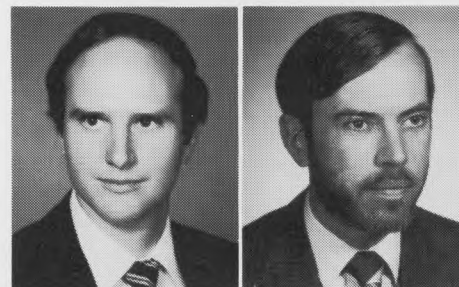
the systems and procedures division.

Mr. Bole recently joined National City's staff. He received his BA from Macalester College in St. Paul, his MA from Central Michigan University in Mt. Pleasant, Mich., and his PhD from the University of Illinois in Champaign, Ill.



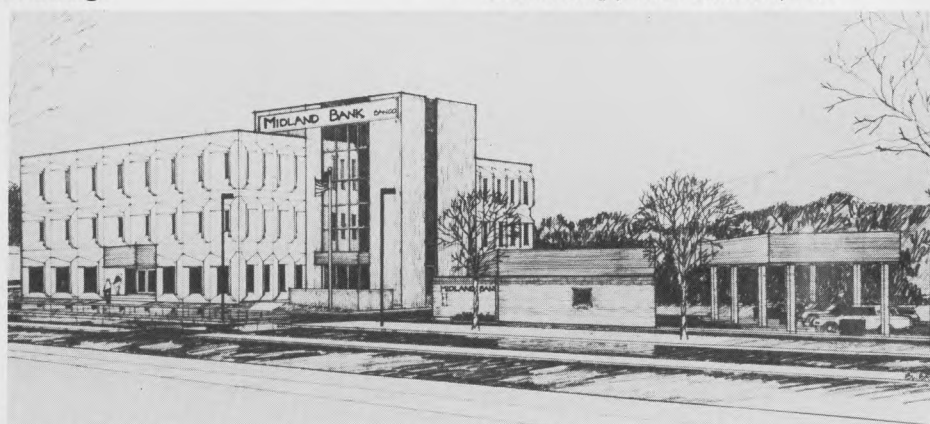
R. BOLE

D.W. KJONAAS



K.C. MERICLE

O.A. WOODS



MIDLAND National's new St. Louis Park branch will feature six lane drive-through facilities and a full service bank office.

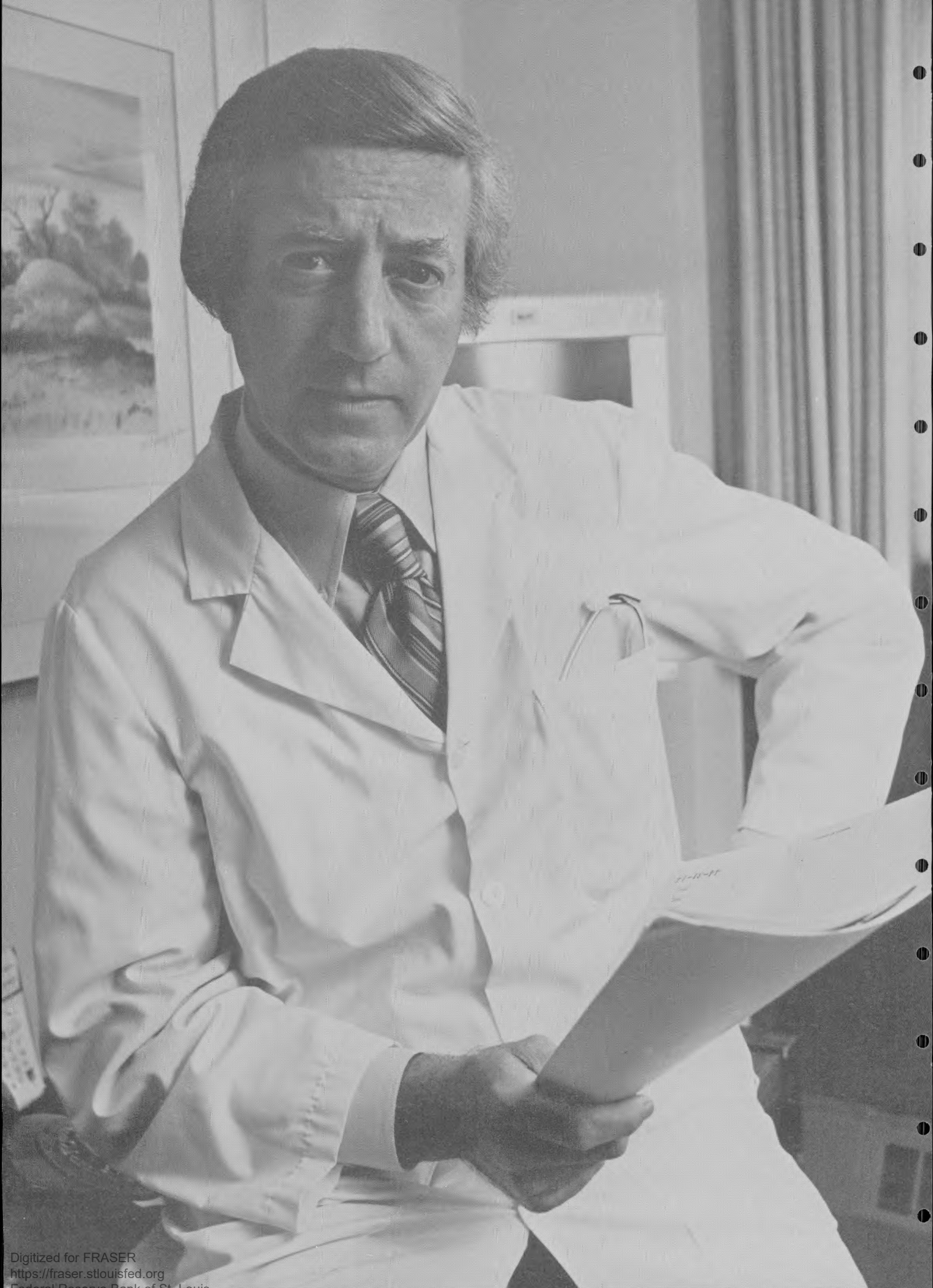
The new 1,900 square foot drive-thru unit, being built at a cost of approximately \$300,000, will provide five drive-thru lanes in addition to a special lane for business customers. Instant Cash machines in each location will provide 7-day, 24 hour service for consumers. The new light-colored building, designed by BWBR Architects of St. Paul, harmonizes architecturally with the Freidheim Building utilizing a dark aluminum fascia panel.

C. Bernard Jacobs, chairman of the board and chief executive officer of National City Bank of Minneapolis, has announced several changes in the bank's official staff. **Ronald E. Bole** was named investment officer. **Donald W. Kjonaas** was made an assistant vice president in the operations department. In the commercial loan department, **Kent C. Mericle** was elected assistant vice president, and **Oliver A. Woods** was named an assistant vice president in

Mr. Kjonaas has served as assistant cashier of National City Bank since December 1973. He attended Valley City State College in Valley City, N.D.

Mr. Mericle has served as a commercial loan officer in the international division of the commercial loan department since June 1977. He received his BS from Iowa State University in Ames, Ia., and his masters of international management from the American Graduate School of International Management in Glendale, Ariz.

Mr. Woods has been with National City Bank since October 1970. He was previously associated with the Liberty National Bank of Savannah, Ga.



When your community needs a clinic, you have to be on call.

When one of your customers needs money for his financial health, he relies on you. That's why you need a correspondent you can rely on. During good times. Bad times. Any time.

A correspondent like First Bank Minneapolis.

First Bank Minneapolis gives you one simple commitment. When you need us, we'll be there. Period.

Remember that next time a customer needs capital. When he calls you, you can call us. And we'll be ready.

If you have any questions about any of our Correspondent Services, call Ken Wales, Senior Vice President, (612) 370-4687. You'll get answers and a commitment you can count on.



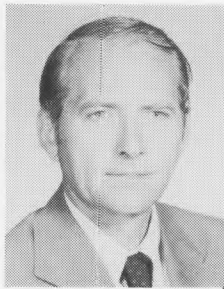
First Bank Minneapolis

"When you need us, we'll be there."

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Northwestern National of Minneapolis also announced a series of promotions and new appointments.

Advanced to senior vice president are: **Dharani [Darin] P. Narayana**, international finance division. In the bond and trust group—**Thomas H. Andrews**, international services; **C. Roger Bailey**, individual services; **Robert B. Mersky**, investment services, and **Richard J. Schneebeil**, operating systems and financial controls.



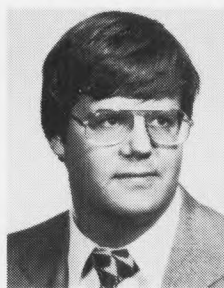
T.H. ANDREWS



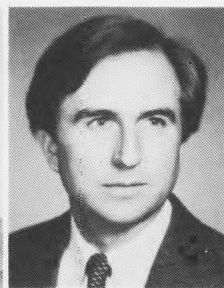
C.R. BAILEY, JR.



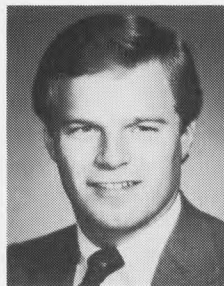
R.H. LOTT III



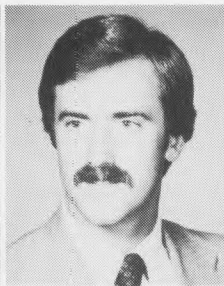
G.S. WARREN



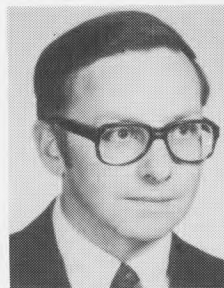
A.R. BOREN, JR.



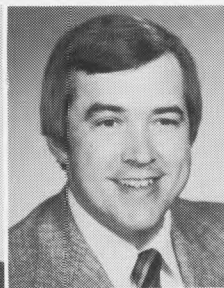
J.G. JACOBSEN



M.B. MOORE



T.J. PARISH



R.S. SMITH

Newly-elected vice presidents are: **Bond and trust group—Gregg S. Hannah**, employee benefits investment services; **Ralph H. Lott**, central operations, and **George S. Warren**, Banco trust project and president-elect of Northwestern Trust Company, New York.

Regional Banking Group—A. Rodney Boren, Jr., eastern division of the national-international banking group; **Jeffrey G. Jacobsen**, manufacturing and electronic division, and **Craig B. Jones**, correspondent commercial credit division.

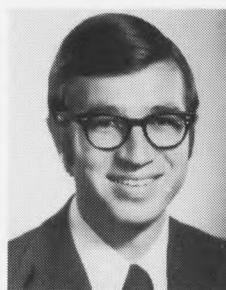
International division—Michael B. Moore, Mexico City representative.

Property management department—Thomas J. Parish.

Corporate economics department—Richard Sidwell Smith.

The following have been promoted to assistant vice president: **R. Jeffrey Maas**, corporate finance division; **Donald R. Oliver**, central operations division; **John S. Free**, **Theresa Jean Morrison**, **Sheila [Peggy] O'Connell**, **John P. Rodrigues** and **Robert W. Wiarda**, international department; **Darlene M. Barnes** and **Gary R. Lundquist**, consumer banking division; **John T. Carroll**, Banco Trust Project, and **Paul E. von Juster**, trust investment department.

Sally J. Rigler was elected commercial banking officer in the agribusiness division. **Lola N. Johnson** was appointed communications officer.



M.H. WILLES



W.F. RICH, JR.

Mark H. Willes has been elected to the board of directors of Northwestern National Bank of Minneapolis.

A well-known figure in banking circles, Mr. Willes served as president of the Federal Reserve Bank of Minneapolis from 1977 until July 1980 when he joined General Mills, Inc., as executive vice president and chief financial officer.

Willis F. Rich, Jr., has also been elected a director of Northwestern National Bank of Minneapolis. He

remains an executive vice president and a member of the bank's management policy committee.

Mr. Rich will also assume full responsibility as chief credit officer of the bank as well as chairman of the loan committee of the board.

A 1941 graduate of Princeton University, he joined Northwestern in 1947. He was elected a vice president in 1955, promoted to senior vice president in 1968, and named executive vice president in 1973.

* * *

Ernest B. Corrick, vice president and general manager of the Rocky Mountain operation of Champion Timberlands, Milltown, Mont., has been appointed as vice chairman of the Helena Branch of the Federal Reserve Bank of Minneapolis.

Harry W. Newlon, president of the First National Bank in Bozeman, and **Jase O. Norsworthy**, president of the N.R.G. Company in Billings, were reappointed to two-year terms on the Branch Board.

* * *

Michael R. Sill has been elected to the First Bank Minneapolis board of directors. Mr. Sill is president and director of Road Machinery & Supplies of Minneapolis, Inc. He was a director of Franklin National Bank for the past three years and currently is director of Reach-All Manufacturing & Engineering Co.

* * *

George L. Michael has joined Olson Associates, Inc., Minneapolis, as a consultant according to **Glenn W. Olson**, president of the firm.

Olson Associates, Foshay Tower, Minneapolis, is a management consulting firm assisting financial institutions and others in becoming more productive and profitable through goal setting, human resources development and a higher level of commitment to carry out goals, marketing and sales. Mr. Michael will specialize in developing marketing programs and plans.

Mr. Michael recently retired from American National Bank and Trust Co. in St. Paul. He joined the bank in 1964 as vice president in charge of the instalment division and later headed the retail division. He was appointed vice president and director of marketing in 1973. Prior to joining American, he was vice president and division manager for Universal CIT Credit Corporation in Minneapolis.

Statement of Condition National City Bank

December 31, 1980 and 1979

Resources

	December 31	
	1980	1979
Cash and Due from Banks	\$ 29,383,800	\$ 26,096,126
Interest Bearing Time Deposits with Foreign Banks		20,000,000
Investment Securities:		
U.S. Treasury	22,614,161	13,805,016
U.S. Government Agencies	4,433,828	2,767,012
Obligations of States and Political Subdivisions	25,712,712	30,759,834
Other Securities	681,000	681,001
Total Investment Securities	53,441,701	48,012,863
Trading Account Securities	355,033	809,461
Federal Funds Sold	8,800,000	2,000,000
Loans Net of Reserve for Loan Losses		
1980 \$1,988,087; 1979 \$1,933,144 and unearned		
discount 1980 \$608,939; 1979 \$897,752	170,528,808	149,374,816
Leasehold Improvements and Equipment	2,710,378	1,765,152
Accrued Income Receivable	5,222,645	4,269,608
Other Assets	2,811,162	1,660,709
Total Resources	<u>\$273,253,527</u>	<u>\$253,988,735</u>

Liabilities & Stockholders' Equity

Deposits:		
Demand	\$ 72,412,047	\$ 73,191,361
Time	132,737,141	111,886,489
Foreign Branch	10,465,753	14,619,398
Total Deposits	215,614,941	199,697,248
Federal Funds Purchased and Securities Sold		
Under Agreements to Repurchase	15,048,374	18,065,857
Other Borrowed Funds	4,816,933	3,965,683
Other Liabilities	6,110,927	4,857,046
Subordinated Note	3,000,000	
Total Liabilities	244,591,175	226,585,834
Stockholders' Equity:		
Common Stock, Par Value \$5.00		
Authorized Shares—2,500,000		
Issued and Outstanding—2,000,000	10,000,000	10,000,000
Surplus	10,000,000	10,000,000
Undivided Profits	8,662,352	7,402,901
Total Stockholders' Equity	28,662,352	27,402,901
Total Liabilities and Stockholders' Equity	<u>\$273,253,527</u>	<u>\$253,988,735</u>

Board of Directors

C. Bernard Jacobs
*Chairman of the Board &
Chief Executive Officer*

David L. Andreas
*Vice President
National City
Bancorporation*

**Sister Mary Madonna
Ashton, CSJ**
*President & Chief
Executive Officer
St. Mary's Hospital*

Howard E. Barnhill
*President, Chairman of
the Board & Chief
Executive Officer
North American Life
and Casualty Company*

Marvin Borman
*Partner
Maslon, Kaplan, Edelman,
Borman, Brand and McNulty*

Edward C. Brown, Jr.
*Retired President
National City Bank*

Kenneth H. Dahlberg
*President, Chairman of
the Board & Chief
Executive Officer
Dahlberg Electronics, Inc.*

Frederick L. Deming
*President
National City
Bancorporation*

James B. Goetz
Business Consultant

James H. Hearon, III
*President & Chief
Operating Officer
National City Bank*

Walter W. Heller
*Regents' Professor
of Economics
University of Minnesota*

C. Wilbur Peters
*President
Minnesota Fabrics, Inc.*

Ralph C. Turnquist
*Chairman of the Board &
Chief Executive Officer
Turnquist Paper Company*

NATIONAL CITY BANK

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Member F.D.I.C.

Richard H. Klovstad has been elected vice president of risk and insurance management by Northwest Bancorporation. Mr. Klovstad has worked at Banco's corporate headquarters since 1975, most recently as director of the risk and insurance management department.

Also at Banco, **William J. Brechtel** has been elected vice president of accounting.

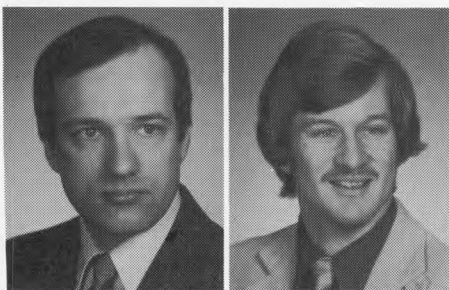
Mr. Brechtel has been with Banco since 1975, when he joined as assistant controller in the corporate office. He was previously employed as senior accountant at Peat, Marwick, Mitchell & Co., Chicago.

The board of directors of Banco has elected **William G. Stocks** and **William G. Roth** directors.

Mr. Stocks is chairman and chief executive officer of the Peavy Company, a grain and retail merchandising and food processing company based in Minneapolis. Mr. Roth is chairman and chief executive officer of The Trane Company in LaCrosse, Wis., an air conditioning systems manufacturer.

* * *

Two promotions have been announced by the Bank of Minneapolis and Trust Company. **Paul E. Oberstar** has been promoted to senior vice president in the bank's commercial loan department and **Mark A. Scheidhauer** was named an instalment loan officer.



P.E. OBERSTAR M.A. SCHEIDHAUER

Mr. Oberstar joined the bank in 1975 as a commercial loan officer and was elected an assistant vice president in mid-1976 and vice president in December 1977. Prior to joining the Bank of Minneapolis, Mr. Oberstar was affiliated with the National City Bank of Minneapolis, and as an examiner with the Comptroller of the Currency.

Mr. Scheidhauer joined the bank in September 1979 and attended the North Hennepin Junior College and the University of Minnesota.

Sharyl F. Reppenhagen has been named real estate banking officer of Northwestern National Bank of Saint Paul, G. **Richard Slade**, president, has announced.

Ms. Reppenhagen has attended the School of Mortgage Banking at Stanford University and numerous clinics and seminars pertaining to mortgage underwriting. She has worked at various mortgage companies since 1965 and joined Northwestern in December 1979 following her association with Banco Mortgage Co.

* * *

W. Merton Dresser, president of Northwestern National Bank South (formerly Fourth Northwestern National Bank), has announced the election of **Laura J. Nemcek** as credit officer.

Mrs. Nemcek joined Northwestern National Bank South in August 1978. She has successfully completed Northwest Bancorporation's Management Training Program. Mrs. Nemcek is a native of Bloomington, Ill., and is a graduate of St. Olaf College, Northfield, with a degree in economics.

* * *

Farmers & Mechanics Savings Bank of Minneapolis has announced that it has filed an application with the Federal Home Loan Bank in Des Moines, Ia. to change its charter and become a Federal Mutual Savings Bank.

According to **Henry S. Kingman, Jr.**, chairman of the board of trustees of F&M Savings Bank, F&M will continue to work with federal officials to secure approval for the conversion. Now that an application has been filed with the Federal Home Loan Bank, final approval is expected within four to six months.

Upon conversion to a federal charter, F&M depositors would continue to have their deposits insured up to \$100,000 by an agency of the federal government.

Founded in 1874, F&M is Minnesota's only mutual savings bank, with assets in excess of \$1 billion and deposits of \$864 million.



S.F. REPPENHAGEN

Holding Company Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application by Green Lake Bancorporation, Inc., Spicer, to become a bank holding company through the acquisition of the Green Lake State Bank, Spicer.

Belle Plaine Open House

The State Bank of Belle Plaine recently celebrated its 98th anniversary with an Appreciation Day open house. Refreshments were served and prizes given away.

Application Approved

The Federal Reserve Bank of Minneapolis announced its approval of the application by Northstar Bancorporation, Inc., Wayzata, to acquire control of the Minnetonka State Bank, Excelsior.

Equipment Leasing Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application of Northwest Investment Company of Cloquet, Inc., Cloquet, to continue to engage in equipment leasing activities.

Savings Bonds Chairman

Wilmore W. Whitmore, president of First National Bank of Houma, Houma, La., has been named chairman of the Savings Bonds Committee of the American Bankers Association, ABA President Lee Gunderson has announced.

Insurance Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the applications by Summit Agency, Inc., Minneapolis, Summit Agency of Richfield, Inc., Minneapolis, and Summit Southview Holding Corporation, Minneapolis, to continue to sell insurance directly related to extensions of credit by their respective subsidiary banks and insurance for the respective bank holding company and its subsidiary bank.

