

NORTHWESTERN Banker

MAY
1986



Lobby Theater
Aids High-Tech
Marketing

CONVENTION PROGRAMS

- Illinois
- Minnesota
- North Dakota
- Colorado



- The Case of the Defendant Director—Part II
 - Gain Customer Confidence with Conveniences



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MNB Correspondent Banker.**



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farmer.**

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NORTHWESTERN Banker

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OLDEST FINANCIAL JOURNAL SERVING THE CENTRAL AND WESTERN STATES

ON THE COVER

The ability of community banks to meet any challenge thrust on them by money center banks, other financial institutions or non-financial institutions has been given a total new dimension by the unique services and products offered at Bank of Norfolk, Nebr. **Ray Tiedje** (cover), president, describes his bank's approach in a special interview starting on page 22. Bank of Norfolk's \$1.7 million building, occupied in January, 1986, is one of three modern, sparkling commercial banks in Norfolk. The DeLay First National Bank & Trust Co., the city's oldest and largest bank, occupied its beautiful new quarters last September. Norwest Bank Nebraska Norfolk office is housed in quarters built in recent years.

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United Missouri Bank Announces Promotions

Directors of United Missouri Bank of Kansas City, N.A., have advanced Walter Beck from executive vice president in the commercial loan division to vice chairman, a member of the bank's management committee and an advisory director of the board. He is responsible for managing all credit-related services for the bank. Mr. Beck joined UMB in 1978 from another Kansas City bank.

Other board approved promotions include:

James J. Waterman from vice president to vice president and cashier in the operations department, where he supervises the bookkeeping, cash operations and cashier functions. A B.A. graduate of the University of Nebraska, he joined United Missouri in 1973.

Jim Rundberg and George W. Root, Jr., to vice presidents, Mr. Rundberg manages the check processing division in the operations department. He joined the bank in March. Mr. Root has responsibility for the fixed income portfolio management of institutional accounts. He holds a MBA degree from Central Missouri State University and joined UMB in 1978.

Suzanne E. Brady and Alex G. Margiotta to assistant vice presidents. Mrs. Brady joined the bank in 1977 and is at the State Line facility, where she is primarily responsible for retail customer accounts and service. Mr. Margiotta has 25 years of investment experience, joining United Missouri Bank in 1981.

James R. Koop to investment officer, responsible for security analysis and economic forecasting.

Mark Bailey to bond investment officer in the investment banking division.

Mark Borserine to assistant investment operations officer.

Jerry W. Harper to assistant cashier, installment loan division, primarily responsible for loan approval.

Joins BarclaysAmerican

Allan Wolfmeyer has been promoted to region vice president and managing appraiser in the central group of BarclaysAmerican/Business Credit, Inc.

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puter Service, our investment banking group, our fixed income research, send you our newsletter and invite you to appropriate seminars that we host in your area.

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So, while you may be getting bond service, what you really need is BANK SERVICE. Call Stephen H. Kovacs, Managing Director, at (212) 412-2600.



L. F. ROTHSCHILD, UNTERBERG, TOWBIN, INC.

BANK SERVICE®

Daktronics Lights Mayo Center



THE Mayo Civic Center now under construction in Rochester, Minn., will employ a double-faced, computer-controlled, electronic message/animation display to help promote the new facility and events there.

Civic centers all over the country are now using programmable electronic displays to promote events and to display public service information to motorists and pedestrians. The display incorporates a programmable matrix of incandescent lamps, 16 rows high and 80 columns wide, Mayo Civic Center identification, and a sponsor panel on each side of the display. Sponsors of the display are The Kahler Hotel and First Bank Rochester.

The Mayo Civic Center's display was designed and manufactured by Daktronics, Inc. of Brookings, S.D. and was installed by Vogel Outdoor Advertising of Rochester.

The display has 1,280 individual lamps that are illuminated to form letters, graphics, and moving animation. Daktronics Venus 4000 TM controller is the computer that operates the display.

John Malarkey Chosen President of CSBS

John E. Malarkey, state bank commissioner of Delaware, was elected president and chairman of the board of the Conference of State Bank Supervisors for 1986-87 during the organization's 85th annual convention at Colonial Williamsburg in Virginia last month.

The president elect and vice chairman of the board of CSBS for the coming year is James L. Sexton, banking commissioner of Texas.

The Conference's newly elected vice president is Eugene W. Kuthy, commissioner of financial institutions of Michigan.

Re-elected secretary-treasurer of the Conference was E.D. "Jack" Dunn, commissioner of banking and finance of Georgia.

William C. Harris, commissioner of banks and trust companies of Illinois, will serve as past president.

William W. Quigg, president and CEO of the Central Bank of Jefferson City, Mo., was named to a second term as chairman of the CSBS Advisory Council by President Malarkey.

Red Wing Has Accounting Software Plan for Bankers

Red Wing Business Systems, Red Wing, Minn., a leading producer of software for business applications, recently introduced a new General Ledger — an accounting software package widely used by independent bankers. The new General Ledger first became available in March.

According to company officials, the new General Ledger is a significant upgrade of the current Red Wing General Ledger, which has been on the market since 1981.

"Many of the changes in this accounting package were customer driven," says Lyle Warrington, president of Red Wing Business Systems. "Bankers told us they wanted the General Ledger to produce special reports, provide better analysis by profit center, and operate faster and more simply. The new General Ledger has incorporated these suggestions, and will provide for better inventory analysis and management as well. We anticipate this product will come to be the new standard of business accounting software."

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Freddie Mac's five regional offices are listed below. The gnomes of Freddie Mac are waiting to hear from you.

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Atlanta, Georgia 30339-3718
(404) 438-3800

Southwest Region

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Dallas, Texas 75251
(214) 702-2000

Western Region

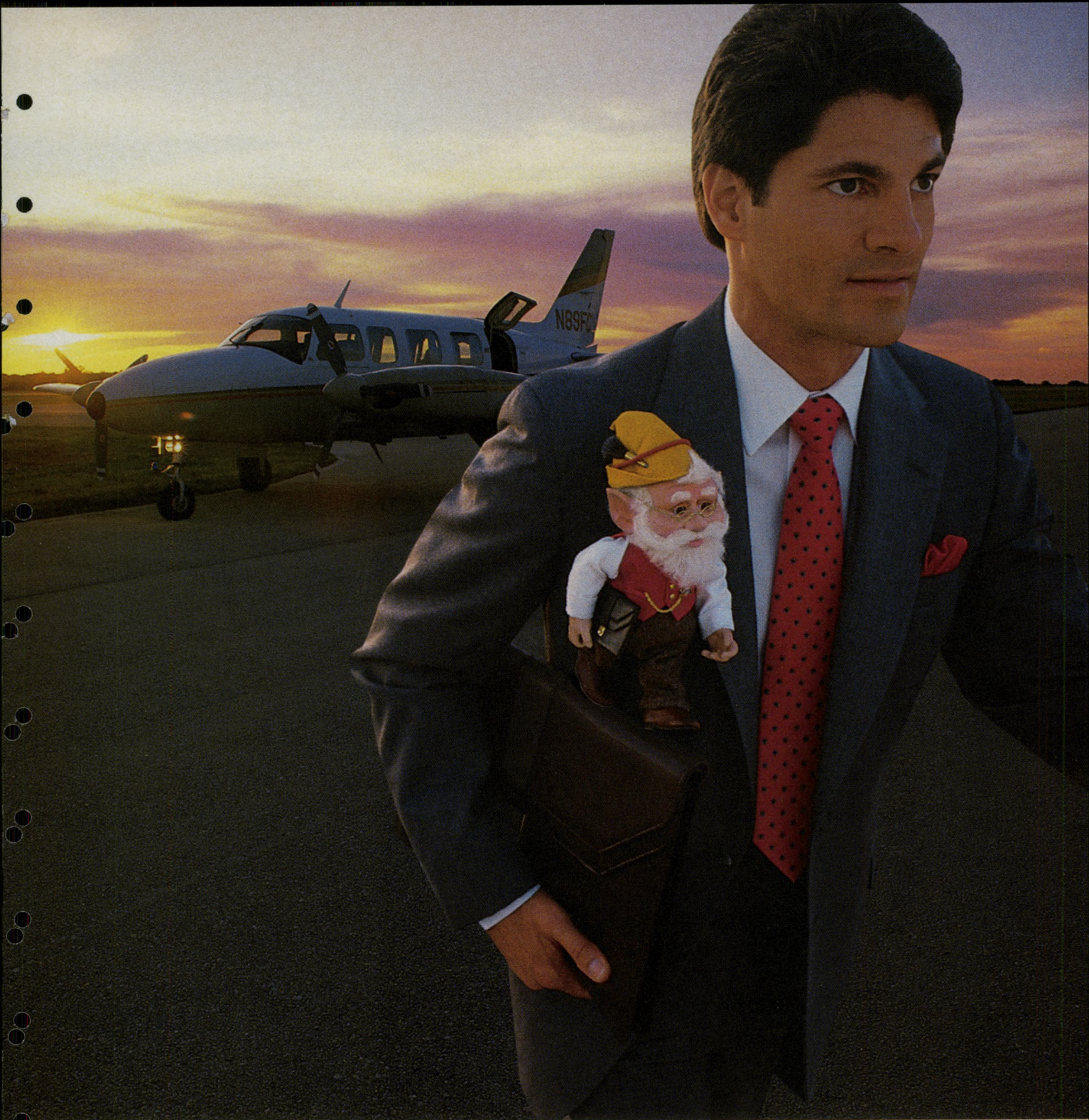
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Owned by America's Savings Institutions