Application Approved

The Federal Reserve Bank of Minneapolis announced its approval of the application by Nimrod Enterprises, Inc., Foley, to become a bank holding company through the acquisition of the State Bank of Foley.

Are you working harder than your portfolio?



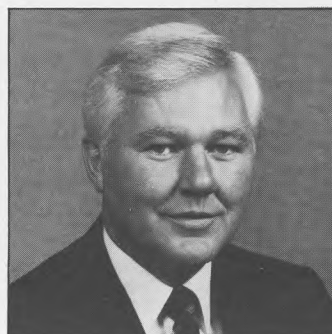
Major tests lie ahead — for the Fed, for money markets and for the economy. New offerings are flooding the markets and interest rates continue to gyrate.

How do you keep pace with an uncertain market? For many banks, the answer is First Bank Saint Paul. Our Investment Services Group has 36 full-time professionals ready to help you with the most sophisticated investment tools available.

Our "Blue List Bond Ticker" makes available by computer new listings and price changes as they occur. And the latest money market news is just a phone call away on our Money Market Hotline.

We also have the largest inventory of municipal bonds in this region, plus a wide variety of government securities, repurchase agreements, commercial paper and other money market investments so we can tailor a program to meet your specific objectives.

We can execute your transactions rapidly, provide safe-keeping and give you a monthly computer report on your portfolio's performance.



Meet Clayton Johnson our Assistant Vice President. Clayton is responsible for Southern Minnesota and Iowa. Give him a call at (612) 291-5664. He'll be happy to answer any questions you may have.



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How MGIC can help

We've raised underwriting ratios on home mortgages so that more people can get into a home of their own. We've increased the permissible level for basic housing debt from 25 to 33 percent. And raised the total debt level from 35 to 38 percent.

Our eight percent increase in the housing ratio will open the gate for more families, particularly first-time buyers. And the modest three percent increase in total debt will keep non-housing spending in line.

MGIC's new guidelines, however, are not meant to replace prudent underwriting of mortgage loans.

Higher ratios may not apply in your market. But with big home prices and high interest rates in many localities, there is a need for flexibility.

FHLMC, which purchased \$5.5 billion of conventional loans last year, raised their ratios, too. And, like MGIC, they're now stressing each applicant's debt-carrying ability.

Lenders also see the need for more



keep the gate open.

realistic mortgage guidelines.

David J. Reed, executive vice president at California Federal Savings and Loan Association: "People are willing to make sacrifices just to get into homes. We need to take steps like raising the housing expense-to-income ratio to help them achieve homeownership."

Simple solutions to housing affordability do not exist. But initiatives like higher underwriting ratios, the FHLBB's 40-year mortgages and our proposed

tax-free Housing Savings Certificates can help more people realize the American dream of owning a home.

For local information and service, contact in Wisconsin and Iowa: MGIC, MGIC Plaza, Milwaukee, WI 53201. (414) 347-6442. In Minnesota, Nebraska, North Dakota and South Dakota: MGIC, 822 Marquette Ave., Minneapolis, MN 55402. (612) 332-8956.

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MBA Manual Completed, Surveys Conducted

The completion of the Minnesota Bankers Association Agricultural Lending Procedures and Forms Manual was announced by project chairman John Berg, president, Wayzata Bank and Trust Company.

The Agricultural Manual is the second to be completed in the series of four manuals being developed by the MBA. The Consumer Manual was completed during the spring of 1980 and the two remaining manuals on Real Estate and Commercial Lending are targeted for completion by the end of 1981, according to Mr. Berg.

Mr. Berg said there are presently 550 Minnesota banks subscribing to the four manuals.

In a continuing effort to meet the needs of today's bankers, MBA has conducted two needs assessment surveys. MBA President Richard Gandrud said the surveys were done to determine the educational needs of Minnesota banking.

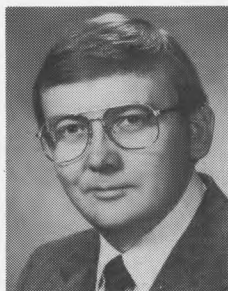
The two areas of research were bank investments and operations. Mr. Gandrud said there was an overwhelming response to the survey and after evaluations, one must conclude that Minnesota bankers are aware of the changing industry and want to respond to it.

Mr. Gandrud, also president of Pope County State Bank, Glenwood, called the survey a scientific approach to better educational programs for Minnesota bankers. He said the Association has taken this approach to get accurate assessment of the needs.

Elected in Mankato

Starr J. Kirklin, president of First Bank Mankato, announced the election of Calvin A. Johnson as vice president-agriculture and real estate lending.

Mr. Johnson began his banking career in 1971 as the adjuster in the installment loan department of First Bank Mankato and most recently as assistant vice president handling agriculture and commercial loans. He received his BS degree in business administration from Mankato State University in 1967.



C.A. JOHNSON

Elk River Officers Elected

James M. Simpson, president, announced that the board of directors of the Bank of Elk River has elected Patrick H. Dwyer vice president and cashier and Steward T. Wilson assistant vice president.



P.H. DWYER



S.T. WILSON

Mr. Dwyer graduated from St. Cloud State University with a degree in business administration and has been with the bank since 1971.

Mr. Wilson received his bachelors degree from Hamline University and has been with the bank since 1975.

Joins First Northwestern

Don Skinner recently joined the staff at the First Northwestern National Bank of Grand Rapids as installment loan officer. He attended the University of North Dakota, majoring in business administration. The past four years, he has been employed by Thorp Credit and Thrift where he became branch manager in March 1978.



D. SKINNER

Holding Company Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application by First Breck Holding Company, Breckenridge, to become a bank holding company through the acquisition of The First National Bank of Breckenridge.

Certification Announced

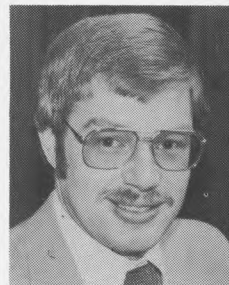
The Federal Reserve Board announced the issuance of a prior tax certification pursuant to the Bank Holding Company Tax Act of 1976 relating to a proposed divestiture by Aarestad Farm Products, Inc., Halstad, of 946 2/3 shares of Red River State Bank, Halstad.

To Acquire Bank and Insurance Company

The Federal Reserve Bank of Minneapolis has announced its approval of the application of Norkitt Bancorp, Inc., Hallock, to become a bank holding company through the acquisition of 100% of the outstanding voting shares of C-D-L Corporation, Hallock, a one-bank holding company owning 97.7% of the outstanding voting shares of Northwestern State Bank of Hallock, and the application of Norkitt Bancorp, Inc. and C-D-L Corporation to respectively acquire and retain indirect control of the assets of Northwestern Insurance Agency, a general insurance agency in a community with a population not exceeding 5,000.

Promoted at Lake Crystal

James Clark, president of Lake Crystal National Bank, announced the promotion of Dean Meyer to the position of assistant vice president. Mr. Meyer is the agricultural loan officer for the bank and manager of the Agro-Systems accounting services.



D. MEYER

Mr. Meyer came to the Lake Crystal National Bank in 1977. At the present time he is a member of the Mankato area Board of Governors of the American Institute of Banking.

Named A.V.P. at Ridgedale

Barbara J. Anderson has been appointed assistant vice president for Ridgedale State Bank of Minnetonka.

Ms. Anderson has served on the Board of Governors of the American Institute of Banking. She joined Ridgedale State Bank in May 1978 when the bank opened at 1730 Plymouth Road.

Ms. Anderson began her banking career 10 years ago and was promoted to assistant cashier in 1979.



B. ANDERSON

Rochester Re-alignment

The Northwestern National Bank of Rochester has announced the election of three new officers and the promotion of eight officers, according to John R. Cochran, president and chief executive officer.



D.L. TESKE J.M. SCHLOSNAGLE



D.M. HAMILTON K.R. BLAZING



P.L. MATTKE K.G. ROHDE



D.G. WITTENBERG R.B. CLOWES



C.J. ATKINSON F.A. FLICEK

Deborah L. Teske was elected downtown drive-in manager, Janet M. Schlosnagle was elected consumer compliance officer and Debra M. Hamilton was elected instalment lending officer.

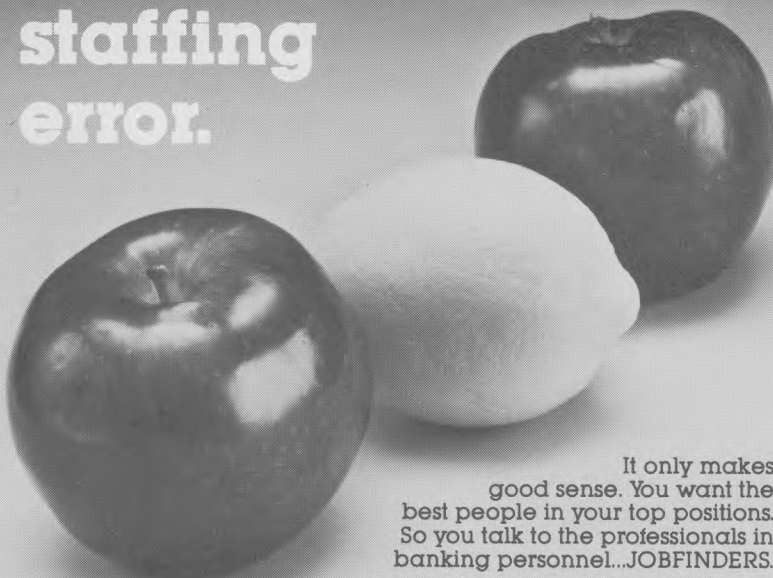
Ken R. Blazing was promoted to operations officer of Northside office, Peg L. Mattke was promoted to operations officer of Northside office, Ken G. Rohde was promoted to vice president and security officer, David G. Wittenberg was promoted to assistant vice president and commercial lending officer, Robert B. Clowes was promoted to assistant vice president and agricultural lending officer, Ben F. Wiebke was promoted

to assistant vice president and commercial lending officer, Carol J. Atkinson was promoted to assistant vice president and assistant instalment department manager and Frank A. Flicek was promoted to commercial lending officer.

Fed Approves Holding Co.

The Federal Reserve Bank of Minneapolis has announced its approval of the application by Middle River Bancshares, Inc., Middle River, to become a bank holding company through the acquisition of the First National Bank of Middle River.

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staffing
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J. M. Schwartz, exec. mgr., Pierre



Purchase Agreement Reached

BOYD Knox, chairman of the board of directors of Commercial Banshares Inc. and T.R. Brisbane, president of the Sanborn County Bank Woonsocket, have announced that an agreement has been reached for the purchase of the Sanborn County Bank by Commercial Banshares, Inc.

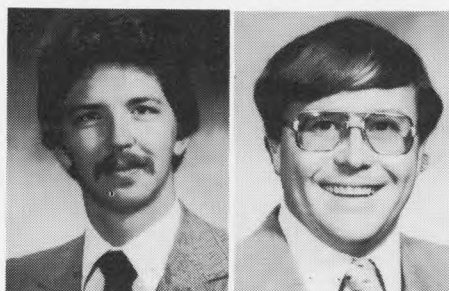
Commercial Banshares is a one-bank holding company owning 100% of the shares of the Commercial Trust & Savings Bank of Mitchell. Commercial Bank has assets totaling 87,000,000 as of December 31, 1980. The Sanborn County Bank has assets of 13,000,000 as of December 31, 1980. An application will be filed with the Federal Reserve System to convert Commercial Banshares to a multi-bank holding company. The purchase is subject to approval by the Board of Governors of the Federal Reserve System.

Mr. Brisbane will remain president and chief executive officer of the Sanborn County Bank and it is anticipated that there will be no changes in the staff or policies due to the change of ownership. The Sanborn County Bank was organized in 1924 by T.M. Brisbane and has

been managed continuously by a member of the Brisbane family for over 56 years going through the depression years of the 1920s and 1930s. The original board of directors included T.M. Brisbane, A.R. Bratsberg, R.L. Collignon, Jim Hall and R.E. Hazen.

Black Hills Bank Elects Two New Officers

Two new bank officers were elected recently at First National Bank of the Black Hills, Rapid City, president Charles T. Undlin announced.



R. WORTH

E. TOMS

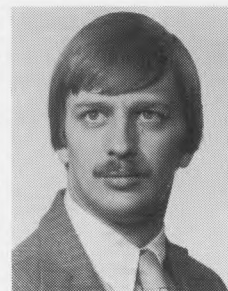
Robert Worth was elected vice president and manager of the Sturgis branch and Edward Toms was elected vice president and manager of the Lead branch.

Mr. Worth graduated from Black Hills State College in 1974 with a BS degree in business administration. He began his banking career in 1973 at the Sturgis branch and has held his position as vice president and manager of the Lead branch since February 1979.

Mr. Toms received a BA degree in government in 1971 from the University of South Dakota. During the past nine years with the bank he has held various positions at the Lead branch, including adjuster, personal loan officer, and for the past two-and-a-half years, loan officer and assistant manager.

Sioux Falls Promotion

The board of directors of Northwestern Bank of Sioux Falls announced the following promotion, according to C.P. "Buck" Moore, president. Arlen R. In't Veld was promoted to operations officer, Colonial Branch.



Mr. In't Veld, a native of Hull, Ia., attended Nettleton Business College in Sioux Falls. Prior to joining the Colonial Branch staff in November 1979 as operations supervisor, Mr. In't Veld held various positions in the operations area from 1975.

A. IN'T VELD

Ross Fenn Leads Rotary International Team

District 561 of Rotary International has selected the Group Study Exchange team to visit New South Wales, Australia for six weeks in March and April, 1981. The district governor's representative and team leader is Ross Fenn, vice president of Northwestern National Bank of Sioux Falls, and currently president of the Sioux Falls Downtown Rotary Club, largest in the district.

Group Study Exchange is an educational activity of The Rotary Foundation which provides travel grants for the exchange of teams, within a two-year period between paired Rotary Districts and different countries. The Australian GSE team from District 970, New South Wales, visited this district during April and May of 1980 and traveled extensively through South Dakota.

Fed Approves Application

The Federal Reserve Bank of Minneapolis has announced its approval of the application by South Dakota Bancshares, Inc., to acquire Sully County Bank, Onida.

Application Approved

The Federal Reserve Bank of Minneapolis has announced its approval of the application by Great Plains Bank Corporation, Eureka, to become a bank holding company through the acquisition of the Eureka State Bank.

J. Virgil Lowe Dies

J. Virgil Lowe, 86, passed away recently in Mesa, Arizona. Mr. Lowe retired in 1959 as president of Northwestern National Bank of Sioux Falls. His retirement came 47 years after he began his banking career as a messenger.

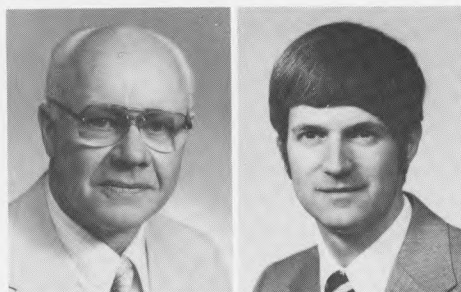
New Castlewood Manager

Larry Fluegge has joined the United National Bank of Watertown as vice president and branch manager of the Castlewood branch.

Mr. Fluegge was formerly assistant vice president of the Peoples National Bank of Mora, Minn.

North Dakota

C. N. Davis, pres., Cando
H. J. Argue, exec. dir., Bismarck



North Dakota "Mid-Winter Break" Schedule

THE Bank of North Dakota will hold its "Mid-Winter Break" February 18, 19 and 20 at the Bismarck Holiday Inn.

The program will begin at 11:15 February 18. H.L. Thorndal, president of the Bank of North Dakota, will deliver the welcome and resume of the the conference. Opening remarks will be made by the Honorable Allen I. Olson, Governor, State of North Dakota.

Featured speakers at the afternoon session will include Marlin D. Jackson, chairman, agricultural committee, ABA chairman and president of Security Bank in Paragould, Ark.; Robert H. Long, assistant to the president, Bank Administration Institute, Park Ridge, Ill., and the Honorable H. Kent Jones, Commissioner of Agriculture, State of North Dakota.

Speakers at the February 19 session will include R.C. "Dick" Crockett, president, Greater North Dakota Association, ND Chamber of Commerce, Fargo; Dr. Hiram Drache, professor, author, farmer,

Concordia College, Moorhead, Minn.; Dr. John Martin, staff economist, Farm Journal Magazine, and Jeff Judy, international banking officer, Northwest National Bank, Minneapolis, Minn.

The morning session on February 20 will feature Dorothy Stager, Pipestone, Minn. and Thomas R. Smith, president, Fidelity Brenton Bank and Trust, Marshalltown, Ia.

A full wife's program is also planned, which will include an address by Mrs. Nancy Thorndal, Educational Equality Coordinator for the State Board for Vocational Education, and a style show featuring bankers' wives from throughout North Dakota as models.

Page State Promotions

R. Paul Pederson, president of Page State Bank, has announced the following changes in staff:

Merland L. Carlson has been promoted from cashier to executive vice president and a member of the board of directors and Janeen Conrad has been promoted to assistant cashier.

Mr. Carlson has served as cashier and managing officer of the bank since 1965 and continues as executive officer as well as a director.

Mrs. Conrad worked at the bank from 1974 to 1976 when she left to work at banks in West Fargo, Fargo and Mayville, before returning to Page State Bank in May 1980 as operations supervisor.

Fed Approves Holding Co.

The Federal Reserve Bank of Minneapolis has announced its approval of the application by New Salem Bancorporation, Inc., New Salem, to become a bank holding company through the acquisition of the Security State Bank of New Salem.

Elected at Valley City

Harlee Olafson has been elected instalment loan officer of the Northwestern National Bank of Valley City. Mr. Olafson has been with the bank since March 1979. He obtained a BA degree in business administration from Valley City State College in 1979.

Promoted at Grand Forks

Richard O. Wold and the board of directors of the First National Bank in Grand Forks announced the following promotions: Dale Arel has been promoted to vice president. Mr. Arel has been with the bank since 1962. He was promoted to assistant vice president in 1978.

Victoria Phillips has been promoted to assistant vice president. Mrs. Phillips joined the bank in December 1977. She was promoted to operations officer in May 1979.

Jenny Dick has been promoted to assistant cashier. Miss Dick began her banking career at First National Bank in 1975. She later graduated from the University of North Dakota with a major in banking finance.

Robert Harkison Retires

First National Bank of Fargo announces the retirement of

Robert D. Harkison after 41 years of service with Northwest Bancorporation affiliates. Mr. Harkison retires as chairman and chief executive officer of First National Bank of Fargo.



R.D. HARKISON

Mr. Harkison began his banking career with Grafton National Bank in 1939. He interrupted his career to serve in the United States Air Corps for four years, returning to Grafton in 1944. He was elected president of Grafton National Bank in 1956.

In January 1960 Mr. Harkison became president of First National Bank in Moorhead, Minn. He joined First National Bank of Fargo in 1963 as senior vice president and was elected president of the bank in 1966.

A graduate of Dakota Business College, Fargo, and School of Banking, University of Wisconsin, Mr. Harkison has served as president of North Dakota Bankers Association.

Elected in Grafton

Dan Lessard, president of the Walsh County Bank and Trust Co. of Grafton, has announced the election of Gary E. Lloyd as executive vice president. His main duties will be in the areas of business development, marketing and commercial lending.

Mr. Lloyd attended the University of North Dakota in Grand Forks, receiving a BSBA degree in business administration in 1970. Following his graduation he was employed by the Comptroller of the Currency as a national bank examiner for four years, headquartered at Madison, Wis. In 1974 he joined the staff of the Walsh County Bank and Trust Co. as an assistant cashier. He was later elected to assistant vice president and vice president.

Bank of North Dakota Processes 100,000 Student Loans

ME. STENEHJEM, vice president of the Bank of North Dakota, Bismarck, has announced that since the inception of the Federal Insured Student Loan Program at the Bank of North Dakota, the student loan department has processed a total of 100,000 loans to over 40,000 North Dakota students and thus provided \$100 million to assist North Dakota students in obtaining their educational goals. Loans have been made to North Dakota students attending schools within and outside of the state.

\$40 million of the total has been repaid by former students now residing in every state. However, a large majority have chosen to remain in North Dakota. The present outstanding balance of \$60 million consists of 32,000 loans in the amount of \$38 million to 15,000 students who are in school at the present time. There are 16,000 students with \$22 million that have reached the repayment status and are being billed monthly. \$6,500,000 is being received in payments annually. An annual default rate of 3 percent is being maintained, which compares very favorably with the national average.

The Bank of North Dakota is in the

Named at Valley City

Walt Bauer, president of First Bank-Valley City announced that William A. (Bill) Harbeke has been named assistant vice president and agriculture representative. He will work in the commercial and agricultural loan department.

Mr. Harbeke, before coming to Valley City, was agriculture representative at First Bank-Langdon for three years. He graduated from North Dakota State University with a degree in agricultural economics and attended the Midwest School of Banking in Morris, Minn.