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

1986

May 18-21—BAI Bank Tax Conference, New Orleans, La.
 May 25-30—BMA Essentials of Bank Marketing School, University of Colorado, Boulder.
 May 25-June 6—BMA School of Trust and Personal Financial Services Sales and Marketing, University of Colorado, Boulder.
 May 25-June 6—BMA School of Bank Marketing, University of Colorado, Boulder.
 June 1-4—ABA Risk & Insurance Management In Banking Seminar, Denver Marriott Southeast.
 June 1-6—BMA Advanced School of Bank Marketing, Boulder, Colo.
 June 8-12—ABA National Corporate Trust Workshop, Hyatt Regency, Crystal City, Arlington, Va.
 June 9-10—BAI Making the Buy/Sell Decision, Colorado Springs, Colo.
 June 13-19—ABA National School of Bank Card Management, University of Oklahoma, Norman, Okla.
 June 15-27—ABA Stonier Graduate School of Banking, University of Delaware, Newark.
 June 16-20—BAI Asset/Liability and Financial Management, Chicago.
 June 22-27—BMA School of Bank Marketing Colloquium, University of Colorado, Boulder.
 June 24-27—BAI Cost Accounting Workshop, Minneapolis, Minn.
 June 28-July 2—ABA National AIB Conference, Marriott-Copley Place, Boston.
 July 6-11—ABA National Agricultural Bank Management School, Iowa State University, Ames, Iowa.
 July 14-18—KBA, NBA and Iowa Trust Assoc. School of Trust and Financial Planning, Holiday Inn, Manhattan, Kan.
 Aug. 10-15—Central States Conference of Bankers Associations and the University of Wisconsin - Post Graduate Program/Banking Executive Program, University of Wisconsin, Madison, Wis.
 Aug. 10-23—Central States Conference of Bankers Associations and the University of Wisconsin-Madison Graduate School of Banking/Banking School, University of Wisconsin, Madison, Wis.
 Sept. 7-10—ABA National Bank Card Conference, Loew's Anatole, Dallas, Tex.
 Sept. 14-17—NABW National Convention, Ceasars Palace, Las Vegas, Nevada.
 Sept. 21-24—ABA National Conference on Human Resources, Fairmont Hotel, San Francisco, Calif.
 Sept. 21-24—BMA Annual Convention,

Washington Hilton, Washington, D.C.
 Sept. 21-26—KBA, NBA Professional Development Program Intermediate School of Banking, Holiday Inn, Manhattan, Kan.
 Sept. 22-26—BAI Basic Bank Auditing Conference, Minneapolis, Minn.
 Sept. 28-Oct. 1—RMA Annual Fall Conference, Shamrock Hilton, Houston, Tex.
 Oct. 24-29—ABA Annual Convention, San Francisco, Calif.

State Conventions & Schools

Colorado:

May 14-15—CBA Investment & Funds Management Seminar, Denver.
 May 15-17—NABW State Conference, Estes Park.
 June 4-7—CBA Annual Convention, Broadmoor Hotel, Colorado Springs.
 Aug. 3-10—Graduate School of Banking, University of Colorado, Boulder.

Illinois:

May 19-21—BAI Operational Considerations in Mergers and Acquisitions, Chicago.
 May 19-30—IBA Illinois Bankers School, SIU-Carbondale.
 May 20—ICBI Asset/Liability Management & Investment Strategies Seminar, Oak Brook.
 May 21—ICBI Asset/Liability Management & Investment Strategies Seminar, Springfield.
 May 22—ICBI Asset/Liability Management & Investment Strategies Seminar, Collinsville.
 June 1-6—IBA Agricultural Lending School, ISU-Normal.
 June 11-13—IBA Convention, Adams Mark Plaza, St. Louis.
 June 22-27—IBA Trust School, ISU-Normal.
 July 20-25—IBA Consumer Lending School, Bradley University, Peoria.
 July 27-Aug. 1—IBA Commercial Lending School, Bardley University, Peoria.
 Aug. 10-15—IBA Bank Compliance School, DePaul University, Chicago.
 Aug. 17-22—IBA Internal Auditing School, DePaul University, Chicago.
 Sept. 16-17—IBAA Commodity Marketing Seminar, Chicago.

Iowa:

May 19—IBA Group 5 Meeting, Council Bluffs.
 May 20—IBA Group 2 Meeting, Fort Dodge.
 May 21—IBA Group 12 Meeting, Okoboji.
 May 22—IBA Group 3 Meeting, Clear Lake.
 June 5-6—IBAA Internal Auditing I Seminar, Des Moines.
 June 5-6—IYBA Annual Conference, location TBA.
 June 9-20—IBA Ag Credit School, Ames.
 June 22-27—IBA Iowa School of Banking, Iowa City.
 July 24-26—IIB Annual Meeting & Convention, The New Inn, Okoboji.
 Sept. 14-16—IBA 100th Annual Convention, Convention Center, Des Moines.

Minnesota:

May 20—AIB Performance Reviews Seminar, AIB Education Center, Minneapolis.
 May 21—AIB Customer Relations with Motivational Tools Seminar, AIB Education Center, Minneapolis.
 June 2-4—MBA 96th Annual Convention, Radisson St. Paul Hotel.

June 9-10—IBAA Asset/Liability Mgmt Workshop, Minneapolis.
 June 11—IBAA In-House Computer Seminar, Minneapolis.
 June 12-13—IBAA Ag Lender II Workshop, Minneapolis.
 June 22-27—Minnesota School of Banking, St. Olaf College, Northfield.
 July 20-25—MBA Midwest Banking Institute, University of Minnesota, Morris.
 Aug. 10-15—MBA Commercial Lending School, St. Olaf College, Northfield.

Montana:

May 15-16—MBA Commercial Bankers Conference, Holiday Inn, Billings.
 June 5-7—NABW State Conference, Grouse Mountain Lodge, Whitefish.
 June 12-13—MBA Real Estate Bankers Conference, Heritage Inn, Great Falls.
 June 24-27—MBA Convention, Outlaw Inn, Kalispell.

Nebraska:

May 15-17—NBA 89th Annual Convention, Red Lion Inn, Omaha.
 May 22-23—IBAA Ag Lender I Workshop, Omaha.
 June 12—NBA Presidents Golf Tournament, Lochland Country Club, Hastings.

North Dakota:

May 18-23—North Dakota School of Banking, University of North Dakota, Grand Forks.
 June 9-10—NDBA Annual Convention, Holiday Inn, Fargo.
 Aug. 19—NDBA Loan Documentation Workshop, Kirkwood Motor Inn, Bismarck.
 Sept. 15—NDBA Northeast Group Meeting, Veterans Club, Grafton.
 Sept. 16—NDBA Northwest Group Meeting, Turtle Mountain Lodge.
 Sept. 17—NDBA Southwest Group Meeting, Golden West, New Salem.
 Sept. 18—NDBA Southeast Group Meeting, Eagles Club, Valley City.

South Dakota:

Sept. 15—SDBA Group II Meeting, Sheraton Inn, Aberdeen.
 Sept. 16—SDBA Group IV Meeting, Wrangler Motor Inn, Mobridge.
 Sept. 17—SDBA Group V Meeting, Rapid City.
 Sept. 18—SDBA Group III Meeting, Holiday Inn, Mitchell.
 Sept. 19—SDBA Group I Meeting, Holiday Inn City Centre, Sioux Falls.

Wisconsin:

June 1-6—WBA General Banking School, St. Norbert College, De Pere.
 June 8-14—WBA Commercial Lending School, St. Norbert College, De Pere.
 June 16-18—WBA Convention, Embassy Suites, Green Bay.
 July 9-11—Upper Midwest Agricultural Credit Council (UMACC) Conference, Holiday Inn, Wisconsin Dells.
 July 14-15—IBAA Internal Auditing I Seminar, Madison.
 Aug. 3-9—WBA Consumer Credit School, St. Norbert College, De Pere.
 Aug. 10-15—WBA Basic Banking School, St. Norbert College, De Pere.
 Aug. 10-23—Graduate School of Banking, University of Wisconsin, Madison.

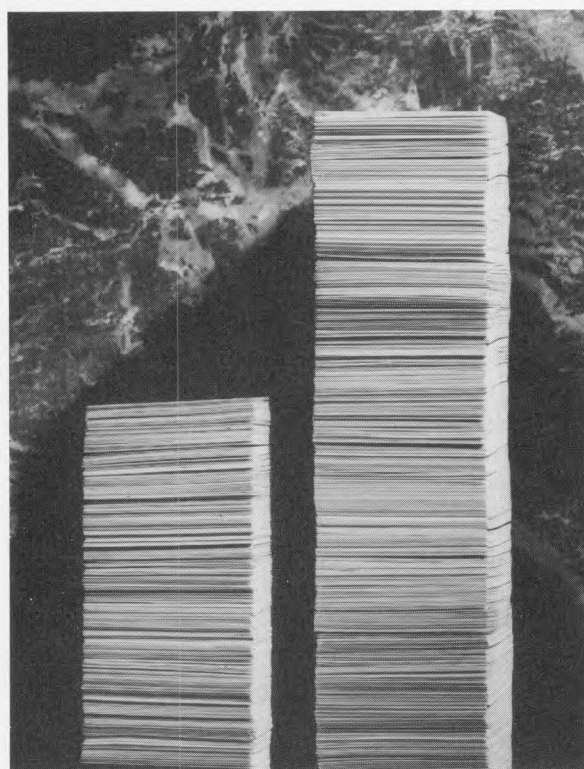
Wyoming:

June 15-17—WBA Annual Convention, Jackson Lake Lodge, Moran.

A strange coincidence.

Horizon Financial switches to American Express.

Travelers cheque sales up 60%.



Travelers cheques sales before switching.

Sales after switching to American Express.

Ann McNamee, Senior Banking Officer of Horizon Financial, F.A., in Southampton, Pennsylvania, tells why it's no coincidence that switching to American Express® Travelers Cheques increased travelers cheque sales 60%.

Question: What has happened to sales since you've started selling American Express?

McNamee: Since we became an American Express seller, sales have increased significantly, by about 60%.

Question: To what do you attribute your sales increase?

McNamee: To the name American Express. American Express Travelers Cheques are known throughout the world and are synonymous with travelers cheques.

Question: Do you think that selling American Express Travelers Cheques enhances the image of your institution?

McNamee: I think if you want a first-class product, you go to a first-class place. We try to sell the best to please our customers—we don't want anybody walking out the door and going someplace else for something we're not offering.

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LeFebure Introduces New 3000 Series ATM

The LeFebure Touch,TM a state-of-the-art full-function ATM with a 13-inch touch-activated menu screen, was unveiled to the banking industry at the EFT Expo in New Orleans last month.

Mylo Schultz, LeFebure's vice president of sales and marketing, said The Touch was "created after we took a long, hard, zero-based look at the ATMs being offered to the banking industry. Frankly, we were unable to find one that met our criteria for dependability, user-friendliness and cost-efficiency for financial institutions.



LeFEBURE'S new through-the-wall ATMs, Model 3020 and 3025, with 13-inch color touch-activated screens, can be used in walk-up or drive-up applications.

"Years of research and planning are reflected in the building of our own ATM," Mr. Schultz explained. "The result is a sophisticated electronic machine, featuring the most up-to-date technology and a few components we've developed over the years. The LeFebure Touch is, we are sure, a break-through in the ATM industry."

The Touch, or 3000 Series ATM, is equipped with a large, color, touch-sensitive screen which eliminates several problems associated with conventional machines, such as frozen or jammed buttons. Also, customers no longer have to decide which message on the screen corresponds with which button at the side; they simply touch the screen to activate the desired process.

An optional privacy screen makes it impossible for persons looking from a short distance behind, or from the side, to read a user's transaction. The Touch also is equipped with a microcomputer which allows bankers to program special messages for customers.

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NABW Honors 9 Achievers

The Chicago-based National Association of Bank Women, Inc., announced the winners of this year's Industry Achievement Awards and Pacesetter Award, during its "Salute to Senior Financial Women" dinner on April 29 in the Sheraton Washington Hotel in the nation's capital.

The Honorable Katherine D. Ortega, treasurer of the United States, and Julia M. Walsh of Julia M. Walsh & Sons, Inc., a division of Tucker Anthony & R.L. Day, Inc.,

will receive Industry Achievement Awards for their outstanding contributions to the financial services industry. John G. Heimann, vice chairman of Merrill Lynch Capital Markets, will receive the Pacesetter Award for his consistent support for women in the financial services industry.

In addition, NABW will honor six Washington women financial achievers at the black-tie dinner: Margaret Maguire Egginton, executive vice president of The Secura Group and former deputy to the

chairman, FDIC; M. Kathryn Eickhoff, associate director, Office of Economic Policy, Office of Management and Budget; Shannon Fairbanks, executive staff director and chief of staff, Federal Home Loan Bank Board; Aulana L. Peters, commissioner, Securities and Exchange Commission; Martha R. Seger, governor, board of governors, Federal Reserve System, and Margaret D. Tutwiler, assistant secretary for Public Affairs and Liaison, U.S. Department of the Treasury.

AgDisk's Cash Flow Product Aids Ag Financial Analysis

Financial analysis of farming operations, including projections of cash needs for three to five years, is now possible with the new AgDisk Cash Flow Extension Module from Harris Technical Systems, Inc., Lincoln, Nebr. This microcomputer software product can help farmers answer some of their most important questions: "How much can I afford to spend each month, considering current debt load?" and "Can I afford to borrow more?", according to John Palmer, president.

He said the cash flow program helps farmers maintain financial flexibility. The program shows sources, amounts, and timing of monthly income and expenses. It shows when credit will be needed, how much will be needed, types of loans required, and when payments are possible or desirable. Analyzed data can be used to help justify capital expenditures. Easy to understand graphs can be generated for cash flow comparisons, expense percentages, operating loan analysis and net cash comparisons.

"What-if" situations can be run through the program for further analysis of financial decisions. Results can help establish a line of operating credit with lenders, Mr. Palmer added.