Also at First Bank, Russell C. Mauch has been promoted to assistant vice president. He will continue responsibilities in the commercial and agricultural loan department, along with his compliance officer position. Mr. Mauch is a graduate of NDSU with a degree in agriculture. He started his banking career at First Bank-Wahpeton in 1979 and transferred to Valley City in November 1979.

process of reassessing the policies and maximum amounts to be enforced during the 1981/82 academic year. While the bottom line in this program is the North Dakota student, this program has generated over \$26 million in interest income during the 13 years it has been in existence. This has been available and included in the transfers to the general fund by the Bank of North Dakota by legislative action.

Promoted at Fargo

Joe Lempe has been promoted to vice president and controller of the Fargo National Bank and Trust Company, according to C.S. Miller, president.

He is a graduate of the University of North Dakota and the Graduate School of Banking at the University of Wisconsin. Prior to joining the bank he was employed as a national bank examiner.

American Bank Promotions

One new staff member and four promotions at American Bank and Trust Company in Minot have been announced by President Orin Baertsch.

Edwin Schmidt has joined the bank as manager of the Max branch. He attended Minot State College. Prior to joining the bank staff, he worked for the Kirchen Agency of Garrison for seven years as a licensed real estate broker.

Lorna Olson, an employee of American Bank since 1964, has been promoted from assistant cashier to assistant vice president. Ms. Olson, also manager of the Dakota Square branch, attended Dakota Business School in Jamestown.

William Kolb, an employee of American Bank since 1978, has been promoted from personnel officer to personnel and marketing officer. He attended Florida State University.

Jerry Spitzer, a bank employee since 1979, has been promoted to assistant cashier and will maintain his responsibilities in the insurance and installment loan department.

Terry Kesler, a bank employee since 1974, was promoted to officer status, but will maintain her current position as supervisor of the bookkeeping department.

Bank of North Dakota Invests in Home Loans

The Bank of North Dakota has invested \$35.5 million in 904 home loans throughout the state in 1980. Nearly all of these were purchased from savings & loan associations and banks throughout North Dakota. At year end, the Bank was holding 4,921 loans, totaling \$156.6 million. Despite high interest rates, the Bank anticipates heavy demand for house loans during 1981.

Harwood Increases Stock

The application of Harwood State Bank to amend their articles of incorporation to increase capital stock from \$50,000 to \$100,000 by stock dividend has been approved.

Bank Transfers Profits

The Bank of North Dakota has transferred \$1.5 million from its profits to the state treasurer's office to be deposited in the state's general fund.

H.L. Thorndal, president of the bank, said the \$1.5 million represents part of the \$14 million appropriated by the 1979 legislative session. It is the bank's policy to transmit part of the bank's profits every six months throughout the biennium.

Capital Stock Increase

The application of Farmers and Merchants Bank of Beach to amend their articles of incorporation to increase capital stock from \$200,000 to \$400,000 by stock dividend has been approved.

Valley Natl. of Arizona Files Stock Offering

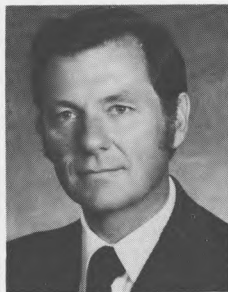
The Valley National Bank of Arizona, Phoenix, filed a preliminary offering circular with the Comptroller of the Currency relating to the proposed public offering of 1,000,000 shares of common stock, expected to be made during January.

Based on deposits as of June 30, 1980, the bank is the 27th largest commercial bank in the United States and the largest in Arizona where it holds 42% of all bank deposits.

The net proceeds from the sale of the common stock will be used to provide additional equity capital to the bank to support the growth of its general banking business and will augment the bank's resources available to fund loans and investments.

Montana

J. B. Wallander, pres., Froid
J. T. Cadby, exec. v.p., Helena



Promoted at Bozeman

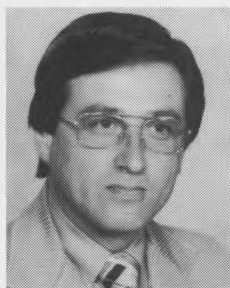
Four employees have been promoted to manager of the personal banking center. Mr. Walter began working for First National in September 1970 as a teller. He was promoted to assistant vice president in February 1979. In August 1979 he was promoted to assistant manager of the personal banking center.



D. WALTER



P. HESPEN



T. BEYRODT



K. SPACKLEN

Peter W. Hespen has been promoted to operations officer and electronic data processing manager. Mr. Hespen began his banking career at First National Bank in Havre, Mont. in 1974 as an assistant bookkeeper. He came to work for First National Bank of Bozeman in September 1975 as a universal teller. Mr. Hespen was promoted to management trainee in July 1979 where he concentrated on the data processing area of the operations department.

Ted Beyrodt has been promoted to vice president and cashier. Mr. Beyrodt began his banking career in 1963 when he joined First National Bank in management training. He was named marketing and personnel

officer in 1975 and assistant manager of the personal banking center and marketing officer in September 1978. In January 1979 he assumed the duties of manager of the personal banking center, marketing officer and was elected assistant vice president. Mr. Beyrodt graduated from Montana State University with a BS degree in accounting.

Kathy Spracklen was elected personal banking officer. Ms. Spracklen joined First National Bank in June 1976 as a teller. She was promoted to personal banking assistant II in July 1979 and management associate trainee in November 1979.

Elected at Billings

Al Winegardner, president of First Northwestern Bank, Billings, has announced the election of two officers. Linda Jahnke has been promoted to commercial loan officer and Marty Derrig has been elected assistant vice president.

Mrs. Jahnke earned a degree in finance and accounting from the University of Southern California in 1978. She was previously with the Union Bank of California as a trainee prior to joining First Northwestern in 1979.

Mr. Derrig graduated from Carroll College with a BS in education. He was previously associated with the Northwestern Bank of Great Falls and served as branch manager and division director for First Federal Savings and Loan of Billings before joining the bank in September 1980.



L. JAHNKE



M. DERRIG

Robert M. Waters Dies

Robert M. Waters, 78, retired president of the Security Bank of Billings, died recently of an apparent heart attack. Following his retirement from the bank in 1970, he remained as chairman of the board. He served as president of the Montana Bankers Association for the 1960-61 term.

Mr. Waters graduated from Billings High School in 1967 and a week later got his first job. He became a bookkeeper at Lake Basin State Bank in Rapelje. He credited his success in part to his experience in country banking where he said he learned a lot about banking in a short time. "I was a little bit of everything, including cashier and janitor," he recalled.

His career as a country banker lasted four years, then he moved to the city and joined Security, the smallest of the five banks in Billings in 1921. The young bookkeeper was the 13th employee to be hired by the bank.

During his early days at Security, he enrolled in correspondence banking courses from LaSalle Intitute. He later organized the Billings chapter of the American Institute of Banking.

He was a past president of the 50-year club of the MBA and a past member of the executive council of the American Bankers Association.

Security Bank Promotions

Pete Cochran, assistant vice president of Security Bank of Billings, has been promoted to vice president of commercial loan. Mr. Cochran started with Security Bank in December 1970 in trust operations and in January 1973 was made a trust operations officer. He graduated from the University of Denver.

Thomas Jochim has been promoted to vice president of the industrial division. He started with the bank in February 1975 as an instalment loan officer. Mr. Jochim graduated from the University of Montana with a degree in business administration.

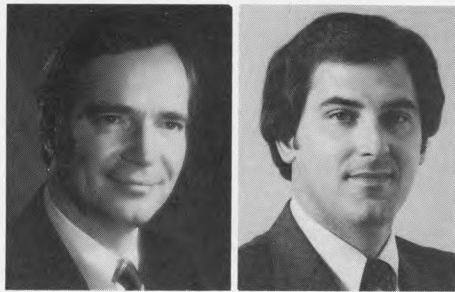
Stan Bradley, agricultural loan officer, has been promoted to assistant vice president.

MHT Leasing Opens Office

Manufacturers Hanover Leasing Corporation, an affiliate of Manufacturers Hanover Trust Company of New York, the nation's fourth largest bank, has established a branch in Seattle, Wash.

Nebraska

J. E. Roe, pres., Bennington
R. M. Beverage, exec. v.p., Lincoln



Promoted in Harrison

Wayne Hoskinson has been promoted to president of the Sioux National Bank of Harrison. He succeeds Charles R. Leffler, who resigned as president, but will remain on as chairman. Prior to joining Sioux National, Mr. Hoskinson was vice president of the First National Bank of York. He joined Sioux National in 1979 as executive vice president.



W. HOSKINSON

Two Appointed at NBA

The Nebraska Bankers Association has selected Ilene M. Reed as public relations manager and has appointed Kathy Powers as conference coordinator.

Ms. Reed comes to NBA with a banking and computer background. Her experience ranges from the keypunch department to bank manager, which she gained at the National Bank of Commerce in Lincoln.

Ms. Powers has been with NBA for five years, serving most recently as executive secretary in the communications department.

Named Bank Examiner

Michael D. Bazata has received his commission as a national bank examiner. Mr. Bazata is a graduate of the University of Nebraska at Lincoln. He has been employed by the Comptroller of the Currency as an assistant national bank examiner since 1976. Mr. Bazata will remain headquartered in Lincoln.

Bank Women Meet in Omaha

Roger Beverage, executive vice president of the Nebraska Bankers Association, Inc., was the featured speaker at the Mid Plains Group of

the National Association of Bank Women's recent meeting. The dinner meeting was held at Ross' Steak House in Omaha.

Mr. Beveridge spoke on "Why Banks Need to Get Their Act Together" and covered other current legislation affecting Nebraska bankers. He previously was a partner in the law firm of Baylor, Evnen, Curtiss and Grit of Lincoln.

DeLay Celebrates 50th

The DeLay First National Bank & Trust Company of Norfolk, Nebraska celebrated their 50th banking anniversary recently.

The bank paid special recognition to its founder, J.J. DeLay, and to past directors and staff who had contributed toward the bank's growth and progress.

Bernard M. DeLay, president, thanked the loyal customers and present directors and staff for their contributions.

It was estimated that approximately 15,000 people visited the bank during the 50th anniversary celebration.

Promoted in Ralston

The Ralston Bank has announced two promotions. In addition to her title of operations officer, Geri Kidder has been named auditor.

Donna Lynn, who has been with the Ralston Bank for 12½ years, has been named operations officer. Ms. Lynn has been in the loan processing areas as well as various aspects of operations. She currently is handling the NOW account program.

Named Operations Officer

Kathleen K. Bagley has been named operations officer of the First National Bank in Bellevue. Mrs. Bagley has been with First National since July 1979 and has been secretary to the president since that time. Since October 1980 she has

supervised the new accounts department.

Albion Promotion, Election

Gary Kruse, executive vice president of the Albion National Bank, has announced the promotion of Kendal Kucera from vice president to senior vice president, and that Doug Haave has joined the bank as a loan officer.

1st National, St. Joe, Names John Karn V.P.

John E. Karn has been elected vice president in charge of the correspondent banking and agricultural department at First National Bank in St. Joseph, Mo., and will continue in his current post as president of First Stock Yards Bank of St. Joseph. The announcement was made by Jacob M. Ford, II, chairman of First Midwest Bancorp, Inc., with which both banks are affiliated.



J. E. KARN

B. AZELTON

Mr. Karn's responsibilities have been greatly expanded. He will be working closely with correspondent bankers and ag-oriented customers of both First National and First Stock Yards Banks. He has been with the First Midwest Bancorp organization since 1960 and is widely known in correspondent bank and ag circles in surrounding states.

H.H. Broadhead, Jr., chairman of First Stock Yards Bank, announced the elections of Robert Azelton, Jr., as assistant vice president and Michael Krawczyk as assistant cashier at First Stock Yards Bank. Mr. Azelton started with the bank last year after more than seven years in ag related activities. This experience included serving as the director of the St. Joseph Livestock Market Foundation and as the farm service director for KFEQ radio station in St. Joseph. He will continue working in correspondent and ag banking areas.

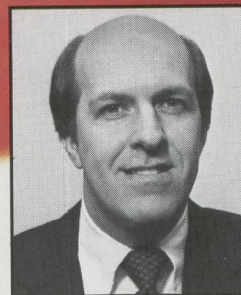
Mr. Krawczyk joined the bank in 1977 and will continue his work as a loan officer.

We can make it easy for you to become a part of today's growing Electronic Funds Transfer (EFT) environment . . . without a lot of waiting.

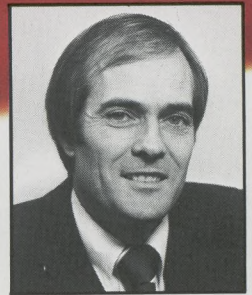
For your bank, Instant Cash can be instant EFT.

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Larry Hansen



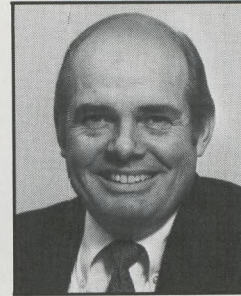
Lee Bachand



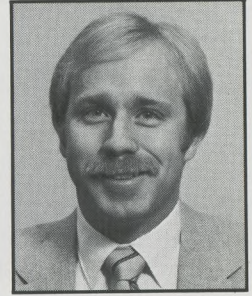
Bob Harris



Howard Nielsen



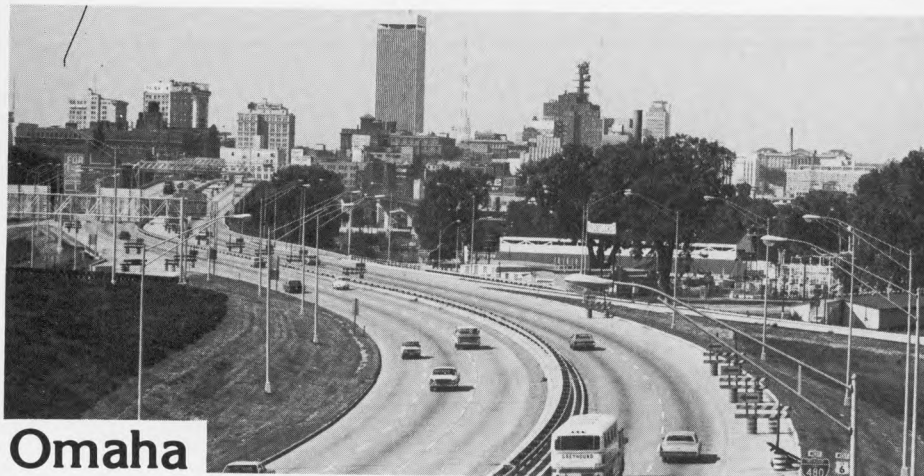
John Lewis



Myron Peterson

US NATIONAL BANK of Omaha





Omaha

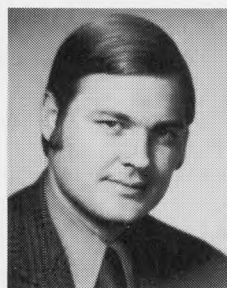
Several officer appointments have been announced by **John D. Woods**, board chairman and chief executive officer of the Omaha National Bank.

Kenneth Kroeker and **Gary Thrasher** were named senior vice presidents.

Mr. Kroeker joined the Oma-



K. KROEKER



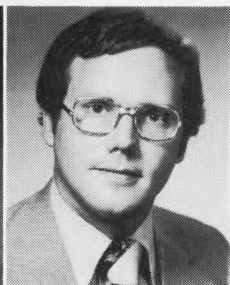
G. THRASHER



J.R. HILL



M. STURM



D.J. WINTZ

ha National Bank in January 1969 as a securities analyst. In 1977 he was named department head of trust investments, later becoming vice president of trust investments, his current position. Mr. Kroeker received a BA degree in education from Kearney State College and an MA degree from the University of Nebraska at Lincoln.

Mr. Thrasher joined the bank as an

administrative analyst in 1970. He became vice president in 1974 and since 1979 has been in charge of the resource management and credit review departments. He received a BS degree in business administration from the University of Nebraska at Lincoln. He received an MS degree from the University of Southern California.

Promoted to second vice president were **James R. Hill**, **Mary Sturm** and **Daniel J. Wintz**.

Mr. Hill was appointed a commercial instalment collector in 1979. He was named to his present position as manager of credit card collections later that year.

Mrs. Sturm, an Omaha National employe since 1956, joined credit card operations in 1968. Currently, she is manager of credit card operations.

Mr. Wintz joined the bank's estate and trust division in 1975. He was appointed a trust officer in 1977, and is presently senior employe benefits trust administrator.

Other officer appointments: **Joseph P. Egger, Jr.**, systems officer; **Marcus S. Ward**, corporate banking officer; **Judy Zaiman Gotsdiner**, legal officer; **Keneth J. Faucher**, assistant systems officer; **John E. Nahas**, assistant commercial banking officer; **Debra J. Rockhold**, assistant operations officer, and **Brian Zdan**, assistant trust officer.

* * *

Donald J. Murphy, chairman and chief executive officer of the United States National Bank of Omaha, has announced several organizational changes within the bank.

Vice President **John C. Nelson**, former manager of the Regency office, has been named to a new position as manager of retail banking. Vice President **Joseph T. Sullivan, Jr.**, formerly a commercial



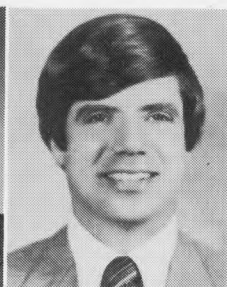
J.C. NELSON



J.T. SULLIVAN, JR.



J.R. BURNHAM



C.F. MATEER

loan officer, succeeds Mr. Nelson as Regency office manager. Also created has been a new executive lending function which will be headed by **John R. Burnham**, vice president of commercial banking. **C. Fred Mateer** has been named second vice president and personnel manager.

Mr. Nelson has been with U.S. National Bank 14 years. He was named manager of the systems department in 1968 and manager of the Regency office in 1979. He graduated from the University of Kansas and received an MBA from the University of Nebraska at Omaha. In 1978, Mr. Nelson graduated from the Stonier Graduate School of Banking at Rutgers University.

Mr. Sullivan joined U.S. National Bank in 1975 as a commercial banking officer with 11 years experience. He was elected vice president of commercial lending in 1977. Mr. Sullivan is a graduate of Creighton University and the National Commercial Lending School.

Mr. Burnham joined U.S. National Bank in 1966 as assistant vice president in the instalment loan division, and in 1967 was elected vice president and manager. He attended The University of Nebraska at Lincoln.

Mr. Mateer previously served as vice president and director of human resources for First National Bank of Aberdeen, S.D. He completed his undergraduate work at the University of Illinois, Urbana. He is a graduate of the Princeton University Bank Personnel Graduate School and



Jim Flodine, George McFadden, Fred Kuehl, Don Ostrand, Ralph Peterson.

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Marshall E. Faith, president and chief executive officer of the Scoular Company, and **Dr. Delbert D. Weber**, chancellor of the University of Nebraska at Omaha, have been elected to the board of directors of the United States National Bank of Omaha.

* * *

Robert W. Tritsch, vice president of the First National Bank of Omaha, has been elected chairman of the Midlands Group of The Robert Morris Associates' Missouri Valley

Chapter. RMA is a national association of bank loan and credit officers.

Other officers elected were **William Keffe**, vice president of the American National Bank in Omaha, vice chairman, and **Jim Kruger**, executive vice president of the Gateway Bank and Trust Co. in Lincoln, secretary-treasurer.

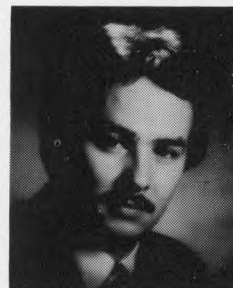
Elected directors were **Gordon Kuhn**, president of the Havelock Bank in Lincoln; **Robert Morris**, senior vice president of the Overland National Bank in Gand Island; **Ron Schneider**, vice president of the

United States National Bank in Omaha; **Larry Comine**, vice president of The Omaha National Bank; **Duane Schainost**, vice president of the First National Bank of Lincoln, and **Roger Buhrdorf**, vice president of the First West Side Bank in Omaha.

* * *

Harold M. Walton, president of Center Bank, has announced the promotion of three Center Bank officers: **Thomas J. Jaksich**, **Anne R. Jensen** and **James K. Sterling**.

Mr. Jaksich was promoted from assistant vice president to



T.J. JAKSICH



A.R. JENSEN



J.K. STERLING

vice president. He has been at the Center Bank since 1972 and holds a bachelors degree from the University of Nebraska at Omaha. He recently received his MBA from UNO.

Mr. Sterling has been promoted from assistant vice president to vice president. He is the manager of the instalment loan department and has worked at Center Bank for over ten years. **Mr. Sterling** was promoted to an officer in 1973.

Ms. Jensen, personnel officer, has been promoted to assistant vice president. She began working at Center Bank in 1972. She was promoted to facility manager at the auto bank in 1977. She became the personnel officer in May 1978 and heads that department.

* * *

An application for consent to establish a remote service facility by First West Side Bank, in the Safeway Store at 12006 West Center Road, has been approved.

* * *

Edward A. Kohout, president of the Northwestern National Bank, has



DENNIS R. WOOD

We are extremely pleased to announce that our President has been selected by the Omaha Jaycees as one of the **TEN OUTSTANDING YOUNG OMAHANS** for the second consecutive year.

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national bank**

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NBC President Jim Nissen (left) with Alex Sheshunoff

**National Bank of Commerce
presents another Alex
Sheshunoff seminar
focusing on asset/liability
management.**

On March 17, National Bank of Commerce will continue its series of Sheshunoff seminars when it brings Alex Sheshunoff to Lincoln.