The Cash Flow Extension Module can be used as an independent program or in conjunction with the AgDisk Farm Accounting package. Used with Farm Accounting, the program can automatically access stored accounting records, period-by-period, for in-depth financial analysis. Used with the Budgeting Extension Module, AgDisk Cash Flow can help farmers analyze and make decisions on investment and borrowing alternatives.

One Less Worry



These are some tough times for farmers and as an agent the farm economy is something that affects your life as well. Nowadays, you need to go that extra step to be sure the insurance you recommend to your customers is the right choice. Their future may depend on it.

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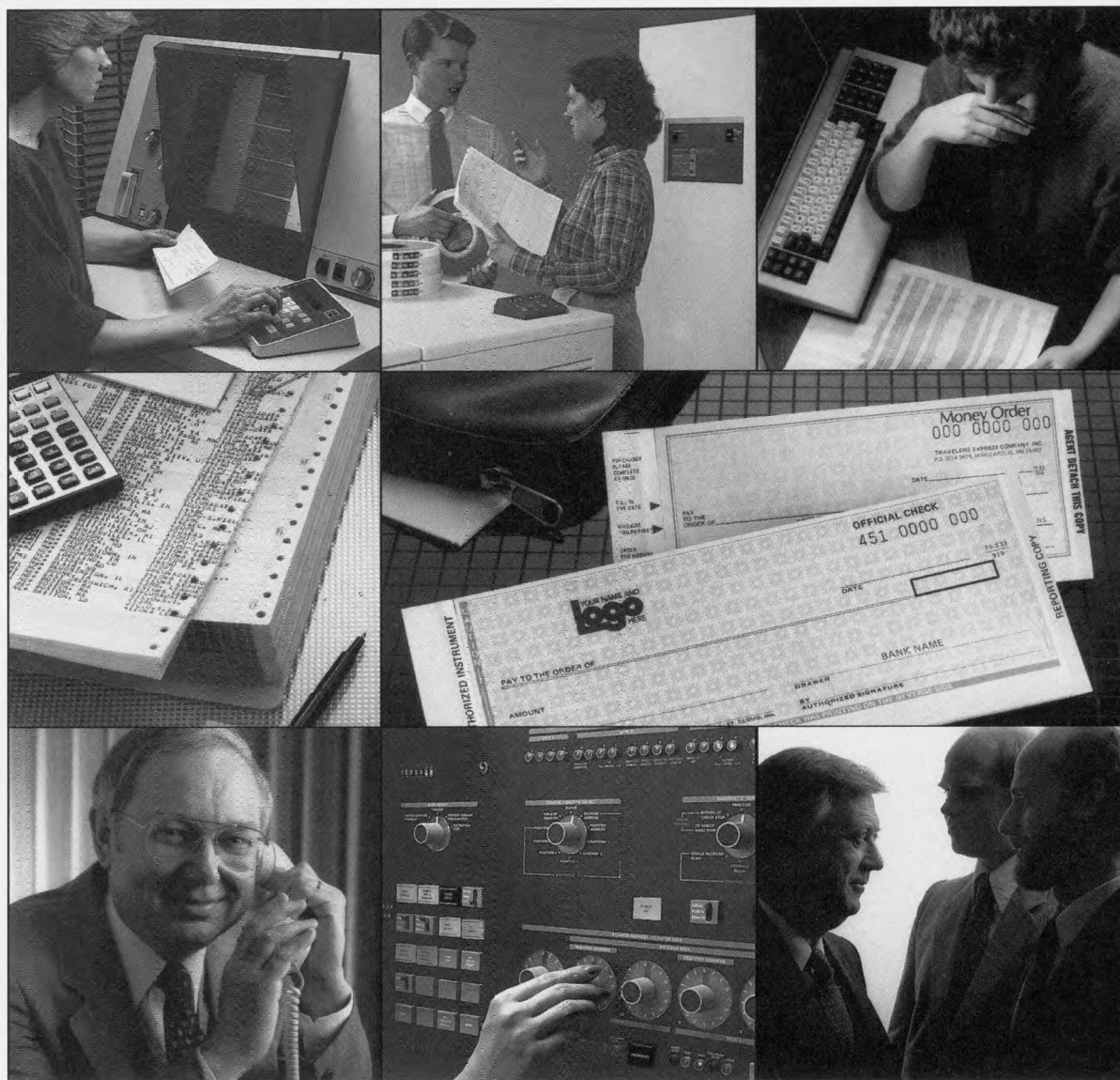
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BMA Announces Convention Speakers

SENIOR execs from high performing companies will be among the headliners addressing the Bank Marketing Association's 1986 Annual Convention in Washington, D.C., Sept. 21-24.

They are Thomas R. Oliver, senior vice president, Federal Express Corp., Memphis; Edward E. Crutchfield, Jr., chairman and CEO of First Union Corp., Charlotte, N.C., and F.G. "Buck" Rodgers, a Darien, Conn. consultant and former head of marketing at IBM Corp.

Mr. Oliver, who heads up Federal

Express' electronic products division, in his presentation, "From Rags to Riches: A New Product Success Story," will look at how creativity, innovation, and technology work together in the company's introduction of new products like its billion dollar success: ZapMail.

Mr. Crutchfield will talk on "Fulfilling the Promise of Mergers and Acquisitions," and will address such questions as "How do you successfully market a merger with no models to follow?" and "Should the marketing function be centralized to

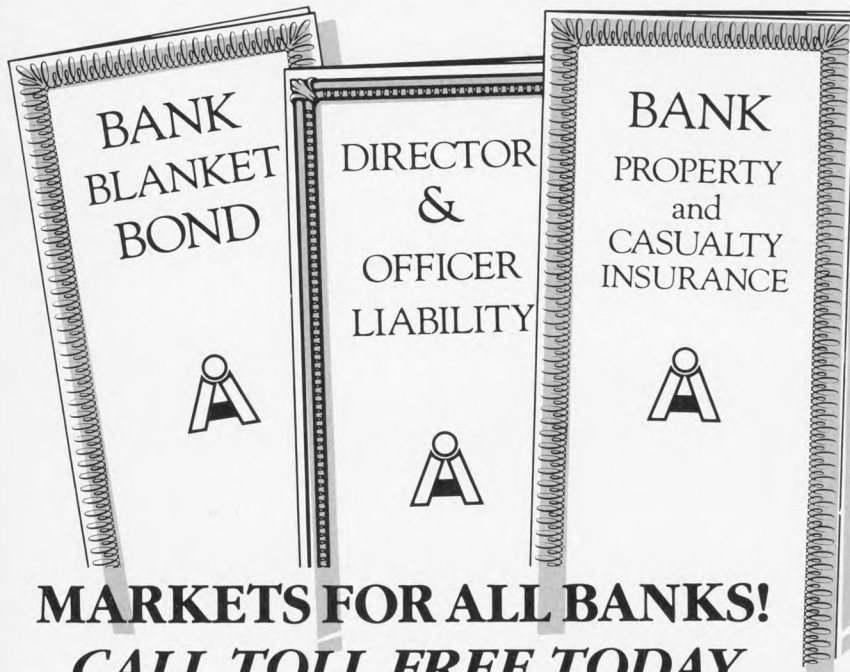
establish continuity or decentralized to take advantage of different business climates?"

Mr. Rodgers, in his talk, "Sales Culture — Facts and Fiction," will describe how IBM's highly touted sales culture evolved and how it continues to gain momentum.

Another convention headliner is Michael Vance, a Cleveland consultant who promotes "creative thinking" and will assist delegates in sorting through the ideas they have gathered at the meeting so they can apply them in their own banks.

For additional information on the convention, contact Gayle Fink, vice president and director, Meeting Services Department, BMA, or to register, contact Adrienne Rudich, meeting registrar.

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Bill Bolt Joins Boatmen's Bank in Kansas City

Directors of Boatmen's First National Bank of Kansas City have elected William J. Bolt as vice chairman of the board. Widely known in Kansas City and the midwest, Mr. Bolt, 56, is a veteran of 30 years in Kansas City banking.

C. Ted McCarter, president and chief executive officer, said Mr. Bolt will play a major role in management by assuming overall responsibility for four of the seven functional divisions of the bank. He will report directly to Mr. McCarter and be responsible for Division A (metropolitan banking), Division B (regional, correspondent, agribusiness and international banking), Division C (retail banking) and the Real Estate Division.

A native of Tekamah, Nebr., Mr. Bolt was graduated from the Wharton School of Finance and Commerce at the University of Pennsylvania in 1952. Following two years service with the U.S. Air Force, he became an executive trainee at the Federal Reserve Bank of Philadelphia and enrolled in the Wharton Graduate School. After receiving his graduate degree in 1956, he returned to the midwest to become a trainee at City National Bank & Trust Company of Kansas City, the predecessor of United Missouri Bank of Kansas City, where he rose to vice chairman of the board.

For most of his 30-year career in Kansas City, Mr. Bolt has been primarily involved with lending.



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AIB Will Meet in Boston, June 28-July 2

MORE than 900 banking education leaders from around the world will gather at the 1986 American Institute of Banking National Conference in Boston, Mass., to learn about recent changes and new developments in banker education.

"Meeting The Challenges...Making The Changes," the theme of the American Bankers Association AIB Conference, June 28 - July 2, reflects AIB's evolution to meet the changing educational needs of bankers.

"1986 is the turning point in the evolution of education for tomorrow's financial leaders," said AIB President Herbert Cummings, and president, Citizens Savings Bank and Trust Co., Providence, R.I.

AIB will release new educational developments at the conference that include the New Education Program, a diploma/certificate program which features the Accelerated Banking Certificate; current products and curricula; an accreditation process, and the 1986-87 Planning Summary, a short-term and long-term strategic plan of action de-

veloped by the AIB Planning Committee.

Conference workshops and concurrent sessions, numbering more than 25, are arranged in five 'tracks' to help educators focus on individual interests and needs. The tracks include organizational management, education and training, communications, banking issues, and professional development.

New and updated AIB products and curricula will be on display in the Product Room, including such products as "Credit Analysis for Agricultural Lending" and "Financial Planning for Bankers." There will also be one-on-one and small focus group sessions about these products, curricula and future AIB needs.

A special conference highlight is the announcement of AIB Chapters of Excellence. These awards distinguish those bankers and educators who have delivered exceptionally high-quality programs through their AIB chapters during the preceding year.

Chris Jenkins Named Mosler Vice President

R.F. Murphy, president, Mosler, announces the appointment of Chris Jenkins to vice president - business & strategic planning. Mr. Jenkins was formerly vice president and general manager of Mosler's eastern zone.

Farm Accounting System Offered Through Banks

The Agriculture ExecutiveTM, an integrated farm management computer software system consisting of integrated accounting management (both cash and accrual), production management and decision management programs, has been introduced by AgCon, Inc., Minneapolis, Minn.

It is offered for sale or lease through banks in Minnesota, North and South Dakota, Iowa and Wisconsin.

Lowell Anderson, AgCon president, is a former Red River Valley, Minn., farmer and banker.

"I've seen the need for this program from both a farmer's and a banker's perspective," Mr. Ander-

Johnny-on.

Continental Settles Class Action Suit

CONTINENTAL Illinois Corporation, Chicago, announced April 3 that it has agreed to settle a consolidated class action that was filed Nov. 3, 1982, on behalf of a class of persons who purchased Continental shares from Sept. 1, 1981, through July 5, 1982. Also, former officers of the corporation who were named as defendants in the consolidated complaint have agreed to settle with the class.

The consolidated complaint, "In re Continental Illinois Securities Litigation," comprises four separate class actions that were filed between July, 1982 and September, 1982, and a derivative suit. The class actions alleged that the defendants violated federal securities laws.

son says. "Consequently, I believe that a banker is in the best position to evaluate its capabilities and to provide first-line support to farmer-users."

He said the Agriculture Executive is a double-entry system in which the user makes only one transaction entry and the program

In the consolidated class action settlement, Continental will pay \$25 million to the class, and in return the suit will be dismissed. Funds for this settlement will come from a reserve set aside prior to 1986, and therefore will not impact current operating results.

The individual defendants have agreed to a lump sum settlement payment to the class of \$20 million, which will be tendered to the insurance companies that issued Continental's directors-and-officers liability insurance in 1981.

In a related action, the individual defendants also agreed to settle the derivative suit in which the Federal Deposit Insurance Corporation

automatically enters the information into all applicable accounts.

Mr. Anderson anticipates that banks will operate the Agriculture Executive program as a profit center, providing ongoing service and selling or leasing software and, where desired, equipment, to their customers.

(FDIC) is the plaintiff. This suit, which was filed against the former officers on Continental's behalf, was assigned to the FDIC by Continental on Oct. 2, 1984, as part of Continental's restructuring.

The derivative suit charged that the individual defendants failed to ensure that the bank follow proper loan, collateral, and documentation procedures, thereby causing the corporation to incur a financial loss.

Before the settlement agreements are implemented, they will be reviewed in hearings before U.S. District Judge John F. Grady. Thereafter, the class action settlements would be consummated if Judge Grady determines that they are fair, reasonable and adequate.

The settlements would dispose of the entire consolidated complaint except for claims the class and the FDIC have against Continental's former auditor, Ernst & Whinney. The class has agreed to indemnify Continental and each individual defendant against any claim by Ernst & Whinney for indemnity or contribution with respect to any judgment or settlement payment made to the class by Ernst & Whinney.

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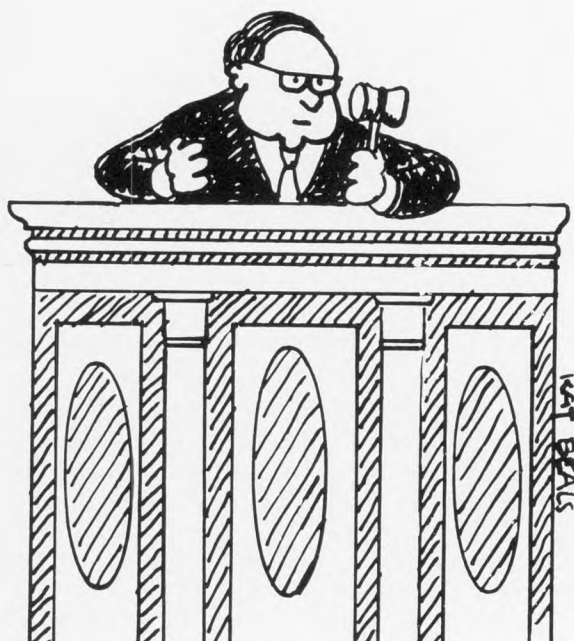


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The Case of the Defendant Director: Part II



Legal defenses available to the director

Written especially for
THE NORTHWESTERN BANKER by
FRANK J. CARROLL and **DAVID S. STRUTT**
Partners, Davis, Hockenberg, Wine, Brown & Koehn
Des Moines, IA

THE first article in this series of five articles introduced the expanding trend toward director liability and summarized the legal sources which may provide a basis for imposing liability against a director. This second article summarizes the legal defenses available to the director and provides guidelines which are intended to reduce the exposure to such liability.

PART II LEGAL DEFENSES AVAILABLE TO THE DIRECTOR

AS NOTED in the first article in this series, liability may be imposed against the director as a result of a breach of standards imposed by: (1) contract, (2) common law, or (3) statutes. The legal defenses available to the director also may be summarized by reference to these three general categories. As a general principle, however, the best defense, which applies to all three categories, is simply to be fully aware of such standards; it is difficult to win the game if one does not know the rules.