In discussing asset/liability management, Sheshunoff's presentation will include:

- Protecting bank profits
- Determining loan portfolio interest rate sensitivity
- Determining liability rate sensitivity
- Managing the interest "gap" through variable rate notes, investment portfolio strategies, use of hedging with T-bill futures and, asset/liability management models

NBC believes in taking an aggressive approach to correspondent banking. That's why we continue to bring you information you can use, like the Sheshunoff seminars. These sessions have proven to be a most valuable experience in the past and we know this year's seminar will be no exception.

1981 will be a year of vigorous competition for our industry and NBC's Correspondent Division is ready to help.

If you would like to attend the March 17th seminar, please contact the Correspondent Division of National Bank of Commerce.

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announced the election of **Thomas H. Jensen** as an agricultural loan officer.

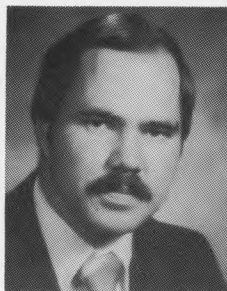
Mr. Jensen graduated from the University of Nebraska at Omaha with a BS degree in business administration. He began his career at Northwestern National Bank in April 1977 on a part-time teller basis. His experience included working at the 96th & L facility as night manager. Upon graduation he moved to the Livestock Exchange facility as an agricultural administration assistant.

* * *

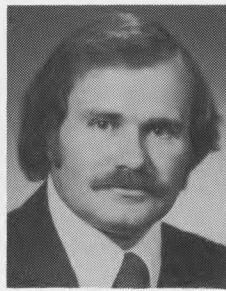
The executive committee of the First National Bank of Omaha has announced the following appointments:

William R. Bohl as operations officer, systems development department.

Jody Grewe as international officer, international department.



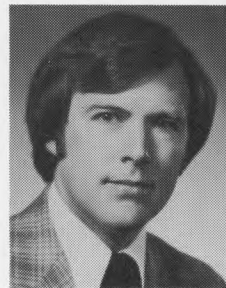
T.J. JENSEN



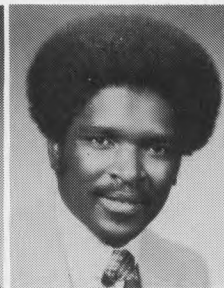
W.R. BOHL



J. GREWE



E.J. KELLEHER



G.A. RUSHING

Edward J. Kelleher as loan officer, commercial loan department.

George A. Rushing, as instalment loan officer, instalment loan department.

The executive committee also made the following appointments:

Named assistant operations offi-

cers were: **Joseph W. Barry**, **John G. Langenfeld** and **Stella L. Standifer**, all in BankCard department; **Nancy F. Cordahl**, trust department; **Rodney D. Everson**, personnel department; **Frances A. Flairty**, mortgage loan department; **Richard Huddleston**, data processing department, and **Geraldine Huth**, marketing department.

Jan E. DeRoin was named assistant trust officer in the trust department.

Mr. Bohl is a graduate of Nebraska Vocational Technical College and joined the bank in 1977.

Ms. Grewe is a graduate of the University of Nebraska-Lincoln with a BS in Business Administration. She joined First National in 1976.

Mr. Kelleher received his BA degree with a major in Sociology from Creighton University in Omaha and joined the bank in 1974.

Mr. Rushing holds an Associate of Arts degree from Miami Dade Community College and a BS degree from the University of Maryland in 1977, the year he joined the bank.

* * *

Dennis R. Wood, president of Packers National Bank, has been selected as one of the Ten Outstanding Young Omahans for the second consecutive year.

Mr. Wood is also a director of Packers National Bank. He is president-elect of Girls Club of Omaha; president of the South Omaha Merchants Association; board member of Omaha Chapter of the National Conference of Christians and Jews and the Metropolitan Arts Council.

* * *

Karen Kennedy has been promoted to second vice president of Realbanc, Inc., an Omaha-based mortgage firm, according to **Keith L. Morphew**, board chairman and president of Realbanc.

Ms. Kennedy joined the firm in 1974 as a loan administrator.



D.R. WOOD



K. KENNEDY

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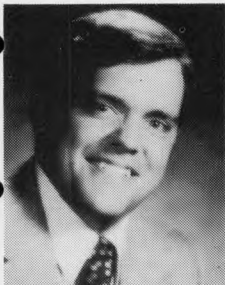
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Dennis R. Wood, president of Packers National Bank announced the following promotions following a meeting of the board of directors:

James R. Riha to vice president and comptroller; Robert L. Schilke to cashier, and Laura A. Kearney and Donald F. Holst to assistant vice presidents.



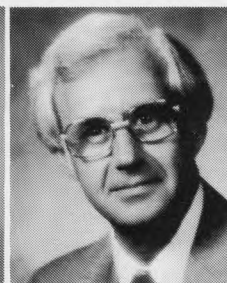
J.R. RIHA



R.L. SCHILKE



L.A. KEARNEY



D.F. HOLST

Mr. Riha joined Packers National Bank in 1969 as a teller and became cashier in 1974. He has a BSBA from Creighton and is a graduate of the Colorado School of Banking and the National Commercial Lending School.

Mr. Schilke joined Packers in 1970 as supervisor of bookkeeping. He was promoted to assistant vice president in 1974. He is a member of AIB and BAI and serves on the board and as secretary of the BAI.

Ms. Kearney has been with Packers since 1975. She was made auditor and loan officer in 1978. She is a member of AIB where she also serves as a director.

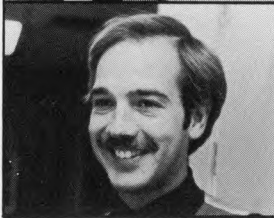
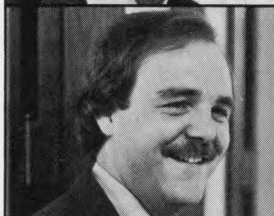
Mr. Holst joined Packers in 1979 as a loan officer, having prior experience at another Omaha bank. He attended the University of Iowa and the Graduate School of Banking in Wisconsin.

Pender Names President

The Pender State Bank has named Gary R. Condon president and CEO. Mr. Condon joined the bank in 1965 as agriculture representative and was previously executive vice president. It was also announced that Kevin Kirby has been promoted to vice president.

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Top to Bottom

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Wilma Weeks
Jim Young

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an interest
in you.



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©1980 Security National Bank



William C. Smith, president, First National Lincoln, has announced the following promotions and appointments of officer personnel:

Gareth D. Schrock and **Everett L. Shirk** were elected vice presidents, instalment lending, by the board of directors. Mr. Schrock is manager of the direct lending department and Mr. Shirk is manager of the indirect lending department.

Other officers appointed to new positions include: **Perry R. Myers**, assistant vice president, collection manager; **Michael A. Renken**, assistant vice president, commercial banking; **Timothy L. Thietje**, assistant vice president & manager, trust marketing; **Mark A. Elste**, trust investment officer; **C. John Guenzel**, trust officer; **Gary L. Hoemann**, trust investment officer;

Michael D. Rees, trust investment officer, and **Jim G. Farber**, farm management supervisor.

Individuals promoted to officer positions were: **Karen Chloupek**, Visa/Master Card collection section manager; **Lyle D. Hiatt**, Municipal bond underwriting officer, and **Craig Moyer**, commercial banking officer.

* * *

The board of directors of National Bank of Commerce approved five officer promotions at a recent meeting.

Stuart Bartruff was elected loan analysis officer. Mr. Bartruff joined NBC in May 1979 as a management trainee. He joined the loan analysis department and became manager of that department in October 1980. He has a masters of science degree from UNL in agricultural economics.

Pam Hunzeker has been promoted to marketing officer. Ms. Hunzeker is a graduate of UNL and joined NBC in August 1978. She held the position of credit supervisor in the bank credit card department and transferred this past month to manage the marketing department.

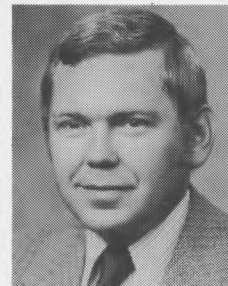
Karen Kleman was elected personnel officer. Ms. Kleman has been with the bank since May 1974 when she started in the position of personnel secretary. She has held the position of salary and benefits administrator since October 1977.

Janet LaPage was promoted to teller operations officer. Joining NBC as a teller in July 1964, she has since assumed a variety of teller supervisory positions. She became the main bank teller manager in September 1979.

Tom Lintel was elected assistant controller. Mr. Lintel started in auditing in April 1979 and moved to control in April 1980. He has a BS degree in accounting from UNL.

* * *

The New York Stock Exchange has announced that **Charles J. Burmeister** has been approved as a member of the New York Stock Exchange. Mr. Burmeister is president and chief executive officer of First Mid America Inc., a Lincoln-based regional investment banking firm which is entering its 20th year as a member firm of the New York Stock Exchange.

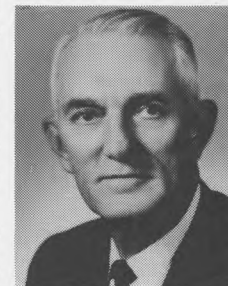


C.J. BURMEISTER

Cecil W. Means Dies

Cecil W. Means, 75, retired senior vice president of Stockyards National Bank which is now known as Northwestern National Bank, died recently in Loveland, Colorado of kidney failure.

Mr. Means, a former Omaha civic leader, retired from banking in 1971 and moved to Colorado after 42 years in business, banking, and education.



C.W. MEANS

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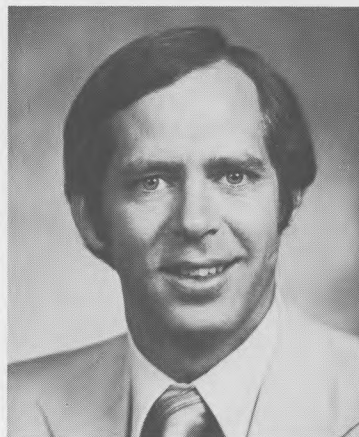
Steve W. Sutton
Vice President

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GARY L. BIECK
Vice President



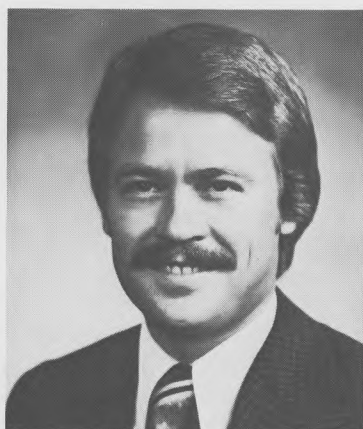
WILLIAM E. EDGECOMB
Vice President



CRAIG E. WANAMAKER
Vice President



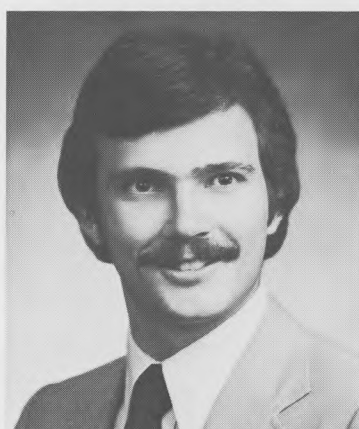
STEVEN L. ANDERSON
Assistant Vice President



MARVIN HEFTI
Correspondent Bank Officer



KATHY M. VOTAW
Correspondent Bank Officer



MARK A. ZABACK
Correspondent Bank Officer



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Wyoming

G. E. Cooke, pres., Powell
M. C. Mundell, exec. dir., Laramie



8 Banks to Be Western Bancorp Subsidiaries

J. J. PINOLA, chairman of the board of Western Bancorporation, has announced that Western Bancorporation intends to file registration statements with the Securities and Exchange Commission and seek approval from bank regulatory authorities for consolidation transactions which, if approved, would make an additional eight of its subsidiary banks wholly-owned subsidiaries of Western Bancorporation. The eight banks, and Western Bancorporation's present percentage ownership of each, are as follows:

The American National Bank of Denver (Colorado), 97.5.

The First National Bank of Laramie (Wyoming), 96.0.

The First National Bank of Riverton (Wyoming), 88.9.

Bank of New Mexico (Albuquerque), 91.1.

New Mexico Bank and Trust Company (Hobbs), 65.3.

First State Bank at Gallup (New Mexico), 90.1.

Montana Bank (Great Falls), 89.9.

Bank of Glacier County (Cut Bank, Montana), 85.9.

It is contemplated, upon consummation of these transactions, that the minority shareholders of each bank would receive Western Bancorporation common stock in exchange for their bank shares in ratios which have not yet been determined. The

transactions would be subject to necessary approvals of regulatory authorities, and of the boards and shareholders of each of the eight banks.

Named Wheatland V.P.

Jerry Gebhart, a loan officer for seven years at First Wyoming Bank of Wheatland, has been named a vice president, according to president Gene Hayes.

Promoted at Shoshoni

Promoted at First State Bank of Shoshoni, were Robert J. Crocker, to vice president, and Barbara Eller, to assistant vice president.

Joins First National

Dean M. Bartels, president of the First National Bank of Worland has announced Mike Blackburn has assumed the position of loan officer. He was formerly vice president of Avco Industrial Bank.

Promoted at Casper

At the American Bank of Casper, Susan Cox has been promoted to administrative assistant to the president and Douglas F. Bryden was promoted to assistant vice president in charge of business development.

Citicorp Files with Fed To Open Denver Office

Citicorp of New York has filed an application with the Federal Reserve Bank of New York to open a loan production office in Denver, Colo., one of the nation's fastest growing cities. The office would have an energy unit and representatives of its national division. If approved, this would be the 111th loan production office authorized for large banks from other states and nations.

Valley of Arizona Net Income Gains 14%

Valley National Bank of Arizona, Phoenix, announces that preliminary, unaudited figures show net income for 1980 of \$53,211,000, compared to \$46,522,000 for 1979, an indicated increase of 14%. Income before securities gains or losses was \$53,243,000 for 1980, compared to \$47,545,000 for 1979, an increase of 12%.

Announcement was made by Board Chairman Gilbert F. Bradley.

Per share net income for 1980 was \$5.26, an increase of \$.61 or 13% over the \$4.65 reported for 1979. Per share income before securities gains or losses for 1980 was also \$5.26, compared to \$4.75 for 1979, an increase of 11%.

At year-end 1980, total resources were \$5.7 billion, up \$343 million or 6% above the same date of 1979. Deposits were \$4.8 billion, up \$454 million or 10%, and loans net of unearned income and reserve for possible loan losses were \$3.6 billion, up \$281 million or 8%.

The bank's net loan losses for 1980 were \$13.4 million. The provision for loan losses in 1980 was \$19.0 million. The bank's year-end 1980 loan loss reserve was \$43.7 million, an increase of \$5.6 million over year-end 1979.

IBAA CONVENTION PROGRAM

(Continued from page 30)

by IBAA Past Pres. Ivan Fugate, chairman and president of Western National Bank, Denver, and James P. Thomas, executive manager, Independent Bankers of Colorado.

Address—Medical speaker to be announced.

Resolutions—John E. McDavid, Charleston, W.Va.

10:00 Program for spouses.

P.M.

6:30

Reception—Ballrooms A-G.

7:30

Banquet—Ballrooms A-G.

Installation of new officers.

8:45

Entertainment—"Evolution of the Big Bands"—Ernie Heckscher and his orchestra.

9:30-11:00

Dancing.

Thursday, March 26

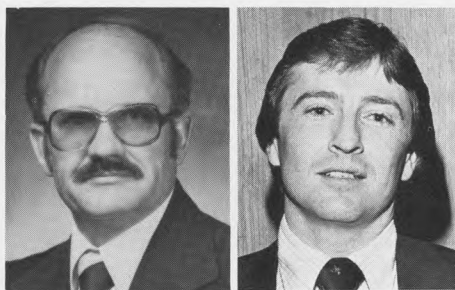
A.M.

8:00

Administrative committee breakfast.

Colorado

J. J. O'Dell, pres., Brighton
D. A. Childears, exec. mgr., Denver



New Colorado Bank Holding Co. Formed

THE formation of a new Colorado bank holding company, Central Bancorporation, Inc. (CBI), became effective January 1, 1981, according to Max G. Brooks, chairman of the board.

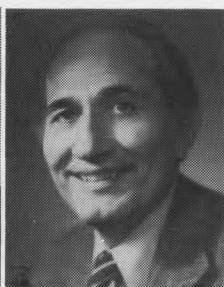
The formation of CBI resulted from the divestiture of twelve Colorado banks by Baldwin-United Corporation, a diversified financial services company whose interests include insur-



M.G. BROOKS



G. MCKINLEY



D.D. HOFFMAN

ance, savings and loan, other financial services and the manufacture and distribution of Baldwin pianos, organs and other musical instruments. Under terms of the Bank Holding Company Act of 1970, B-U was required to cease being a bank holding company by January 1, 1981, because of its ownership of various non-banking subsidiaries.

Banks involved in the divestiture include: First National Bank in Aspen; Central Bank of Aurora; Central Bank of Academy Boulevard, Colorado Springs; Central Bank of Colorado Springs; First National Bank in Craig; Central Bank of Denver; Central Bank of North Denver; First National Bank of Glenwood Springs; First National Bank in Grand Junction; First National Bank-North in Grand Junction; Central Bank of Greeley,

and Rocky Ford National Bank.

The complex and unique divestiture plan, which was approved by the Federal Reserve Board last July, places the ownership of the banks in a limited partnership with three classes of partners, a General Partner and Class 1 and Class 2 limited partners. The banks' directors, officers and employees as General Partners will have management control of the partnership.

The Class 1 limited partners are institutional investors who purchased interests in conjunction with an issue of senior term debentures due in 1996. The debentures have transferable warrants attached, entitling the holders to purchase Baldwin's interest in the partnership between 1986 and 1995 at exercise prices related to accumulated book value.

Baldwin-United is the sole owner of the Class 2 limited partnership interest and retains approximately 92 percent of the economic interest, but on a non-voting basis.

The divestiture transfers control of the banks to the officers and directors of the banks, thereby assuring ongoing management and regional control. The new company will have additional capital available immediately from the formation of the partnership, plus an additional \$10 million over the period 1982-1986.

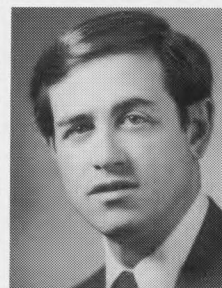
Max G. Brooks, chairman of the board of Central Bank of Denver since 1964, is CBI's chairman and chief executive officer. Donald D. Hoffman, president of Central Bank of Denver since 1967, is serving as vice chairman of the board. George B. McKinley, chairman of the board of First National Bank in Grand Junction since 1976, is holding the position of president and chief operating officer.

In addition to the twelve existing banks, CBI has received approval to acquire the stock of Central

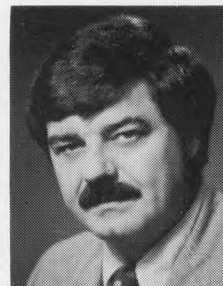
Industrial Bank, which was organized in 1980, and the stock of Central Bank of West Greeley, a newly organized bank which will open for business in mid-1981.

United Bank of Denver Names New Senior V.P.s

The board of directors of United Bank of Denver has announced the appointments of Jed J. Burnham, manager of the real estate banking group; Robert H. Dressel, manager of the regional banking group and Thomas R. Ruha, manager of the energy and minerals group to the position of senior vice president.



J.J. BURNHAM



R.H. DRESSEL



T.R. RUHA

Mr. Burnham joined UBD in November 1970. He holds an MBA degree in finance from the University of Colorado, Boulder. He is a board member of Robert Morris Association and a member of the National Nominating Committee & Real Estate Committee and the Colorado Bankers Association.

Mr. Dressel received a BS degree in accounting from Pennsylvania State University, University Park, Pa. and an MBA degree in finance from the University of Denver. He has been with UBD for 13 years and was named vice president in 1976.

Mr. Ruha joined UBD in September 1977 as one of the managers in the energy market. His 17 years of banking experience include 14 years in California with two major energy lending banks.

Fed Denies Application

The Federal Reserve Board has announced its denial of the application of Platte Valley Bancorp, Inc., Brighton, to acquire Valley Bancorp, Inc., Steamboat Springs, Colorado.

Bob Lee Named President At 1st National, Denver

As announced late last December, Robert E. Lee, 45, has been elected president and chief executive officer of The First National Bank of Denver. He is the ninth president in the 120-year history of the bank. He will join the bank March 1.



R.E. LEE

Mr. Lee's election by the board of directors was announced by Theodore D. Brown, chairman of the bank and chief executive officer of the parent firm, The First National Bancorporation, Inc., the state's largest bank holding company.

Mr. Lee is moving to Denver from Des Moines, Ia., where he has been chief executive officer since last February of the Iowa-Des Moines National Bank. With \$1 billion in assets, it is the largest bank in Iowa and the second largest affiliate of Northwest Bancorporation, which operates 86 commercial banks in seven upper Midwest states.

Mr. Brown stated "We have conducted a long, intensive nationwide search to find the individual particularly qualified to head First of Denver in a dramatically changing economic and regulatory environment. We wanted someone with broad-based and first-hand knowledge of various sections of the nation to direct the bank's future. Bob Lee's more than 20 years of banking experience, together with a record of community service, will enable him to complement the excellent staff First of Denver already has in place."