The Three Defenses

(1) **Contractual Defenses.** To the extent that a director feels any of the contractual standards which may be imposed by the charter, bylaws, or other organizational or operational documents of the bank, are unrea-

sonable or unclear, the director may wish to take formal action to amend such primary source documents to clarify or otherwise alter the standards which are established. Such amendments will generally require shareholder approval. A director should also insist on some form of indemnification from the bank, or to require the bank to purchase insurance protection against such liability. The fourth article in this series will discuss these risk protection mechanisms in greater detail.

Finally, the director may, if the particular circumstances warrant, request the advice of the bank's legal counsel as support against the imposition of liability since, under a contractual theory, reasonable reliance on and concurrence by a qualified representative of the bank should entitle the director with some defense to a contractual claim.

(2) **Common Law Defenses.** Under common law, liability may be imposed when a director's breach of common law duty proximately causes harm to the plaintiff. One of the most common defenses to a common law negligence action has been an application of the business judgment rule. The scope and use of the business judgment rule as a defense is currently one of the more litigated issues when common law claims are made against directors. Under the business judgment rule a director will generally not incur liability for an honest mistake or a mere error of judgment. By accepting the office of director, the director merely assumes the duty and obligation to manage the affairs of the bank with

“Perhaps the most important guideline for any director to follow is to attend all board meetings.”

diligence and good faith, and does not undertake to guarantee against any risk of loss incurred through mere defects of judgment.

However, liability may be imposed if the error in judgment is the result of a lack of an exercise of ordinary prudence and diligence or of a reckless disregard of duty. It should also be noted that the trend in the courts appears to be an increase in the standards expected of a director, such that a requirement of greater knowledge of bank laws is being imposed, especially in such areas as loan limitation violations.

(3) **Statutory Defenses.** Of all the legal sources which may provide the basis for imposition of liability against the director, the statutory standards are the least subject to control by the director. Therefore, the primary defense available to the director in connection with statutorily imposed standards is simply to follow the old adage “to be forewarned is to be forearmed.” It also may be prudent, if the circumstances warrant, to request advice of the bank’s (or the director’s) legal counsel and to obtain a written opinion that the particular statutory standard involved is not being violated.

Guidelines

(4) **Guidelines.** Based on the common charges which have been brought against directors, it is possible to develop a set of guidelines that, if followed, should significantly reduce the potential exposure to liability. Because of the broad range of circumstances which may result in director liability the guidelines are necessarily stated on a general level. Although stated simply, however, it should be recognized that it is not always easy to follow the guidelines under any given circumstance.

4.1 **The golden rule.** Robert M. Estes, formerly general counsel with General Electric Company, has devised a simple formula approach to a safe harbour rule:

$$I^3 - Se = PM,$$

which translates into “inquiry times information times involvement without self enrichment leads to peace of mind.” The ten guidelines which are discussed in the remainder of this article are simply an expansion of one or more of the factors included in that equation. As a short form statement, therefore, the “Estes Rule” provides a clear and precise statement of the guidelines which every bank director should follow in order to reduce his or her exposure to liability.

The 10 Commandments

4.2 **The ten commandments.** The following guidelines are intended to fulfill each factor of the Estes Rule. These guidelines are based, in part, on the excellent work of Robert E. Barnett, “Responsibilities and Liabilities of Bank and Bank Holding Company Directors”:

(a) **be informed.** The director should be conversant with all of the major regulations and rules which affect the bank. The board may find it helpful to have experienced counsel attend board meetings periodically to provide updates on any changes in such rules and regulations. The director also should be informed about the facts which affect the bank. It is not enough simply to ask management whether any problems exist; management may have a vested interest in assuring the director that everything is under control. These facts may be external (a downward trend in farmland prices) or internal (high employee turnover). The director should undertake particular scrutiny of any related party transactions (transactions between the bank and its officers, directors and controlling shareholders), possible lending limit violations, and any large or unusual transactions, since such activities form the basis for a significant number of director liability cases. It is also important that the director understand the scope and nature of the contractual, common law and statutory standards which may be imposed on the director, to better fulfill those standards. Such standards are summarized in the first article. Many of the guidelines described herein are intended to insure that the director is adequately informed.

(b) **be involved.** Perhaps the most important guideline for any director to follow is to attend all board meetings. It is virtually impossible for a director to be adequately informed or involved without attending meetings. If a director must be absent from a meeting, the reason for the absence should be provided to the bank and recorded in the minutes of the meeting. In addition, the director should review the minutes of the meeting and, in the next succeeding meeting, clarify his concurrence or dissent from any of the decision made at such prior meeting.

It is also important that the director make a conscious commitment of time, energy and effort to properly discharge his duties. It is not enough simply to tell management to remedy a problem which may exist; once the director becomes aware of the problem, active follow-through is necessary. The best protection against exposure to liability is simply hard work and active involvement in the affairs of the bank.

(c) **be independent.** If after becoming informed of the facts and circumstances of a particular situation, a director disagrees with the remainder of the board, it is his duty to express such disagreement and to vote in accordance with his judgment. It is extremely important to avoid classification as a “rubberstamp” director. To support such independence, a director may wish to consider the advisability of consulting with independent counsel (other than the bank’s counsel) in connection with any troublesome issues and, in any event, document such dissent in the corporate minutes. Some states also may require that written affirmation of such dissent be provided to the bank within a reasonable time following the dissent action.

(d) **avoid self-dealing.** Involvement in conflicts of interest is probably the most common cause of director liability. Insider loans to directors above legal limits, loans to directors from correspondent banks, interlocking directorships, and preferential loan and deposit rates are among the multitude of possible statutory violations. Consultation with the bank’s (or the direc-

“The most important responsibility of the director may be to appoint competent and capable officers...then conscientiously review the performance of such officers.”

tor's) legal counsel to confirm compliance with statutory and regulatory provisions in connection with any dealings between the bank and the director is recommended.

(e) **establish policies.** Written policies, procedures and checklists provide both management and the director with a basis upon which to measure the bank's performance, management's performance and the director's performance. The bank may wish to establish written policies in such areas as bank earnings, credit risks, loan documentation, portfolio management, audit and control procedures, community investments and long- and short-range goals. Faulty loan documentation is often an early warning sign of a problem. Once a policy has been established, a regular review of compliance with the policy should be made.

(f) **select adequate management.** In the context of the bank's financial viability, the most important responsibility of the director may be to appoint competent and capable officers. In addition to the initial selection of such officers, however, it is also important that the director regularly and conscientiously review the performance of such officers. The responsibility of a director does not end with the appointment of the officer. The director is more likely to fulfill his duties, and thereby avoid exposure to liability, if he continues to work hand in hand with bank management to insure that adequate and full disclosure and communications exist between management and the director.

(g) **provide for adequate audit reports.** Directors by their nature and position are often not involved in the details of the bank operation. It is very important, therefore, that the director feels comfortable with and can rely on the financial information being generated by the bank. Good internal audit procedures and good periodic outside audits significantly increase that comfort level. Independent consultation with and review by accounting experts is essential. Regular audit reports should be made to the board and should cover all significant areas of the bank's activities.

(h) **regularly review bank reports.** The director also should carefully and completely review the examination reports and other regulatory reports. The director should be familiar with all of the bank reports which are available, and affirmatively request to review all significant reports and related information produced by the bank. In addition, if any questions are raised by any such reviews, additional information should be requested by the director. Such reports oftentimes pro-

vide the first level of notice of potential breaches of statutory provisions or of financial problems of the bank. Newly appointed directors should review the examination reports for at least the prior three years to introduce themselves to the bank and its operations, and to provide them with a context in which to compare and review current reports. In addition to financial reports, the director also should be made aware of and carefully review any informal agreements, written agreements, cease and desist orders and other contacts between the bank and any regulatory agencies.

(i) **obtain financial protection.** Financial protection may be available to the director in the form of indemnification from the bank or insurance coverage or both. The director should carefully review any indemnification provisions contained in the organizational or operational documents of the bank or provided by any applicable statutes, and carefully review the terms and limitations of any insurance policies which may also be provided. Indemnification and insurance protections currently employed for today's bank director and officer are discussed in greater detail in the fourth article in this series.

(j) **be prepared to resign.** Resignation will not absolve a director from liability as a result of any actions committed while in office. A prudent director may conclude, however, that it is simply impossible to fulfill his functions prudently and diligently, and may resign to limit exposure to further liability. For example, this may result from an inability to influence the other board members or top management to direct and manage the bank the way that the director feels it must be directed and managed. If a director finds himself consistently voting against management or consistently voting contrary to the other directors, then the director should seriously consider resigning.

It is incumbent upon today's bank director to aggressively inquire into the bank's operations and procedures, to become informed of the crucial facts and circumstances impacting on the decisions to be made, and to use such information prudently in connection with his active involvement in the affairs of the bank. Such an informed and active participation by the director will go a long way towards ensuring compliance with any contractual, common law or statutory standards which may be raised in the event circumstances do not proceed as planned.

Next month: Officer's Duties and Potential Liabilities. □

1st Financial Video FISI Video Network

1st Financial Video Network, Inc., Schaumburg, Ill., has acquired the video division of Financial Institution Services, Inc., (FISI), based in Nashville, Tenn.

The FISI Video Network, the first subscription videotape education service for financial institutions, began operations in 1979. Since that time, it has provided bimonthly training programs and information on industry changes and timely developments to more than 500 bank,

credit union, and savings and loan members.

The FISI Video Network provides instructional programs in the areas of new business development, sales and cross selling, new accounts, supervisory management, IRA and Keogh accounts and security.



THE Norfolk Financial Center Theater is located at the southwest corner of the lobby in the Bank of Norfolk's new building. **Ray Tiedje**, pres., is pictured with **Susan Hendrix**, who handles all scheduling and programming for the theater. As an account executive, Susan handles stock trades, precious metals orders, negotiable CD, IRAs and other investment orders. She handles all details of the IBM computer controlled projection details in the theater.

A NORTHWESTERN BANKER interview with
RAYMOND G. TIEDJE, President
Bank of Norfolk
Norfolk, Nebr.

“LET'S GO DOWN to the bank and see what's on at the theater!”

If you hear that statement made, you're probably in Norfolk, Nebr., the 20,000 population city that is the seat of Madison County in northeastern Nebraska. The “theater” referred to is, in fact, a fully-equipped miniature theater seating 12 to 15 people, tucked away in the southwest corner of the \$1.7 million new home occupied last December by Bank of Norfolk.

Unlike other theaters, this one is designed strictly for business purposes; yet, like everything else in the attractive new four-floor building, it is designed to complement all other departments through cross-selling with a very modern, high tech flourish.

Total Marketing of Financial Services

Total marketing of all financial services now and in the foreseeable future is not only possible but is an everyday occurrence in the new building housing the Bank of Norfolk.

It could well be the prototype of tomorrow's commu-

Bank of Norfolk Financial Center

Lobby theater is high-tech, modern style of marketing

nity bank, for its fast-paced, aggressive management style could show the way for independently-owned banks to compete in the increasing arena of multi-bank holding company competition. Raymond G. Tiedje, the 42-year old president and CEO of Bank of Norfolk, sees the bank as the core attraction for cross-selling every type of financial service to traditional bank customers.

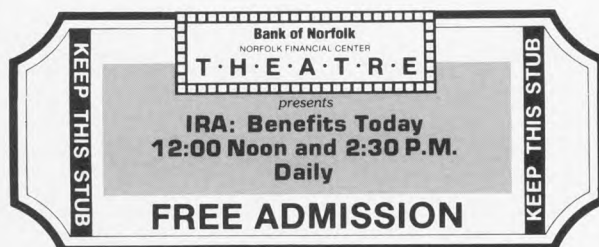
When asked what led to his bank's aggressive marketing stance exhibited today, Mr. Tiedje commented, “The Monetary Control Act of 1980 let everyone into the banking business. I recognized at that time we'd have serious problems in our business. Brokerage houses were stripping away our core deposits. Then, Sears' Dean Witter brokerage business, Coldwell Banker real estate, and Allstate insurance followed.”

How The Bank of Norfolk Developed

Before progressing too far with the story about Bank of Norfolk's forward-looking “Financial Center” concept, some background about the bank and its key personnel will paint the initial outline of the developing bank.

Bank of Norfolk is a relative newcomer in the banking business. It was started February 10, 1970, by Lincoln businessman Duane W. Acklie, a native of Norfolk, and by the Dunlap banking family, whose independent banks are centered primarily around the Lincoln area.

Mr. Acklie is a nationally-known trucking executive in his capacity as owner-president of Crete Carrier Corporation of Lincoln, with other trucking interests in Hershey, Pa., York, Nebr., and in Tennessee. He has about 2,000 trucks on the nation's highways. Mr. Acklie continues to own farmland in Madison County and also is an owner in other Nebraska banks—Union Bank & Trust in Lincoln, American State Bank in Mc-



Cook, Packers Bank & Trust in Omaha, and First National Bank in Lyons. He also serves on the board of directors of Hawkeye Bancorporation in Des Moines, which is headed by Paul Dunlap, one of the Nebraska banking family.

G.A. Dunlap and Jay Dunlap represent the Dunlap family interests on the Bank of Norfolk board.

Mr. Tiedje is a native of Davenport, Ia. After graduating from the University of Iowa with a BA degree in Economics in 1965, he started work for the Iowa department of banking under then superintendent of banking John Chrystal, now president of Bankers Trust Company, Des Moines. Four years later he joined the First National Bank of Clinton, a member of the Hawkeye Bancorporation holding company. He left there in 1971 to move to Norfolk to become executive vice president and CEO of Bank of Norfolk. His advancement to president followed three years later. The rapid growth in the new bank's footings has followed from his concentration on marketing of bank services to the 20,000 residents of Norfolk, as well as the broader area served by this largest city in northeastern Nebraska.

Formation of Financial Center Concept

As other types of financial institutions were allowed to make inroads into the commercial banking business, while Congress and the regulators did little to enhance the ability of banks to fight back for their turf, Mr. Tiedje began formulating his Financial Center concept.

"Events kept moving pretty fast in the world of financial competition," he recalls. "As our business expanded we faced the need for larger quarters. What has followed was a natural development of all those other circumstances."

Those "other circumstances," as Mr. Tiedje casually referred to them, were events that set Bank of Norfolk apart from the rest of the community bank pack in recent years! When uninsured, unregulated money market funds offered by the nation's investment firms were allowed to raid banks' customer bases and Congress fiddled but failed to act on proposals to permit banks to compete, Mr. Tiedje found a way to help commercial banks on his own.

Because the uninsured, unregulated brokerage house Money Market Funds were draining billions of dollars from the commercial banking system with the offering of higher than passbook savings interest



BANK of Norfolk's new building (Jan. '86) has three stories above ground and a lower level housing operations and the NBC Computer Center. Just to the left of the building at the southwest corner is a satellite dish that can access more than 200 offerings from four communications satellites.

rates, Ray Tiedje realized banks would have to compete by paying interest on time deposits instruments. After researching the options, he came up with the idea for a demand repurchase agreement which could be a day-to-day instrument requiring certain minimum levels to earn varying interest levels, all with the capability of the customer drawing down funds at any time.

ICBN's Role

This prompted Bank of Norfolk's Independent Community Bank Network to assist other banks with the program Mr. Tiedje and his associates had developed. The bank board made a determination that the bank itself should not be involved in this outside activity and recommended spinning it off as a separate corporation, with bank stockholders having the right to buy in. This was done and a total of 10 stockholders from within the bank and outside the bank assumed ownership of the stock.

At this point, ICBN then became the marketer of the new repo software program to about three dozen banks across 12 states reaching from coast to coast and border to border. Then, by January 1, 1983, regulations were changed to allow banks to compete by paying interest on checking, thus eliminating the basic need for the program.