Mr. Lee is no stranger to the mountain states. He was born and reared in Cut Bank, Mont., headquarters for his father's oil drilling business in the surrounding energy-rich area. He received business and engineering degrees from Dartmouth College, his BA in 1957 and MS in 1958. He also holds a 1969 diploma from Stonier Graduate School of Banking at Rutgers University, where his thesis was entitled "Financing the Small Independent Oil Producer."

Mr. Lee began his banking career in April, 1959, in a three-year management training program with

Northwest Bancorporation, first in Minneapolis and later in Great Falls, Mont., at Northwestern National Bank. He left that bank in 1973 as executive vice president and chief operating officer to accept a similar position with the larger Old National Bank of Washington in Spokane. He became president there in 1975, but left the bank in May, 1979, to become president of the Iowa-Des Moines National. His appointment as chief executive officer followed last February.

Mr. Lee has been active in numerous civic and charitable organizations.

United Banks Promotes Two

N. Berne Hart, president and chairman of United Banks of Colorado, Inc., announced that Frank Blatter has been promoted from senior vice president and treasurer to executive vice president, and Dennis Erickson has been promoted from vice president and controller to vice president and treasurer.

Mr. Blatter, a certified public accountant, joined United Banks of Colorado in 1963 as an accountant. He is a member of the Management Group at United Banks of Colorado. In addition, he is chairman of the board and director of the United Bank of Arvada and a director of United Banks Service Company. He is a graduate of Regis College.

Mr. Erickson joined United Banks of Colorado in 1969 as corporate tax manager. He is director and treasurer of Fidelity National Life and Lincoln Agency. He is also a member of the American Institute of Certified Public Accountants and the Financial Executives Institute.

Promotions Announced

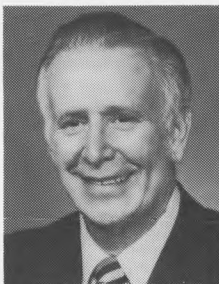
C. Gale Sellens, chairman of the board and chief executive officer of Denver National Bank, has announced the promotions of Dee L. Lower to assistant cashier and Gloria S. Schofield to trust officer.

Formerly with First National Bank of Englewood, Ms. Lower joined Denver National Bank as new accounts supervisor in 1979.

Ms. Schofield joined Denver National Bank in 1980 as assistant trust officer specializing in retirement trusts. She was formerly with Lincoln Trust Company. She holds a degree from Colorado Women's College.

Joins Western National

Russell L. Truitt, president and chairman of the board of the Western National Bank of Colorado Springs has announced the appointment of Jack O'Brien as vice president of the mortgage loan department.



J. O'BRIEN



B.J. NEWTON

A 28-year veteran of the mortgage loans business, Mr. O'Brien joined the bank in December 1980. He has been with other mortgage loan departments in Colorado Springs as well as Denver.

Also at Western National, B.J. Newton has been named assistant vice president. The 12-year banking veteran joined Western National Bank in 1974 as a teller and was named assistant cashier of the bank in 1979.

Elected in Denver

Mrs. Jerry Sheely, president of Boulevard Colorado National Bank in Denver, has announced that the board of directors recently elected Mrs. Jeanee Snead to the position of cashier and Ms. Carolyn McDaniel to assistant cashier of the bank.

Mrs. Snead joined Boulevard Colorado National Bank on a part-time basis in 1964. As cashier, she is responsible for overall operations of the bank.

Ms. McDaniel joined Boulevard Colorado National Bank as personnel coordinator in July and works in both personnel and operations.

Appointed in Denver

United Bank of Denver has announced the appointment of Lynn M. Murphy to the position of petroleum engineering officer.

Ms. Murphy holds a BS in chemical and petroleum refining engineering from the Colorado School of Mines, Golden.

Prior to joining UBD in June 1980, Ms. Murphy was associated with Amoco Production Company for five years.

Community Cash Flow Fund Organized

In a unique blending of community resources, United Bank of Denver, The Piton Foundation, a local private grantmaking organization, and the Technical Assistance Center, a non-profit corporation providing management consulting services to other non-profit organizations, have joined forces to provide a new financial service to the Colorado non-profit community.

Known as the Community Cash Flow Fund, the service makes available short-term financing and cash flow management assistance to Colorado nonprofit organizations experiencing critical cash flow problems. Non-profit organizations, perhaps more so than their for-profit counterparts, continually are faced with cash flow problems due, in large part, to the inherent time/payment problems that accompany reliance on charitable contributions, grants and contracts. An acute problem can occur when an organization is unable to match its cash needs with the time timing from its funding sources. It is expected that the Community Cash Flow fund will help bridge the gap, allowing an organization to continue providing service to the community until receipt of committed funds.

The Community Cash Flow Fund will include an initial pool of \$500,000 made available through United Bank of Denver. Loans of up to \$50,000 in size with an interest rate tied to the prime rate will be made to qualified organizations for a maximum of 180

days. Initially, funds will be limited to emergency situations that threaten to shut down or severely curtail services. It is anticipated that, as the program develops, additional funds will be available to cover other less critical situations.

United Bank of Denver is the first of what is hoped to be several participating banks in the program. United Bank of Denver is a leading commercial bank in the Rocky Mountain region and a long time supporter of the non-profit community through its public affairs and special events programs and also through its Government and Institutions Market, the source of the funds to be utilized for the Community Cash Flow Fund.

The community Cash Flow Fund is the first program of its kind in the United States to combine the resources of the banking community, the foundation community and a management support organization. It will be one of the largest cash flow loan programs for non-profit organizations in the country.

Joins Colorado National

Kenneth T. Hanson has joined Colorado National Bank of Denver as vice president and manager of their energy and natural resources department.

Mr. Hanson, a financial energy specialist, formerly was vice president and manager of Hibernia National Bank's energy department in New Orleans, La. since 1978. Prior to that, he was senior account manager in the energy department for the Bank of Oklahoma in Tulsa for more than three years. From 1972 to 1975, Mr. Hanson held the position of assistant vice president of United Virginia Bank's national division in Richmond, Va.

In his new position at Colorado National Bank, Mr. Hanson will be responsible for business development and financial services to the oil and gas industries.

He is a graduate of the University of Minnesota, where he earned a BA in business and economics.



K.T. HANSON

Appointed at Denver Bank

C. Gale Sellens, chairman of the board and chief executive officer of Denver National Bank, has announced the appointment of Thomas Dozier to senior vice president in charge of investments of Denver National Bank.



T. DOZIER

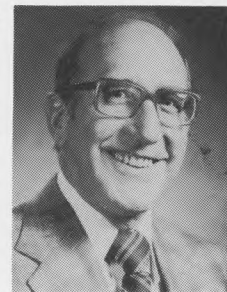
Formerly with William Blair and Company in Chicago, Ill., Mr. Dozier joined Affiliated Bankshares of Colorado as investment officer in 1975. He will continue to be an officer of Affiliated Bankshares. He received his MBA from Northern Illinois University.

Promoted in Cortez

The board of directors of First National Bank, Cortez, through its chairman, Douglas H. Hindmarsh, has announced the following promotions: Stephen G. Mortimer, to executive vice president; Peter F. Sadowski, to senior vice president; Charles A. Haley, to vice president; Wilma Hersch, to cashier, and Thelma Gregory, to operations supervisor.

Named at Colorado Springs

George B. Acker was recently named chairman of the board and chief executive officer for Central Bank of Colorado Springs, one of twelve banks in the Central Bancorporation, Inc., financial system located in Colorado.



G.B. ACKER

Mr. Acker, a 33-year veteran of the banking industry, most recently was senior vice president and coordinator of affiliate bank activities at First National Bank, Denver. Prior to that, he held the position of executive vice president and director, First National Bank of Greeley, Greeley, Colo. from 1975 to 1979.

His earlier banking career was spent as vice president at First National Bank of Black Hills, Rapid City, S.D.; president and director, Bank of Commerce, Sheridan, Wyo. and executive vice president and director, Scotts Bluff National Bank, Scotts Bluff, Neb.

Elected at Arapahoe

John Diedrich, president of Arapahoe Colorado National Bank, has announced that the board of directors has elected Gail Rogers, customer service officer and Leila (Lee) Lundberg, loan operations officer.

Mrs. Rogers joined Arapahoe Colorado National Bank as a teller in 1973, and managed the new accounts area before her recent promotion. She has 10 years experience in banking.

Mrs. Lundberg began her career at Arapahoe Colorado National Bank in 1974 as a teller, and became a loan operations supervisor before her promotion. She has 11 years experience in banking, and has been assistant head bookkeeper at another commercial bank.

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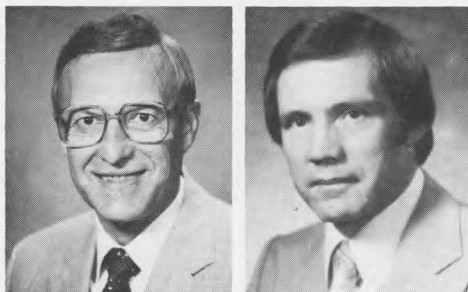
To initiate or expand the scope of trust services at your bank, call on Bankers Trust, Correspondent Banking Dept., 2nd Floor, Ruan Center, Des Moines, Iowa 50309. Or simply phone us at 1-800-362-1688 or (515) 245-2475.

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"Super Marketing" Conference Planned

"SUPER MARKETING" is the appropriate theme for the Iowa Bankers Association's marketing extravaganza scheduled March 9-11 at Stouffer's Five Seasons Hotel in Cedar Rapids.

An outstanding program that lives up to the conference theme has been announced by Mike Mahlendorf, chairman of the IBA marketing division, and Tom Clarkson, IBA vice president for marketing. Mr. Mahlendorf is assistant cashier, Iowa Trust & Savings Bank, Emmetsburg.

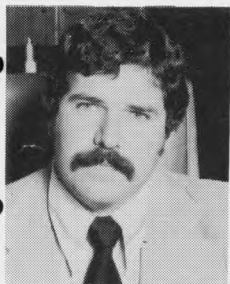
Registration begins at 4:00 p.m. Monday, March 9. The exhibit area will open at the same time. A social hour and dinner will follow that evening. The business conference starts at 9:00 a.m. Tuesday.

The full program follows:

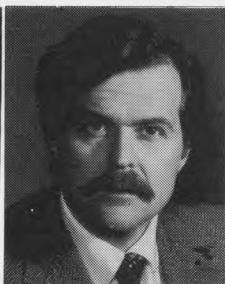
Monday, March 9

P.M.

- 4:00 Registration.
- 4:00 Exhibits open.
- 6:00 Social hour.
- 7:00 Dinner.



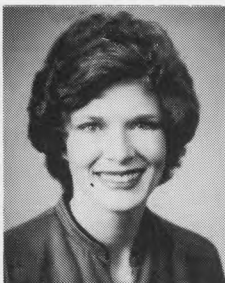
M. MAHLENDORF



T. CLARKSON



K. FISHER



J. ROBERTSON

8:00 Address—Dr. Roger D. Blackwell, senior consulting associate, Management Horizons, Inc., Columbus, O.

Tuesday, March 10

A.M.

- 8:00 Registration.
- 8:00 Exhibits open.
- 9:00 Welcome—Mike Mahlendorf, chairman, IBA marketing division.
- 9:15 "Research for Small Banks"—Dan Wiese, vice president, director research services, Creswell, Munsell, Fultz & Zirbel, Inc., Cedar Rapids.
- 10:00 Break.
- 10:15 "Banking Success and Experiences in Texas"—Don W. Neuenchwander, president, Medical Center Bank, Houston, Tex.
- 11:15 "Stress Seminar"—Kathy Fisher, IBA director of human resources.

P.M.

- 12:15 Luncheon.
- 1:00 "There He Is . . . Mr. Iowa Banker"—Jeanne Robertson, humorist and professional speaker, Burlington, N.C.



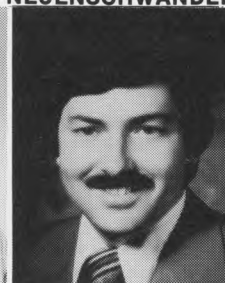
D.E. WIESE



D.W. NEUENSCHWANDER



M. SCHAEFER



T. BRANSTAD

2:00 Mini-Sessions. Five concurrent sessions will run for 45 minutes each, then will be repeated so each registrant may attend selected sessions.

Panelists and topics:

"Critiquing Ads Used by the Iowa Banking Industry"—Bill Hillsman, Bozell & Jacobs Advertising, Minneapolis.

"ATMs"—James Hanisch, electronic banking officer, Iowa-Des Moines National Bank, Des Moines.

"Public Relations for Banks"—Allen Volkenant, vice president-public relations, First Bank System, Inc., Minneapolis.

"I.D.E.A. Annuity Program"—Margie Schaefer, vice president, group life & disability, Iowa Bankers Insurance & Services, Inc.

"Advertising Alternatives in Presenting Your Bank"—Peter Bryant, public relations account executive, Creswell, Munsell, Fultz & Zirbel, Cedar Rapids.

2:45 Break to change rooms.

2:50 Mini-Sessions repeated.

3:30 Coffee and resume to classroom.

3:40 Panel—"Banking Directions for the '80s." Panelists: Lt. Gov. Terry Branstad, State Capitol, Des Moines; Gene Wandling, Wandling & Associates, Inc., Iowa City, and Richard Krumme, managing editor, Successful Farming, Des Moines. Question and Answer period follows.

5:00 Adjourn.

6:00 Bus to Amanas for dinner.

6:30 Dinner and cocktails.

Wednesday, March 11

A.M.

7:30 Full "Iowa" breakfast served.

8:00 Exhibits open.

8:20 "Best of TV—1980"—30 minute film produced by the Bank Marketing Association. Includes IBA's "Partners" advertisement among the 31 selections in the film.

9:00 Iowa bank case history from research to creative products.

9:45 Coffee and pop break.

10:00 Panel—"NOW Accounts and Share Drafts." Panelists: Ms. Rae Schupack, regional counsel, FDIC, Omaha; Jim Haahr, president, First Federal Savings & Loan, Storm Lake, Ia., and Gary Plank, executive vice president, Iowa Credit Union League, Des Moines.

11:15 Address—Bill Stauffer, vice president and c.e.o.—Iowa, Northwestern Bell Telephone Co., Des Moines. Adjourn. □

Appointed in Waterloo

R. Scott Fetner, president of the National Bank of Waterloo, announced the appointment of Byron Loving as senior vice president in charge of loan department. He replaces Bob Mextdorf, who retired in May. Mr. Loving joins Waterloo from Burn-



B. LOVING

sville, Minn., where he was the senior vice president of the credit division of the Bremer Service Co., Inc. of St. Paul, a subsidiary of the Otto Bremer Co., a large bank holding company with twenty-nine affiliated banks in the Ninth Federal Reserve District.

Prior to his association with the Bremer Co., he was the vice president and credit manager of the Marquette National Bank in Minneapolis. From 1957 to 1970 he served as a senior examiner with the Federal Reserve Bank of Chicago examining member state chartered banks in the Seventh Federal Reserve District. In 1961 he moved from Chicago to Ames and served primarily in the state of Iowa as a bank examiner.

Mr. Loving attended the University of Iowa and graduated from

Buena Vista College at Storm Lake. He has attended the National Commercial Lending Graduate School at the University of Oklahoma, Agricultural Credit School of the Iowa State University at Ames, various examiner schools in Washington, D.C. and is a designated Certified Commercial Lender through the American Bankers Association.

Promoted at Waukon

President E. Richard Lomen announced the following promotions at Waukon State Bank: Roger W. Kerndt, senior vice president and cashier; Nyda Mae Rodman, vice president, and Lavon Kaeser, cashier.

Four Officers Promoted

Ted J. Welch, chairman of the board of Peoples Bank and Trust Company, Cedar Rapids, has announced the promotion of four bank officers.

James D. Masterson was promoted from auditor to assistant vice president and auditor. Mr. Masterson joined Peoples Bank in 1976. He received his BS degree from Culver Stockton College in Canton, Mo., in 1974 and his MBA degree from Drake University in 1975.

Arlene L. Boots was promoted to personnel officer. She joined Peoples Bank in February of this year after 20 years with Rockwell-Collins in a personnel support position to the air transport personnel programs manager.

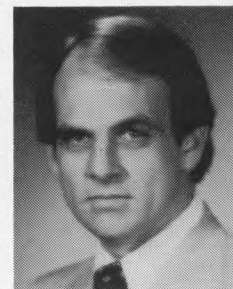
George J. Matias was promoted to security officer. Mr. Matias, a former Cedar Rapids police chief, also joined the bank in February of this year.

Dee Ann Womachka was promoted to secretary of the board of directors. Ms. Womachka joined the bank in July 1973.

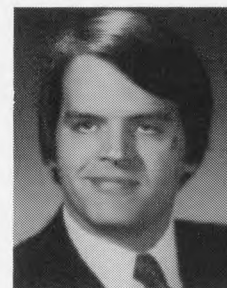
Banks of Iowa Appoints Ganoe and Timmins

Holmes Foster, president and chief executive officer of Banks of Iowa, Inc., has announced the ap-

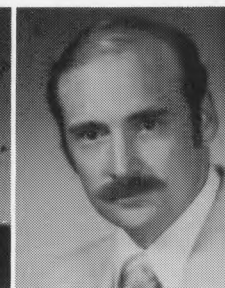
pointment of John E. Ganoe as vice president and chief financial officer, Michael J. Timmins as comptroller, and Michael K. Hollinger as director of operations.



J.E. GANOE



M.J. TIMMINS



M.K. HOLLINGER

Mr. Ganoe, a graduate of Iowa State University, was most recently corporate treasurer of Unicare Services, Inc., Milwaukee, Wis.

Mr. Timmins, a graduate of Iowa State University, was most recently a senior assistant accountant with Deloitte, Haskins and Sells in Chicago and Des Moines.

Both are certified public accountants and members of the American Institute of Certified Public Accountants and the Iowa Society of Certified Public Accountants.

Mr. Hollinger attended Iowa State University and is a graduate of Simpson College, Indianola. He had been associated with Brenton Banks, Inc., since 1971, most recently as senior vice president of Brenton National Bank of South Des Moines.

FIRST NATIONAL BANK OF MUSCATINE

Muscataine, Iowa
STATEMENT OF CONDITION
DECEMBER 31, 1980

ASSETS

Cash and Due from Banks	\$ 10,604,000.00
United States Government Securities	574,000.00
Other Bonds	500,000.00
State, County and Other Municipal Obligations ..	9,246,000.00
Federal Reserve Bank Stock	120,000.00
Federal Funds Sold	8,400,000.00
Loans (excluding unearned income) \$72,240,000.00	
Less—Reserve for Loan Losses	815,000.00
Net Loans	71,425,000.00
Bank, Parking Lot, Office and Fixtures	3,551,000.00
Other Assets	1,219,000.00
Income Earned but Not Collected	1,170,000.00
Total Assets	\$106,809,000.00

LIABILITIES

Capital	\$ 2,000,000.00
Surplus	2,000,000.00
Undivided Profits	5,329,000.00
Other Liabilities and Deferred Taxes	2,133,000.00
Interest-Bearing Demand Notes	1,265,000.00
Deposits	94,082,000.00
Total Liabilities	\$106,809,000.00

OFFICERS

C.D. OBERWORTMANN, Chairman of the Board	L.G. SULZBERGER, Vice President & Cashier
GEORGE A. SHEPLEY, President and C.E.O.	EDWARD H. SCHROEDER, Vice President
ROBERT A. LOTHINGER, Exec. Vice President	E.S. "KELLY" BURNS, Asst. Vice President
ROBERT P. SOLHEIM, Sr. Vice Pres. & Trust Officer	JO MERCER, Asst. Vice Pres. & Secretary
H.W. OGILVIE, JR., Vice President	JOHN VOLKMAN, Asst. Vice President
LOUIS RECHTFERTIG, Vice Pres.—Instalment Loans	JAMES V. PULLIAM, Asst. Vice Pres.—Mgr. Mail Office
MARGARET MATHES, Vice Pres. & Trust Officer	LEO KOSSIVES, Auditor
JUDD W. LELAND, Vice Pres. & Farm Manager	JANICE METZGER, Mgr.—Bookkeeping Dept.

Statement of Condition

December 31, 1980

ASSETS

Cash	\$ 19,033,918.01
U.S. Government Securities	\$28,916,252.92
U.S. Public Housing Bonds	22,627,071.61
U.S. Agency Bonds	1,201,897.66
	52,745,222.19
Municipal Bonds	1,302,503.77
Federal Reserve Bank Stock	150,000.00
Federal Funds Sold	14,750,000.00
Loans	83,374,863.22
Bank Premises & Equipment	2,262,040.88
Accrued Interest & Other Assets	2,557,698.09
TOTAL	\$176,176,246.16

LIABILITIES

Capital Debentures	\$ 700,000.00
Capital Stock	2,000,000.00
Surplus	3,000,000.00
Undivided Profits	6,717,130.41
	\$12,417,130.41
Provision for Taxes, Interest & Expenses	1,915,997.16
Other Liabilities	1,256,487.79
Securities Sold Under Agreement to Repurchase	24,568,864.59
Deposits	136,017,766.21
	160,586,630.80
TOTAL	\$176,176,246.16



American Trust & Savings Bank

TOWN CLOCK PLAZA DUBUQUE, IOWA 52001 MEMBER: FDIC & FEDERAL RESERVE SYSTEM

AMERICAN TRUST & SAVINGS BANK

Senior Officers

Nicholas J. Schrup,
Chairman of the Board
Christy F. Armstrong,
President
D. W. Ernst,
Chairman Exec. Committee

Senior Vice Presidents

Leo F. Kane,
Executive Vice President
Robert G. Scott,
Senior Vice President
Robert G. Holscher,
Senior Vice President

Trust Department

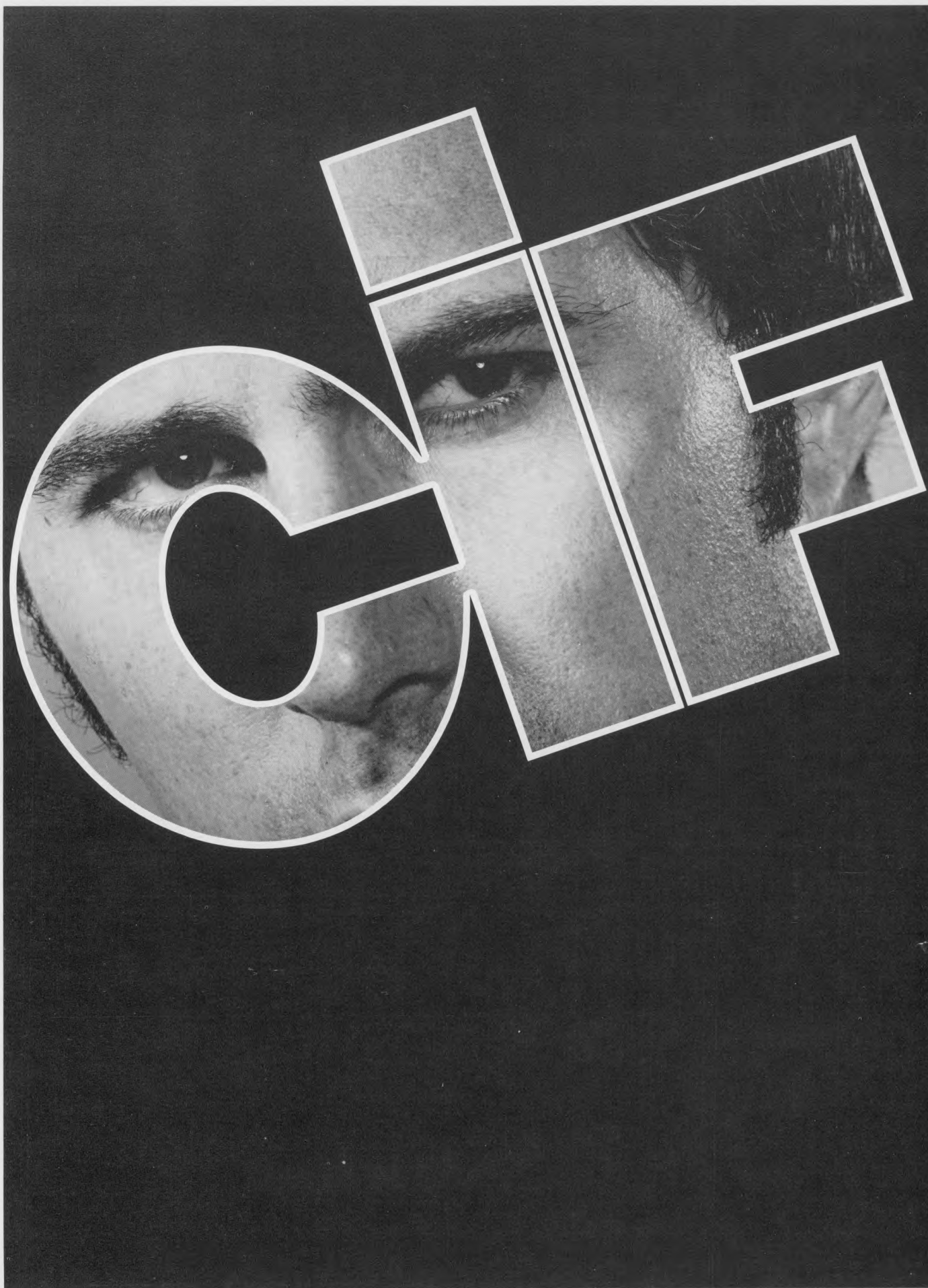
Charles J. Schrup,
Executive Vice President &
Trust Officer
Leo J. Meier,
Senior Vice President,
Secretary & Trust Officer

Board of Directors

F. Collier Altman, President —
Spahn & Rose Lumber Co.
Christy F. Armstrong, President
Frank H. Bertsch, President —
Flexsteel Industries, Inc.
Paul D. Dale, Chairman of the Board
— Thermolyne Corp.
D. W. Ernst, Chairman of the
Executive Committee
C. P. Frommelt, Chairman of the
Board — Frommelt Industries
Courtland Hillyard, Retired; formerly
President Midland Laboratories
Robert G. Holscher, Senior
Vice President
Arnold N. Honkamp, President
John W. Law Company
David P. Hopley, Vice President
Deere and Company
Herbert L. Hughes, Financial Vice
President—Flexsteel
Industries, Inc.
W. J. Klauer, President — Klauer
Manufacturing Co.
J. Bruce McDonald, Vice President
— A.Y. McDonald
Manufacturing Co.
John M. McDonald, III, President —
Brock-McVey Companies,
Lexington, Ky.
Robert E. Molo, President —
Molo Oil Company
Louis H. Pfohl — The Fischer
Companies
Charles J. Schrup, Executive
Vice President
Nicholas J. Schrup, Chairman
of the Board
R. W. Steele, Chairman of the
Board and CEO—Interstate
Power Co.
Leo A. Theisen, President —
Theisen's, Inc.
Robert C. Wahlert, Chairman
Executive Committee — Dubuque
Packing Co.

Honorary Directors

D. B. Cassat
N. J. Greteman
Otto F. Henker
M. L. Kapp



Know your customers.

Or else.

Look around. Banking has become one of today's most competitive businesses.

● Your customers are being wooed by every financial institution in your market area.

The trick to keeping your customers loyal, and to increasing your profits, is knowing as much about them as possible and keeping that information updated daily.

Unfortunately, complete up-to-the-minute customer profiles are rare. Background information is often gathered randomly and stored in many different places, making it difficult to obtain for useful purposes.

● Until now. Until Banks of Iowa Computer Services Central Information File (CIF).

With Banks of Iowa Computer Services' CIF, complete information on your customers can be obtained in moments, either on a display terminal or as hard copy.

The operative word is exhaustive. Since every possible piece of information gathered is centrally stored, you have immediate access to such things as the status and history of a given customer's account and his account relationships. The businesses he's in and how they're doing. And any pertinent family information.

This information is critical in making quick, knowledgeable, profitable decisions.

CIF is the most economical, efficient and sensible way to gather all this information and to use it for increased profits.

Don't kid yourself. There aren't many new customers around. What you need to do is expand the ways your existing customers use your bank.

Because a lot of other financial institutions would like them as customers. And are trying to get them.

Can you trust your customers? Yes — if you can trust your information retrieval system.

And that means CIF.

Contact us today for an appointment. We'll be glad to explain our system at your convenience.

For more information call Joe Phernetton or BICS marketing at (319) 399-3600.



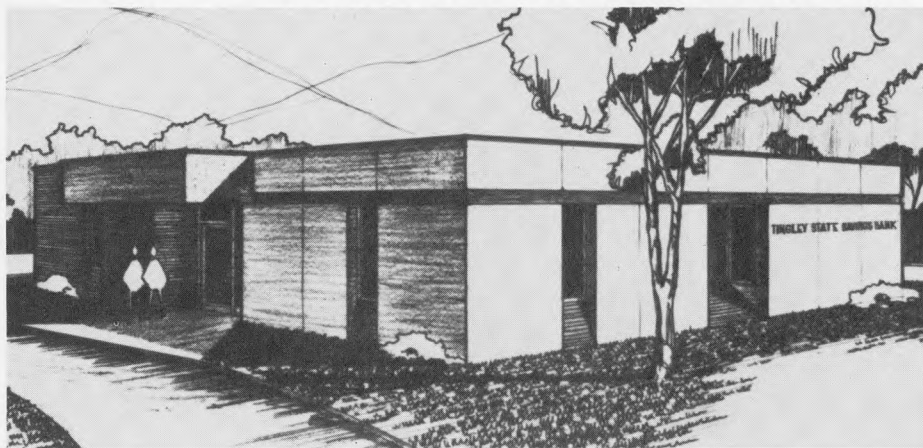
Banks of Iowa Computer Services inc

●A "BANKS OF IOWA" SUBSIDIARY



DESERTED highway gas station will soon be new home of the Tingley State Savings Bank in Mount Ayr.

ARCHITECT'S drawing of the Tingley bank after renovation.



Tingley State Plans Major Renovation

CARL RIGGS, president of the Tingley State Savings Bank, announced that a unique construction program for the new Tingley State Savings Bank in Mount Ayr has started.

A deserted gas station located on Highway 2 in Mount Ayr offered the ideal site for a new bank building. After studying the existing structure and current tax laws, it was determined that a new facility could be created from the abandoned gas station.

The photographs indicate the unique "Before" and "After" changes that will take place.

The existing building will be refaced and enlarged to provide 4407 square feet for banking services. Drive-up lanes, on-site parking and a special access area for the bank to

discharge and pick-up senior citizens at their homes with its own "Curb-to-curb service" banking bus are included in the plan.

The interior will have a large safety deposit box vault, private coupon booths, teller line with a sitdown counter and bookkeeping space. Five private offices will be located opposite the teller line with lobby space for receptionist and new accounts activities. The waiting areas will have a good view of the skylights planned for over the lobby.

The Kirk Gross Company of Waterloo, specialists in the Turn Key development of financial institutions, is in charge of the project and barring an unusual winter, estimates completion in six to seven months. Local subcontractors will be utilized where possible.

Promoted in Spencer

President William Griggs of the Clay County National Bank of Spencer has announced the following promotions and changes of personnel.

David Woodcock has been promoted to cashier. He was previously in the commercial loan department, and has been with the bank since June 1973.

Tom Malmgren has moved from the position of vice president instalment loan manager to vice president and commercial loan officer. He has been with the bank since April 1974.

Steve Charlson has moved from instalment loan officer to manager of instalment loan department. He has been with the bank since April 1978.

Candi Whittenburg has moved from her secretarial position to assistant loan officer in the instalment loan department. She has been with the bank since July 1973.

Randy Carlson has been elected to vice president. He is head of the agricultural loan department. Mr. Carlson came to Clay County National Bank in September 1979 from the First National Bank of Humboldt.

Promoted at Ames

At a recent board meeting of First National Bank, Ames, four officers were promoted to assistant vice president.

Larry Cole, operations officer, joined First National in 1977. He attended Iowa State University and graduated from the University of Northern Iowa in 1975. He was promoted from assistant cashier.

Frances Robinson, assistant manager of First National's university office, joined the bank in 1968. She was promoted from assistant cashier.

Barbara Werner, operations officer, joined the bank in 1972. She previously was an assistant cashier.

Joan I. Burrell, an instalment loan officer, joined the bank in 1976. A graduate of ISU, she was promoted from assistant cashier.

Promoted at Ackley

Gary Homan has been promoted to senior vice president, Delbert Harken has been promoted to vice president and cashier and Chas. R. Ray has been promoted to vice president of the Ackley State Bank, according to Stan Squires, president.

His banker has to be there in good times and bad.

When credit is easy, a successful farmer has lots of bankers knocking on his door. But chances are he'll stick with the banker who stuck by him when money was tight.

It takes a banker with a lot of foresight to build a relationship with someone in a cyclical business like this.

And it helps if your correspondent

bank has the same kind of foresight.

At American National, we've never backed away from correspondent business when money got tight.

Because bad times can be the best times to start a relationship with an aggressive correspondent bank. Shake hands with American National. The bank for business.

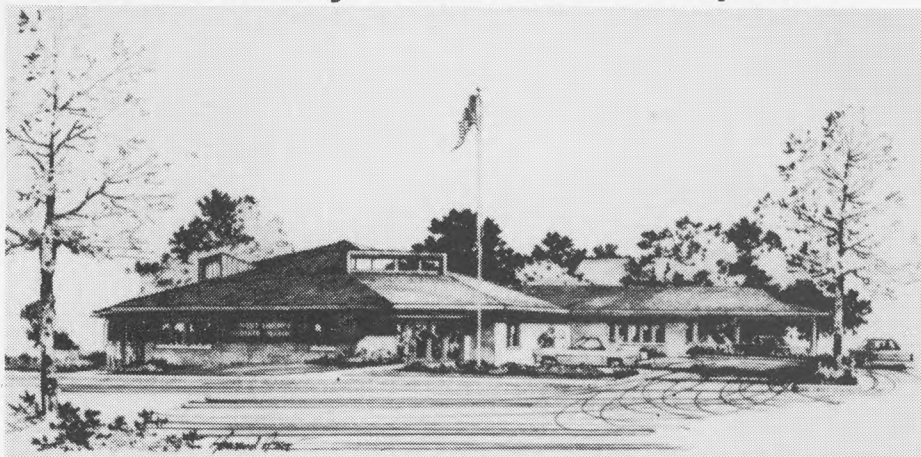


American National Bank

33 North La Salle / La Salle at Wacker 60690 / Phone (312) 661-5000

We're the bank for business.

West Liberty State Move Completed



ARCHITECT'S drawing of the newly-completed West Liberty State Bank.

PRESIDENT Robert T. Rehmke reports the West Liberty State Bank moved to its new bank building recently. The new facility has 8000 sq. ft. on the first floor with a full basement for storage and a community room. Glen Huntington and Associates of Storm Lake was the architect and Walter Becker of Alta was the consultant.

An open house for area bankers and the contractors involved in the construction was attended by over 300 guests. A public open house was also held.

Promotions Made at 1st National, Ottumwa

John S. Zdychnec, president and chief executive officer at First National Bank, Ottumwa, has announced the following organizational changes that were approved at the January board meeting:

Ernest L. Harms, senior vice president, will assume all lending responsibilities for the bank. He joined First National in April, 1977, and has more than 23 years of banking experience.

Betty L. Bruch, vice president and cashier, will assume additional responsibilities of commercial and small business lending. She has been with the bank since 1968.

Mary Lou Hagglund was advanced to vice president from assistant vice president. She will be in charge of all main bank teller operations. She has been with the bank since 1965.

Steven D. Beck was promoted to vice president from assistant vice president. An employee since July, 1977, Mr. Beck will be responsible for all personal lending and dealer relationships.

Charles Celania, who joined First National in 1979 with eight years of ag lending experience, was promoted from assistant cashier to vice president in charge of all agricultural lending.

Newly appointed assistant vice presidents are Rita I. Swainey, manager of the Northgate office; Hugh Stufflebeam, manager of the Burgason office, and Charles E. Moehring, Jr., operations.

Leian M. Jones and Charles Painter were elected assistant cashiers in the personal lending area.

SECURITY SAVINGS BANK

MARSHALLTOWN, IOWA
Statement as of December 31, 1980

Resources

Cash and Due from Banks	\$ 7,217,851
U.S. Treasury Securities	8,949,560
Obligations of Other U.S. Government Agencies and Corporations	6,954,175
Obligations of States and Political Subdivisions	20,495,067
Federal Reserve Bank Stock	112,500
Federal Funds Sold	5,600,000
Loans [net of unearned interest and valuation reserve]	54,966,028
Bank Premises	1,417,316
Furniture and Fixtures	349,779
Accrued Interest and Other Assets	1,966,367
	\$108,028,643

Liabilities

Deposits

Demand	\$21,371,049
Time	74,134,205
	\$ 95,505,254

Accrued Interest, Taxes, Etc.	3,702,598
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Capital

Stock	1,075,000
Surplus	2,675,000
Undivided Profits and Reserves	5,070,791
	8,820,791
	\$108,028,643

OFFICERS

Ronald E. Fenton, President
W. A. Lane, Jr., Chairman of the Board
R. M. Wilson, Chairman of the Executive Committee
Sam W. Neill, Senior Vice President
G. G. Leth, Senior Vice President
Wendell Stanley, Vice President and Cashier
F. R. Dunham, Vice President and Personal Loan Manager
Leo E. Herrick, Vice President
Michael W. Bloom, Vice President and Trust Officer
J. William Lankelma, Vice President
Eugene M. Yordy, Auditor
Richard A. Beasley, Assistant Vice President
Dan J. Bomar, Assistant Vice President
Michael F. Baltes, Farm Manager
Barbara J. Atha, Assistant Trust Officer

Vernelle Clay, Assistant Cashier
Craig R. Cordt, Personal Loan Officer
Gail A. Davis, Assistant Cashier
Linda S. Ketcham, Assistant Cashier
Myrna K. Muench, Assistant Cashier
Janet Wills, Personnel Officer

LAUREL OFFICE

Richard Thorson, Vice President and Manager
Mavis McMahon, Assistant Cashier

GLADBROOK OFFICE

E. Lynn Reinhard, Vice President
Debra H. Lansing, Assistant Cashier

SOUTHRIDGE OFFICE

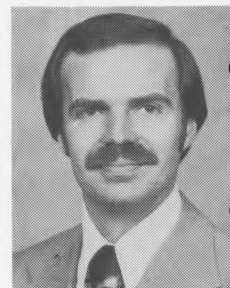
Michael W. Hurd, Assistant Cashier and Manager

Member of the Federal Reserve System

Elected at Morningside

Jack B. Conley, president of Morningside State Bank, Sioux City, has announced that Gary Kral has been elected cashier.

Mr. Kral began his career with the Clay County National Bank in 1973 at Spencer, a Hawkeye Bancorporation Bank. He is a graduate of Hamilton Business College and Spencer School of Business.



G. KRAL

University Bank Promotion

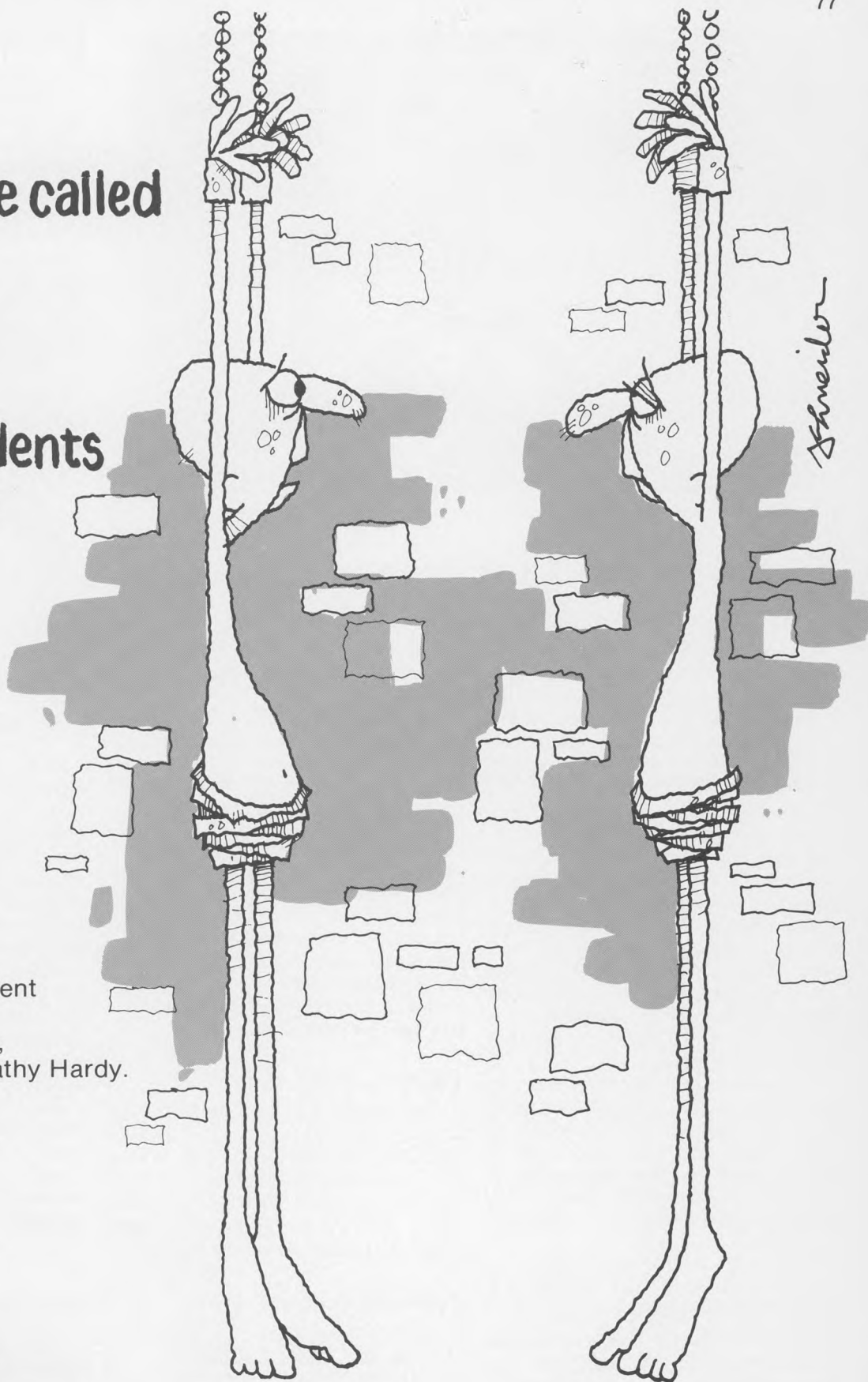
The University Bank & Trust Company of Ames has announced the promotion of Robert O. Grathwohl to executive vice president and cashier. Mr. Grathwohl has been associated with the University Bank since 1979 and was previously vice president and cashier of the bank operations department.

Should have called
Drovers.
They don't
keep their
Correspondents
hanging on
a loan.

Want straight talk
and fast action?
Then ... bank where
the bull stops.
Drovers Bank.
Work with correspondent
banking pros like
John Crotty, Max Roy,
Andy Ruments and Kathy Hardy.

They won't keep you
hanging on a loan ...
or a line.

Put us to the test.



Drovers Bank of Chicago

47th Street & Ashland Avenue, Chicago, IL 60609 (312) 927-7000

Member Federal Reserve System





INTERIOR view of the expansion recently completed at Union Bank and Trust Co. in Ottumwa.

Union Bank and Trust Doubles Space

THE expansion at Union Bank and Trust Co. in Ottumwa has almost doubled the space on the first floor. By carving out a large space directly beneath its new parking lot, the bank has added 5,000 square feet to the first floor's 6,000 square feet.

Now located in the new part of the bank are the commercial loan and real estate loan officers and the commercial loan note department, a room for the board of directors, a large store-room and restrooms.

Loan officers will now have private offices rather than desks in an open area. The bank also plans to increase the size of the main vault, allowing for approximately 500 additional safe deposit boxes to relieve what has been a short supply.

Another improvement is the new elevator available now for parking lot users. Before, it was necessary to take a flight of stairs down to the service area on the first floor. It was not necessary to sacrifice any parking spaces for the building's expansion.

Scranton Change

Gerald M. Marso has been elected executive vice president of the



Security Savings Bank, Scranton, succeeding Tom Hunt, who has retired after 33 years service with the bank.

Mr. Marso has been vice president and ag rep for the Brenton State Bank in Eagle Grove.

Mitchellville Promotions

A. Emsley Chittenden, chairman of the board of the Farmers Savings Bank, Mitchellville and Bondurant, announced the following promotions: Robert E. Chittenden, formerly vice president and cashier, has been promoted to president, and George C. Ballard, formerly assistant cashier, has been promoted to cashier.

Laurens Promotions

John Blake has been added to the Laurens State Bank as assistant vice president, according to E.B. Pannukuk, president. Gene Myers has been named manager of the Gavelock office and Viola Philp has been appointed office assistant there.

Joins Bloomfield Staff

Richard Nyswonger has joined the staff at the Davis County Savings Bank in Bloomfield as vice president.

Prior to joining the bank, Mr. Nyswonger managed a 2500 acre farm for two years and prior to that he was employed by the Davis County Savings Bank for nearly eight years. His primary job responsibilities will be in the area of agricultural finance.

Two Senior Officer Promotions Announced

R.K. Sverdahl, chairman of the board and president of Peoples Bank and Trust Company and Peoples Bankshares, Ltd., of Waterloo, announced the promotion of two Peoples Bank senior officers.

The board of directors of Peoples Bank and Trust Company in regular meeting elected Donald L. Porchet joined the staff of Peoples Bank on a full-time basis in April 1957. He subsequently worked in many areas of the bank and became manager of the bank's real estate loan department in July 1963. He was elected to the office of senior vice president in September 1974.



D.L. PORCHET

J.L. COLTON

In a separate meeting, the board of directors of Peoples Bankshares, Ltd., a locally owned one-bank holding company organized in 1976 which owns the common stock of Peoples Bank and Trust Company, elected John L. Calton to the office of executive vice president of Peoples Bankshares, Ltd.

Mr. Calton is a graduate of the University of Chicago Law School. He joined Peoples Bank and Trust Company in 1969, and was elected senior vice president and trust officer in April 1979.

Mr. Calton will currently retain his office as senior vice president and trust officer of Peoples Bank and Trust Company in addition to his new responsibilities as executive vice president of Peoples Bankshares, Ltd.

Gerzema Elected President

W.D. Ley, chairman of the board, has announced that C.J. Gerzema was elected president of the Farmers Trust & Savings Bank of Buffalo Center. Mr. Gerzema has been with the bank since 1958. He is a graduate of the School of Banking at the University of Wisconsin and Agriculture Credit School, Iowa State University.

“Banks are banks. Bunk.”

Most insurance agencies think all banks are alike.

Not us.

We're owned by Iowa banks. And do business only with Iowa banks. Big ones. Small ones. Medium-sized ones.

And we know the

differences in individual bank insurance needs.

That's why we bring over 100 years of combined bank insurance experience to bear on every member

bank. To tailor insurance to their specific requirements. And give them the best possible, most efficient plan.

Anything else would be bunk.

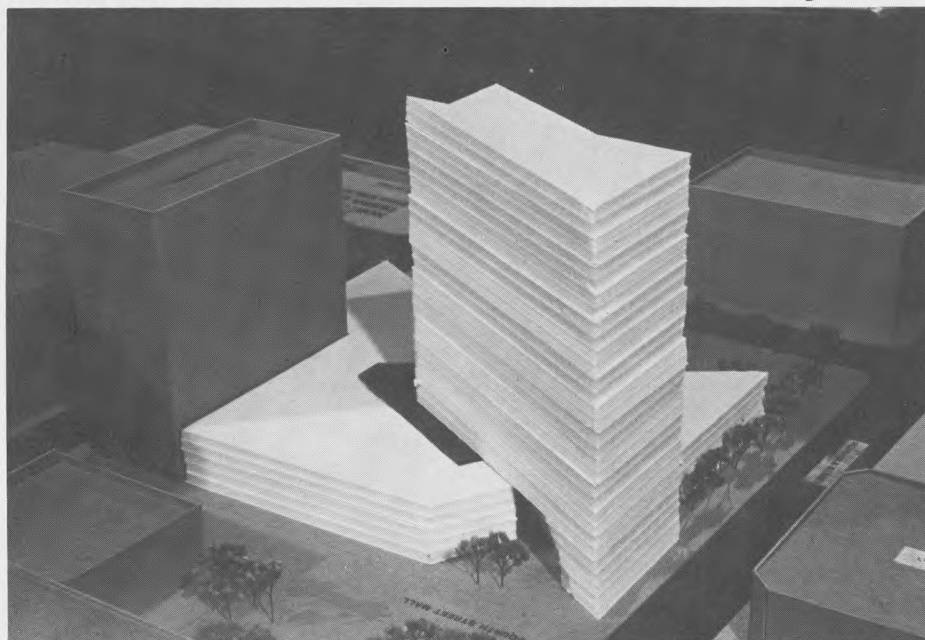
Like to know what we can do for you? Call 515-286-4300 or 1-800-532-1423 toll-free. Today.



IOWA BANKERS INSURANCE & SERVICES, INC.
430 Liberty Building, Des Moines, Iowa 50308

Providing insurance protection just to banks.

Northwestern National Joins Sioux City Plan



ARCHITECT'S model of a new structure planned for downtown Sioux City, which will be the home of Northwestern National Bank and several other businesses.

DOWNTOWN development plans for Sioux City, which have been stymied for years on the launching pad, have zoomed several stories into the air with the announcement that Northwestern National Bank plans to

join with several other business interests in building a towering new structure in the city's downtown "Block 70".

Stanley W. Evans, president of Northwestern, revealed that the

firm's present building at 500 Jackson will be converted to medical construction, and that the bank plans to become co-tenants with Terra Chemicals International, Inc. in a combination bank and office building that will climb to the multi-story level at the intersection of 4th & Nebraska.

The present home of Northwestern National Bank, itself a distinctively-styled structure less than a decade old, will be remodeled and enlarged for conversion to doctors' offices and medically related facilities. One of the major tenants of that facility will be the Marian Health Center, which, according to hospital president and chief executive officer Sister Elizabeth Mary Burns, will turn to the new property for "improved and accessible meeting rooms and office space and the further integration of support services, as well as completion of parking needs adjacent to the site of our new building."

Plans call for the present bank property, as well as the site of the new bank home, to be developed by the Kraus-Anderson Realty Company, a Minneapolis-based development firm. Daniel W. Englesma, vice



**A Comprehensive Marketing Conference
designed for ALL members of the Banking Industry**

A Midwest MUST

**for those concerned with Marketing in the '80s
Presented by the Iowa Bankers Association**

Stouffer's Five Seasons Hotel

March 9 - 11

Cedar Rapids, Iowa

Look for more information in upcoming Northwestern Banker News Letters

president of the firm, said the medical center will include not only the approximate 66,000 square feet in the present bank building, but a new four story 40,000 square foot building to be constructed as an addition. What currently serves as the bank's drive-in will be converted to an arcade devoted to related commercial uses, including retail shops, and a Northwestern Bank office which will offer all banking services.

The bank's occupancy encompasses the ground level and second story of the structure, with Terra Chemicals' offices occupying the top floors, with the exception of the top level, where an executive dining room for use of the building's occupants is projected. Some floors would be available for leasing to meet the demand for professional and business office space in the downtown area. In addition to the two floors matching the size and shape of the entire building, the bank area projects triangularly on the southern side of the structure, paralleling Nebraska Street. Permission to move the bank's charter to the new location must be received from the Comptroller of the Currency.

Iowa City Changes

John E. Thompson and Lynn E. Rowat have been promoted to second vice presidents at First National Bank, Iowa City.

Mr. Thompson was assistant cashier from 1966 until being named a customer service officer in February, 1977.

Mr. Rowat was appointed as customer service officer for teller operations in February, 1977, and advanced to commercial loan officer in February, 1979.

Title Changes Announced

William G. Kruse, president of the First National Bank of Dubuque, announced the following officer appointments, assignments and title changes: Paul J. Gisch, senior vice president-loan administration to senior vice president-special lending; Thomas W. Buelow, vice president to vice president-loan administration; Daniel E. Welu, vice president-operations to vice president and cashier; Thomas J. Stecher, vice president-director of personnel to vice president-operations & director of personnel; John M. Hansen, invest-

ment officer to vice president-investments; Richard A. Bean, assistant vice president-West Dubuque branch manager to vice president-finance; John J. Savary, assistant vice president-North Dubuque branch manager to assistant vice president-

West Dubuque branch manager; Alan L. Schuster, personal banking officer-assistant branch manager North Dubuque to personal banking officer-North Dubuque branch manager, and Mark E. Small, credit analyst to offership as credit officer.

STATEMENT OF CONDITION

[Consolidated]

DECEMBER 31, 1980

ASSETS

Cash and Due from Banks	
United States Bonds	\$ 11,455,218.33
Other Bonds	9,726,148.32
Loans and Discounts	29,577,785.73
Bank Building and Fixtures	79,634,643.57
Other Assets	2,718,612.43
	<u>2,866,093.90</u>
	\$135,978,502.28

LIABILITIES

Capital Stock (Common)	\$ 2,000,000.00
Surplus	
Undivided Profits	2,000,000.00
	<u>7,052,934.67</u>
Total Capital	11,052,934.67
Funds Purchased	3,209,904.05
Other Liabilities	2,141,801.25
Total Deposits	<u>119,573,862.31</u>
	\$135,978,502.28

OFFICERS

Ed H. Spetman, Jr., President
and Chairman of the Board
Thomas D. Whitson,
Exec. Vice President and Trust Officer
Ronald F. Sealock,
Executive Vice President
R. B. Graeme,
Vice President and Cashier

Operations

Douglas Goodman, Assistant Cashier

Agricultural and Commercial Loans

Donald D. Fox, Vice President
Ronald P. Searcy, Vice President
Gary D. Woods, Vice President
Craig S. Lovstad, Asst. Vice President

Installment Loans

Douglas M. Schuster, Vice President
Ronald W. King, Asst. Cashier
George A. Rossum, Asst. Cashier

Real Estate Loans

James L. Beneke, Vice President

Trust Department

Gary R. Faust, Trust Officer
Wesley D. Lacy, Trust Investment Officer
Dorothy D. Sloma, Asst. Trust Officer
Gary L. Thien, Trust Farm Manager
Kelly E. Summy, Asst. Cashier

Data Processing Department

Gary F. Kirkendall, Vice President
Data Processing Officer
Dennis D. Weeks,
Asst. Vice President, D.P.
Donald L. Mallick, Asst. D.P. Officer

Personnel Department

Gayle A. Beddow, Asst. Cashier

Audit Department

Emmet Tinley, III, Auditor

Patio East Office

Charlene K. Williams, Asst. Cashier

Patio West Office

Mary Lou Wrinkle, Asst. Vice President

Carson Office

Don D. Fletcher, Manager

McClelland Office

Franklin H. Geiger, Manager



**Council Bluffs
Savings Bank**

Member F.D.I.C. 328-1856 A 'BANKS OF IOWA' BANK
Council Bluffs, Carson and McClelland, Iowa

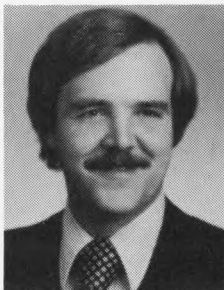
Sioux City Promotions

Gene Hagen, president of the Security National Bank of Sioux City, has announced six promotions.

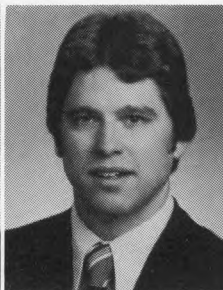
Stephen J. Hatz has been named vice president of the correspondent bank division. Mr. Hatz served the bank in various officer capacities before being named vice president. He served as assistant cashier of the First Trust & Savings Bank for four and a half years. He holds his bachelors degree from Westmar College in LeMars.

Douglas Rice has been elected vice president and general auditor. Mr. Rice began his association with the bank as a part-time employee while attending Morningside College. He became a full-time employee after receiving his degree in business administration in 1975, and has worked most recently as general auditor. Mr. Rice also completed studies this past summer at the School for Bank Administration, University of Wisconsin.

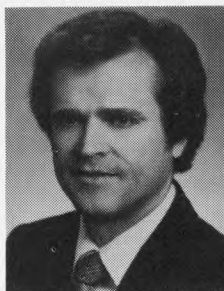
Robert Linn has been named senior instalment loan officer. Mr. Linn graduated from Kearney State College and was later associated with Commercial Credit Corporation



S.J. HATZ



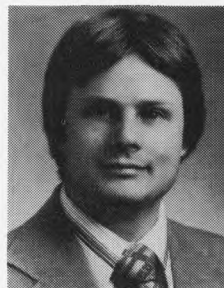
D. RICE



R. LINN



B. ORZECOWSKI



S. CORRIE



D. SPAIN

before joining Security in 1976. He currently manages the dealer loan and service department.

Barbara Orzechowski has been named estate administration officer for the bank's trust department. Mrs. Orzechowski graduated from Drake University. After graduation, she worked for the Job Service of Iowa for six years before graduating from the University of South Dakota's Law School. She was admitted to the Iowa Bar in June 1980.

Steven W. Corrie has been appointed controller for the bank. Mr. Corrie joined Security Bank this past year after three years experience with local financial institutions. He majored in business administration and economics, graduating from Morningside College in 1976.

Diane L. Spain has been named teller operations officer. She attended the University of Iowa. Previous banking experience included a year and a half with the Iowa State Bank and Trust in Iowa City. She joined Security in July 1979 as teller operations supervisor.

Leaves Nevada National

Kermit J. Anderson has left the Nevada National Bank after over 20 years of service. He served as president for several years, and was most recently vice chairman of the board. Mr. Anderson will continue to serve as a member of the board of directors of the Nevada National. He plans to become actively associated with Rec-Chek, Inc., which he helped develop over 15 years ago.

Application Approved

E.C. Thompson, president and chairman of the Security National Corporation of Sioux City, and John R. Welch, president of the First State Bank of Mapleton announced that the Federal Reserve Bank of Chicago approved the application of Security National Corporation to acquire the First State Bank.

The Security National Corporation is a bank holding company, also owning controlling interest in the Security National Bank of Sioux City and the Northwestern State Bank of Orange City.

Grant Trust Powers

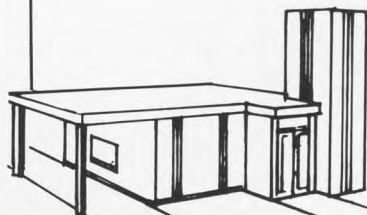
An application for consent to exercise limited trust powers by Sloan State Bank has been approved.



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Waterloo, Iowa 50702
Phone 319/234-6641
Ask for Dick or Jerry

OUR BEST NEW CUSTOMERS ARE OUR OLD ONES!

Kirk Gross Co. has an outstanding record for designing and/or remodeling financial institutions in Iowa. At last count, more than 130 since January, 1971! Best part of this unequalled record is that so many are repeat, satisfied customers. We take the responsibility and worry of building or remodeling off your shoulders and put it in the professional hands of our designers and planners. And you get a **Turn Key** program. If you're thinking about a new facility, but you haven't talked to Kirk Gross Co., do it now. Our old friends do it every day!



Andalusia Bank Moves

Andalusia Community Bank of Andalusia moved into its new quarters recently. The architect was Kirk-Gross Company of Waterloo, Ia. and the general contractor was El View Construction of Bettendorf, Ia.

Open house was held on January 10 for the banking industry and an open house for the general public was January 11.

Joins Missouri Valley Staff

The First National Bank of Missouri Valley has announced the addition of Gregory D. Pollard to their staff. Mr. Pollard will hold the office of vice president and agricultural representative. He is a 1978 graduate of the University of Nebraska and has been with the Federal Land Bank Association of O'Neill, Nebr.

Fed Approval Announced

The Federal Reserve Board has announced approval of the applications of Panhandle Aviation, Inc., Clarinda, to acquire Farmers Savings Bank, Freemont, and to acquire Johnson Insurance Agency, Freemont, and thereby to engage directly in the sale of general insurance in a town of less than 5,000 population.

Brenton Agrees to Buy Bank in Knoxville

Brenton Banks, Inc., Des Moines, has executed an agreement to acquire more than 80% of The Community National Bank and Trust Company of Knoxville, subject to approval by the Federal Reserve Board and other regulatory authorities.

Community National has assets of more than \$45 million and is the largest bank in the county seat community of nearly 8,000 people. James Bellamy, president, and Earle G. Bellamy and W.W. Burnell, senior vice presidents, will continue in their respective positions, as will the rest of the bank personnel and the board of directors.

The acquisition would increase the number of banks owned by Brenton Banks, Inc., to 18, with a total of 42 banking offices throughout Iowa. Total assets of Brenton Banks, if this merger is approved, would exceed \$700 million.

IDEA Annuity Makes Its Debut in Iowa



THE FIRST sale of the IDEA Annuity developed by the Iowa Bankers Association and its subsidiary Iowa Bankers Insurance & Services was made last month by West Des Moines State Bank to Al Tinder, exec. dir. of IBIS. He is pictured above (seated), reviewing the contract with Joyce Chapman, v.p. & cash. of West Des Moines State Bank. Witnessing the first transaction of this unique new banking product are, from left; James Woods, v.p., American Republic Insurance Co., Des Moines, underwriter of the new program; Margie Schaefer, v.p. IBIS, and David Miller, pres. & chmn. of West Des Moines State Bank. Details of the IDEA Annuity were reported in last month's issue. Since that time, executive officers of several midwest banker associations have met with IBA officials in Des Moines to chart a course for offering the annuity through banks in their states.

Farmers & Merchants Bank & Trust

BURLINGTON, IOWA
Statement of Condition
December 31, 1980

RESOURCES

Cash and Due from Banks	\$ 4,146,000.00
U.S. Government Bonds	22,105,000.00
Municipal Bonds	6,930,000.00
Other Bonds	6,486,000.00
Loans and Discounts	20,624,000.00
Bank Building	737,000.00
Furniture and Fixtures	180,000.00
Federal Funds Sold	3,050,000.00
Other Assets	1,048,000.00
	\$65,306,000.00

LIABILITIES

Capital Stock	\$ 600,000.00
Surplus	2,000,000.00
Undivided Profits	2,081,000.00
Reserves	855,000.00
Unearned Discount	590,000.00
Deposits	57,515,000.00
Securities Sold Under Agreement to Repurchase	850,000.00
Interest Bearing Demand Notes Due U.S. Treasury	165,000.00
Other Liabilities	650,000.00
	\$65,306,000.00

BOARD OF DIRECTORS

W. B. Ditto, M.D.
Marshall J. Markey - Food Service & Dist. Co.
John McCulley - Oakville Feed & Grain, Inc.
R. J. Nachazel - Vice President
M. A. Nordstrom - Chittenden & Eastman Co.
Melvin E. Rald - Medusa Aggregates
Gerald D. Smith - Brown Shoe Fit Company
C. H. Walsh - President
C. E. Walsh - Vice President
Bruce Werden - Retired
Joseph Wirt - Farmer

OFFICERS

C. H. Walsh, President
R. J. Nachazel, Senior Vice President
R. O. Youngstrom, Vice President & Trust Officer
William A. Kuehn, Vice President and Farm Representative
Leonard W. Lane, Vice president and Cashier
C. E. Walsh, Vice President
W. D. Schnirring, Assistant Vice President
F. W. Rentzsch, Assistant Vice President
Beverly N. Wuellner, Assistant Vice President
John T. Hanna, Assistant Cashier
Clair A. Penney, Assistant Trust Officer
Michael D. Eastin, Assistant Cashier

Member Federal Deposit Insurance Corporation



Des Moines

THE board of directors of the Iowa-Des Moines National Bank has elected **Eugene G. "Bud" Precht** president and chief executive officer and as a member of the bank's board of directors, to be effective on or about March 1, 1981.

Mr. Precht, 52, will succeed **Robert E. Lee** who will be resigning to accept the position of president and chief executive officer of the First National Bank of Denver.



E.G. PRECHT

R.J. LYTLE

Mr. Precht is currently president and chief executive officer of Northwestern National Bank Southwest in Bloomington, Minn., a suburb of Minneapolis-St. Paul.

Both banks are affiliates of Minneapolis-based Northwest Bancorporation (Banco), the 18th largest bank holding company in the U.S. With assets at year-end 1980 of over \$1 billion, the Iowa-Des Moines is Iowa's largest commercial bank and Banco's second largest bank.

Mr. Precht has been with Banco for the past 30 years. In 1960, he was elected president and chief executive officer of Northwestern State Bank in Dodge Center, Minn. From 1964 until 1967, he served in the corporate office of the holding company as a bank relations officer. He joined the Bloomington bank in 1968 as

president and chief operating officer and was named chief executive officer in 1970. Under his leadership, the bank's assets have increased from \$36 million to \$230 million. Mr. Precht is a member of many civic organizations.

Iowa-Des Moines National Bank has also announced that **R. Jack Lytle** has been named vice president and manager, small business banking. He replaces **John C. Clark** who is leaving the banking industry to join a truck/trailer sales firm located in Council Bluffs.

Mr. Lytle joined the Iowa-Des Moines in 1968 as an installment loan interviewer. His most recent position has been that of vice president, commercial banking. Prior to joining the bank, Mr. Lytle was branch manager for the Associates Discount Corporation. He attended Simpson College, Indianola.

* * *

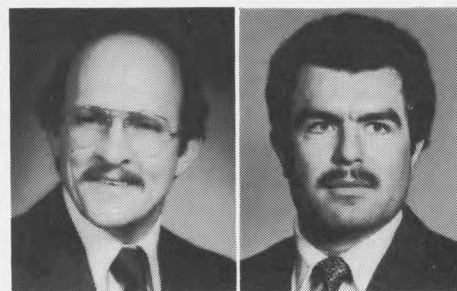
Kenneth M. Myers, president of Central National Bancshares, Inc., a Des Moines based multi-bank holding company, and **Al Maser**, chairman of Valley State Bank, Sioux City, jointly announced that management of the two companies has executed an agreement providing for the acquisition by Central of 90.9% of the outstanding common stock of Valley State Bank, and for a subsequent cash tender offer for the remaining shares of Valley State Bank common stock. The purchase price was not disclosed.

Consummation of the offer is subject to several conditions, including approval by the Board of Governors of the Federal Reserve System.

Valley State Bank has three banking offices in Sioux City, and has total assets of \$15 million. Central owns controlling interest in eleven Iowa banks, the largest of which is Central National Bank and Trust Company of Des Moines, and owns a mortgage banking firm and a leasing company. Central had total assets of \$872 million at September 30, 1980.

* * *

Herman C. Kilpper, president of Bankers Trust Company, has announced the appointment of **Robert M. Walker** as vice president and controller.



R.M. WALKER

J. FASANELLA

Mr. Walker comes to Bankers Trust from the City National Bank of Detroit, where he was vice president and assistant controller. City National Bank is the principal subsidiary of Northern States Bancorporation. Mr. Walker was previously associated with Michigan National Bank and the Michigan National Corporation, where he served for seven years in the audit and control functions.

A graduate of Michigan State University with a BA in accounting, Mr. Walker began his business career with Touche Ross and Company, and is a certified public accountant.

Mr. Kilpper also announced the appointment of **John J. Fasanella** as assistant vice president and manager, corporate trust services department. Mr. Fasanella joins Bankers Trust from the Internal Revenue Service, with seven years experience, most recently as an employee benefits specialist. In his new position he will have primary responsibility for employee benefit programs. He received a BBA from St. Norberts College of Wisconsin and an MBA from Florida Atlantic University in Boca Raton, Fla.

Russ Curtis, assistant vice president and trust officer will now head the new personal trust services department. Mr. Curtis formerly headed the trust administration department of Bankers Trust.



When your customers invest a quarter million dollars in a farm, can they afford to skimp on farm management?

As their banker, you need to provide them with the best. Central National Bank's farm management experts.

Our farm management professionals have the years of experience necessary to make the right decisions. What hybrids to plant. The best crop rotations. When to buy and sell. All the

decisions that make the difference between profit and loss.

For over 35 years, we've been helping farm investors reap the highest profit and productivity from their land.

Helping your farm customer increase their

investment return is just **another** service our correspondent department can offer. Assistance can be provided for trusts, owner/operators, and investors.

Call our correspondent department today, **toll free**, 1-800-362-1615. You'll find that when it comes to farm management, the best yields come from Central National Bank.

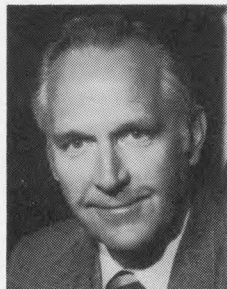


Central National Bank & Trust Company

DES MOINES (515) 245-7111 MEMBER FDIC
LOCUST AT 6TH 5TH & WALNUT 35TH & INGERSOLL WDM: 3400 WESTOWN PKWY 501 E. ARMY POST RD.
AFFILIATED WITH CENTRAL NATIONAL BANCSHARES, INC.

Central National Bancshares to Change 11 Bank Names to United Central Bank

A NAME change for Central National Bancshares, Inc., Des Moines-based multi-bank holding company, has been approved by the board, it was announced late last month by Kenneth M. Myers, president. The new name of the holding company, if approved by shareholders at their annual meeting on April 1, will be United Central Bancshares, Inc.



K.M. MYERS

Mr. Myers also stated that the name of each banking affiliate would be changed to include "United Central Bank" for common identification of the 11 Iowa commercial banks which are part of Central

National Bancshares. The holding company also has a leasing company in Des Moines, and a mortgage banking company which is based in Kansas City, Mo.

Central National Bancshares was formed in 1970 and acquired control of its lead bank, Central National Bank and Trust Company of Des Moines. The lead bank's name would be changed to United Central Bank of Des Moines, N.A., under the proposed name change.

Mr. Myers also reported to shareholders that 1980 earnings increased 16% for the entire year and 31% for the fourth quarter. He said "the earnings improvements were attributable to the recovery in agricultural prices and increased liquidity in our banks during the last half of the year, and the ability demonstrated by our banking group

to adjust to severe interest rate fluctuations."

Unaudited net income before security transactions of \$6,668,966, or 63 cents per share, for 1980 established a new record and compares to \$5,820,264, or 55 cents per share, for 1979. On the same basis, fourth quarter income was \$1,944,183, or 18 cents per share, compared to \$1,477,262, or 14 cents per share, a year earlier.

Year-end assets were up 22% to \$911 million from \$748 million a year earlier; total deposits increased 17% to \$688 million, from \$586 million, and total loans were \$423 million, up 2% from \$414 million at the end of 1979.

Mr. Myers said directors approved a 17% increase in the quarterly cash dividend, moving from 6 cents per share to 7 cents per share, or to 28 cents per share on an annual basis, effective with the April 30, 1981, dividend.

In a joint announcement made at a special meeting of the board of Jackson State Bank, Peter F. Bezanson, chairman of the bank and Paul D. Dunlap, president of Hawkeye Bancorporation disclosed the proposed merger of Jackson State Bank and Trust Company, Maquoketa into Hawkeye Bancorporation, Des Moines. The proposed merger will be in exchange for Hawkeye's convertible preferred stock. The offer by Hawkeye Bancorporation will be

made by prospectus to all stockholders of Jackson State Bank subject to stockholders' and regulatory approvals.

* * *

Marv Tuttle has joined the staff of the Iowa Bankers Association as communications coordinator, according to Tom Clarkson, vice-president /marketing and governmental relations.

Mr. Tuttle will be responsible for

IBA communications activities, including the editing and writing of several newsletters and providing support for Iowa banks in the areas of marketing, advertising, and media relations. Prior to joining the IBA, he was employed by the Iowa Credit Union League, also in a communications capacity. He is a 1977 graduate of Drake University with a BA in journalism.

* * *

Roger L. Reed has been elected vice president in charge of retail banking at Valley National Bank, it was announced last month by J. Locke Macomber, president of the bank. Mr. Reed formerly was a vice president at Bankers Trust Company, Des Moines. He was graduated from Wartburg College, where he received his BA degree in business administration and economics. He received his Master of Business Administration degree from Drake University.



R.L. REED

Seeks Merger Approval

The Oelwein State Bank has applied for approval for a merger with Arlington State Bank and to establish a bank office in Arlington.

MAHASKA STATE BANK

OSKALOOSA, IOWA
Statement of Condition, December 31, 1980

RESOURCES

Cash & Due From Banks	4,012,603
U.S. Government Bonds	3,648,811
Municipal Bonds	9,550,231
U.S. Government Agencies	5,894,000
Loans & Discounts	40,610,403
Bank Premises & Furniture & Fixtures	586,205
Other Assets	1,581,814
Total Assets	65,884,067

CAPITAL ACCOUNTS

Capital Stock	500,000
Surplus	1,500,000
Earned Surplus	3,195,928
Other Reserves	319,865
Total Capital	5,515,793

LIABILITIES

Deposits	58,256,889
Other Liabilities	2,111,385
Total Liabilities & Capital	65,884,067

OFFICERS

R. S. Howard, Jr., Chairman & President
John Pothoven, Exec. Vice President
Rex L. Blom, Vice President
Dale G. Stansberry, Vice President & Cashier
Will Schippers, Sr. Operations Officer
Alice M. Parlet, Executive Secretary
Steve A. Brend, Sr. Personal Loan Officer
James W. Goering, Commercial Loan Officer
Charles S. Howard, Commercial Loan Officer
Steve C. Knutson, Agricultural Loan Officer
David L. Shelquist, Agricultural Loan Officer
Judith L. Warrick, Personal Loan Officer

Donna Sarver, Personal Loan Officer
Hester Whitlatch, Controller
Roger A. Parlett, Data Processing Officer
Evelyn Vos, Trust Officer
David Meinert, Auditor
Robert Westenhaver, Officer Manager
Johnita Jones, Assistant Cashier
Gladys Allsup, Assistant Cashier
Harold Sutherland, Assistant Cashier
Floydine Dunwoody, Assistant Cashier
Irene Finch, Assistant Cashier

Thomas H. Huston Renamed Superintendent of Banking

Thomas H. Huston has accepted reappointment by Governor Robert D. Ray to a second four-year term as Iowa superintendent of banking. Mr. Huston is president of the Columbus Junction State Bank.

Appointed Vice President

Paul Hall, president and chairman of the board of Cedar Falls Trust & Savings Bank, announced that Clifford D. Mortenson has been appointed vice president. Mr. Hall stated that Mr. Mortenson replaces Barry R. Hall who recently left the Cedar Falls community to assume the presidency of Harrison Deposit Bank & Trust at Cynthiana, Ky.



C.D. MORTENSON

Mr. Mortenson has been with the State Department of Banking since 1968 and has been a senior bank examiner for the department since December 1975. He received his BA degree in business administration in 1967 from Buena Vista College in Storm Lake.

Banks of Iowa to Acquire Fort Madison Bank & Trust

A. Anthes Smith, president of Fort Madison Bank & Trust Co., Fort Madison, and Holmes Foster, president of Banks of Iowa, Inc., Des Moines, announced agreement in principle has been reached whereby Banks of Iowa, Inc. will make a tender offer to acquire for cash all of the outstanding common stock of Fort Madison Bank & Trust Co. The transaction has been approved by the boards of both organizations. The proposed transaction is subject to approval by the Board of Governors of the Federal Reserve System and other regulatory authorities. Mr. Foster stated that no changes in personnel or board of directors of Fort Madison Bank & Trust Co. are contemplated.

Fort Madison Bank & Trust Co. had assets of \$41 million on September 30, 1980. Banks of Iowa had consolidated assets of \$1.3 billion on the same date.

1980 Iowa Group Meetings

Group	Date	City
1	Feb. 13-14	Sioux City
11	Feb. 15-16	Burlington
8	May 4	Maquoketa
4	May 5	To be announced
7	May 6	To be announced
2	May 7	Ft. Dodge
6	May 18	Des Moines
5	May 19	Council Bluffs
12	May 20	Okoboji
3	May 21	Clear Lake

STATEMENT OF CONDITION

at close of Business December 31, 1980

ASSETS

Cash and Due from banks	\$ 9,103,804
Interest bearing deposits at banks	1,500,000
Investment securities:	
U.S. Treasury securities	21,508,376
Obligations of states and political subdivisions	24,527,848
Total investment securities	46,036,224
Federal funds sold	9,750,000
Loans, net of unearned income	65,500,983
Less valuation reserve for loan losses	(687,015)
Total loans	64,813,968
Accrued interest receivable	1,312,525
Bank premises and equipment	2,868,818
Other assets	112,937
Total assets	<u>\$135,498,276</u>

LIABILITIES and CAPITAL

Deposits:	
Demand deposits	\$ 24,593,812
Savings deposits	29,951,623
Time deposits	62,796,836
Total deposits	117,342,271
Securities sold under agreements to repurchase	2,900,000
Other short-term borrowings	1,177,946
Accrued expenses and other liabilities	1,342,433
Total liabilities	122,762,650
Stockholders' equity:	
Capital stock	2,800,000
Surplus	2,800,000
Retained earnings	7,135,626
Total stockholders' equity	12,735,626
Total liabilities and stockholders' equity	<u>\$135,498,276</u>

OFFICERS

Lowell J. Walker
Chairman of the Board

Dale K. DeKoster
President & Chief Executive Officer

Commercial Division
E. James O'Connor, CCL
Senior Vice President

James R. Gerber
Assistant Vice President

Mortgage Division
Merle W. Rodgers
Senior Vice President

Robert V. Cooper
Senior Vice President

Consumer Lending Division
Robert L. Smith
Assistant Vice President

Donald N. Richards
Assistant Vice President

Deon Senchina
Consumer Loan Officer

David A. Mulnix
Consumer Loan Officer

Agricultural Division
William D. Davidson
Vice President

Operations Division
Gerald J. Curran
Cashier

Rick A. Thuesen
Controller

Betty M. Runyan
Assistant Cashier

Diane C. Kupferschmidt
Personnel Director

Anita M. Ward
Auditor

Trust Division
Frederick Koch
Senior Vice President & Trust Officer

Charles P. Beard
Trust Officer

Dennis E. Egel
Assistant Trust Officer



WATERLOO SAVINGS BANK

West Park at Cedar, Waterloo, Iowa 50704

Appointed at Bettendorf

George C. Heninger, president of Bettendorf Bank and Trust, announced the appointment of Elaine Bartholome to the position of vice president, corporate lending; Rosemary Drake to vice president, marketing; John Crowe to vice president, consumer banking and branch operations, and Susan L. Fullmer to human resource officer.

Since joining Bettendorf Bank in 1977, Ms. Bartholome has held responsibilities in all lending areas of the bank, with special emphasis in corporate lending and regulatory compliance.

She is a member of the National Association of Bank Women, a board member of the Bank Administration Institute, and a featured speaker in

the field of small business funds management and financing. Her articles on community bank regulatory compliance have appeared in the *Northwestern Banker*.

Since joining Bettendorf Bank in 1976, Ms. Drake has held responsibilities in the areas of product research and development, bank office site locations, corporate communications, and career development programs.

She is a graduate of Washington University, St. Louis, with post-graduate work in bank marketing communications and systems.

Mr. Crowe was formerly executive vice president with the Farmers and Mechanics Bank in Galesburg, Ill. where he managed the consumer banking portfolio. Prior to joining the

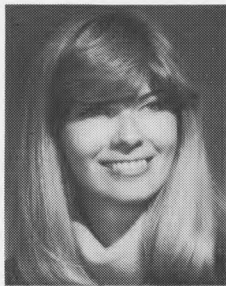
Farmers and Mechanics Bank, he managed the retail deposit gathering and consumer lending functions for twenty branches of the Manufacturers Trades Trust Company of Buffalo, N.Y.

Mr. Crowe is a graduate of the University of Buffalo, and is currently enrolled in the Graduate School of Bank Marketing, Baton Rouge, La.

Prior to joining Bettendorf Bank and Trust, Mrs. Fullmer served as assistant to the director of personnel with the Servus Rubber Company. She attended Scott Community College and Washington University, St. Louis.

Northwest Branch Approved

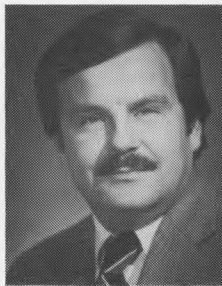
An application for consent to establish a branch by the Northwest Bank & Trust Co., Davenport, at 101 West Second St., has been approved.



E. BARTHOLOME



R. DRAKE



J. CROWE



S.L. FULLMER

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only two
decisions when
planning a new
facility.

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2. plan the Grand Opening

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For your bank's customers, the essence of successful automatic teller service is transaction speed and simplicity.

For bank management, however, an automatic teller program deserves deliberate, in-depth consideration. Many factors are involved, ranging from plastic card design to consideration of ATM security risks.

On the other hand, finding the right answers to your automatic teller questions is a whole lot easier and quicker when you call on the company that has found more of those right answers than any other automatic teller equipment vendor.

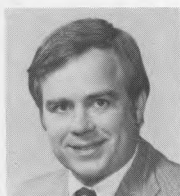
That company is Diebold. We have shipped over 6000 automatic tellers to the American financial community, so you can be confident that more of your questions about automatic tellers are ones we've already answered.

Another important consideration is that of all ATM vendors, only Diebold has an authoritative background of security expertise. This capability is particularly significant in connection with free-standing automatic tellers.

Talk to Diebold about ATMs — and about our other customer service and security equipment. When you must be right...the first time, we'll help you make the right decision.

DIEBOLD®
INCORPORATED
CANTON, OHIO 44711
"We know how to help you"

Diebold, Incorporated, 818 Mulberry Road, S.E., Canton, Ohio 44711		NW-2
<input type="checkbox"/> Please call me <input type="checkbox"/> Please send additional information		
I'm interested in		
<input type="checkbox"/> Automatic Teller Machines	<input type="checkbox"/> Vault Doors, Safe Deposit Boxes, Safes	
<input type="checkbox"/> Drive-In Equipment	<input type="checkbox"/> Alarms and cameras	
<input type="checkbox"/> Teller Undercounter Equipment	<input type="checkbox"/> Financial Buildings	
NAME _____		TITLE _____
NAME OF BANK _____		
ADDRESS _____		PHONE _____
CITY _____	STATE _____	ZIP _____



Lance Davenport



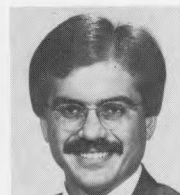
Bernie Kersey



Bob Bueneke



Linda Collins



John Rigler



Garry Frandson



Mark Conway



Dorothea Wolfe

1980: An excellent year

statements of financial condition

(in thousands of dollars)

ASSETS

	December 31 1980	1979
Cash and due from banks	\$179,469	\$186,887
Interest bearing deposits with banks	16,000	3,600
Investment securities		
U.S. Treasury and federal agencies	62,701	57,382
State, municipal and housing	88,959	88,452
Other	617	617
Total investment securities	152,277	146,451
Trading account securities	16,162	5,120
Money market investments	240,650	66,975
Loans		
Commercial	178,131	187,510
Real estate	84,709	88,701
Construction and land development	34,668	27,829
Consumer	113,003	127,483
Foreign	17,223	6,644
Total loans	427,734	438,167
Unearned discount	(3,076)	(3,429)
Allowance for loan losses	(4,522)	(4,376)
Net loans	420,136	430,362
Premises and equipment	15,587	14,450
Interest receivable and other assets	29,751	25,959
Total assets	\$1,070,032	\$879,804

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits		
Demand	\$376,628	\$344,834
Regular savings	81,146	84,277
Savings certificates	133,648	110,646
Certificates of deposit and other time	134,289	111,629
Foreign time	16,500	12,500
Total deposits	742,211	663,886
Short-term borrowings	246,330	140,101
Accrued expenses and other liabilities	22,794	20,412
Obligations under capital leases	8,765	8,096
Subordinated notes payable	9,000	9,000
Total liabilities	1,029,100	841,495
Stockholders' equity		
Common stock, \$100 par value - Authorized and outstanding		
100,000 shares in 1980 and 1979	10,000	10,000
Capital surplus	10,000	10,000
Retained earnings	20,932	18,309
Total stockholders' equity	40,932	38,309
Total liabilities and stockholders' equity	\$1,070,032	\$879,804

**IOWA-
Des Moines**
NATIONAL BANK

Member FDIC

An Affiliate of Northwest Bancorporation



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