For two months prior to that, however, Mr. Tiedje and his associates discussed what banks would need to compete and they determined it would be securities brokerage, "so we anticipated the market needs." At this point, ICBN had a relationship with First Mid-America of Omaha and Lincoln to handle the earlier program, but management decided it would need to be the place where banks came to instead of just being an intermediary.

Wall Street of America Conceived

From this decision, Wall Street of America was conceived. NASD approval came by May 1. "Wall Street was set up to get banks on our network for brokerage business. We signed up about 40 banks and wound up with about 12 really active ones. We have turned a couple of banks into very active offices.

Wall Street of America now has offices in Arkansas



MAIN floor lobby features a horseshoe-shaped reception, customer-service desk. Teller counters are in background.



SECOND floor atrium with lighted glass tube fixture that is suspended from third floor. Insurance department is on far (south) side in this photo.

City, Kan., in a Mound City, Mo. bank, and an excellent broker in Storm Lake, Ia. The firm now has withdrawn from the mass market to work specifically with banks that are serious about getting into the brokerage business, "those who want to make a commitment to income for the future."

One of Ray Tiedje's younger associates at the bank was Kevin Olson when the bank bought its first micro-computer in 1982. The software for all bank and ICBN programs has been developed on this and subsequent micros. The bank now has six of them scattered through various departments. Kevin Olson later was assigned to work full-time with ICBN and now manages it full-time. In addition, the Bank of Norfolk stockholders owned an industrial bank in Norfolk and they got it insured with the FDIC *before* the failure of Commonwealth Savings in Lincoln in September, 1984. That institution now is called First Savings Company of Norfolk and is owned and operated separately from the bank. Mr. Olson is its managing officer.

Software Program Developed

In 1984 ICBN developed an Asset/Liability Management software program "because we couldn't find a good one that didn't cost an arm and leg and have about 30 pages of reports. We felt the president of a bank today doesn't have time to review 30 pages of printout, but he can put on his A/L manager's hat for a half-hour and review his options on rates, where he's going, and make his decisions."

This A/L software model now serves 12 banks. It was set up originally as a spread sheet but has been reworked to make the input easier. Mr. Olson states "the 'what if' options are highly valuable. We think banks don't need an A/L Management program as much as they need an A/L Process; that is, some way to measure the rate sensitive liability mix and then evaluate where they stand so they can discuss with the A/L committee where to go from there.

"This is where you can plug in the numbers and go through the 'what if' program. This simplifies everything into fewer data, with a bottom-line report on interest rate spread and the GAP. Then, under 'what if' repricing, the banker can make changes needed to achieve the price or margin desired. Net interest margins translate directly into profit. Budgeting is a *result* of this process, it's not a part of it."

With the simplification of this A/L software program completed, Mr. Tiedje and Mr. Olson began looking earlier this year at the entire process to see what fellow bankers needed "and what we wanted to do for them. We looked at BancAnalysis (NWB—May, 1985; March, 1986) and felt its ratio comparisons needed to be sent to BancAnalysis, then BancAnalysis uses it to spin out the ratio reports and analyses its returns to banks on a monthly, timely basis."

"Consequently," Mr. Tiedje stated, "we have a working arrangement with BancAnalysis. We provide the A/L program software and BancAnalysis continues to market its program as a new product that includes ICBN's A/L Management program."

Time For Expansion

This continuing series of "other circumstances" which contributed to the growth of Bank of Norfolk led eventually to the need for expanding from the bank's original quarters in which it was housed when the bank started business in 1970. "By this time," notes Mr. Tiedje, "we had our insurance department and a real estate agency. Bringing these two departments, all our services obtained through ICBN, and our basic banking business together brought about the right timing for developing our concept of a complete Financial Center we had been heading toward for some time.

"The design of our new, four-level building was carried out entirely with this Financial Center of Norfolk concept in mind. Every department of the bank and its related services has been carefully crafted to stand on its own, yet cross-sell other bank services as a natural function."

The \$1.7 million Bank of Norfolk building features brick and glass over a three-story structure for a completely modern looking building with in excess of 25,000 square feet in the lower level and three upper floors. It provides the bank staff with more than eight times the space in the previous building. At this time, the third floor will be leased for tenants offices and allow for future bank expansion.

Customers and other visitors entering the main floor from the spacious parking lot at the front of the building on the east, are greeted by the receptionist at a spacious reception—new accounts station. Private offices and customer desks are at the south and north sides of the main floor, with the teller counters along the west wall.

Adding a touch of luxurious spaciousness and light is a two-story atrium rising from the center of the main floor. A mirrored ceiling at the top of the second floor reflects tiny lights imbedded in glass rods of varying lengths that are part of a customized cluster of chandeliers suspended from the ceiling.

The board of directors meeting room, employee lounge, real estate and lending areas occupy the second floor.

Both a wide stairway and small elevator connect the three upper floors and the lower level. This lower level is home for the Bank of Norfolk auditing and operations departments. Last month, one-third of the lower area was taken over on a lease basis by the National Bank of Commerce of Lincoln for its regional data processing center.

The centerpiece of the entire Financial Center concept is the "Bank of Norfolk Theater." Located in the

southwest corner of the main floor lobby, it seats 12 to 15 persons comfortably in front of a 100-inch screen. Over the dark blue drapes that close off the theater from lobby sounds is a white marquee with blinking lights that highlight the name of the "movies" being shown that day. Visitors get free passes to enter the theater so they can watch "IRA Benefits" at 12 noon and 2:30 p.m.; or the "McNeil-Lehrer" analysis program at 10:00 a.m. and 3:30 p.m.; or "Wall Street Week" with Louis Ruykeyser at 9:00 a.m. and 12:30 p.m., or "Market to Market" on a requested basis.

The theater is equipped with the latest high-tech equipment. A satellite dish outside at the southwest corner of the building can pick up signals from several communications satellites. Inside, the theater operator has a console with hand controls that provide access to more than 200 programs from the dish. The market reports from the New York Stock Exchange and American Stock Exchange parade quietly and ceaselessly across two horizontal strips at the bottom of the screen. If desired, they can be dropped while the programs listed above are being shown. The latter, incidentally, are taped for viewing at specified times, although many market type programs can be seen live on request.

The "Bank of Norfolk Theater" is promoted regularly by being listed in the Norfolk newspaper, as well as with free passes handed out by different customer service desks in the bank. Mr. Tiedje reports "a half dozen or more people will usually be on hand for the 'IRA' showing, and we have regulars who come in to see the 'MacNeil-Lehrer' and 'Wall Street Week' programs.

"This is a unique concept in community banking," Mr. Tiedje stated, "and it will utilize aggressively and innovatively to expose and sell our bank's products and services, and to train bank officers and employees."

The 15' x 15' theater has the latest SONY projector and screen, video cassette recorder, and a direct hookup to a microcomputer. That micro, located at the desk of the secretary seated directly outside the theater entrance, will allow the control operator in the theater to access any data on the micro, or enter data, and compute programs for the benefit of customers attending a session there. For example, those attending an "IRA" showing can give the operator their age and amount desired to be placed in an IRA over an extended period of time. That data can be entered on the spot and the printout completed at the secretary's desk right outside the theater for presentation to the customer.

A library of video tapes is being built up and the theater bookshelf already had two or three dozen at the time of this interview. These come from the American Bankers Association, the Nebraska Bankers Association, other banking associations, and motivational tape sources, such as "In Search of Excellence."

"We use the theater about three to five times a week for our staff," Mr. Tiedje commented. "This week, for example, we had four sessions. There was the Monday sales meeting, at which we showed a short Leadership film. On Wednesday there was a middle management team meeting that included our head teller, head bookkeeper, operations chief, and the branch office manager. The real estate division used it twice this week for a Home Buyers Seminar. These were in addition to



THE real estate division at the north side of the second floor has space for six independent agents presently, and 10 are expected to work from the bank by year-end.

the various public uses for the scheduled shows, and the 12 to 20 who drop in daily to check the stock market readings."

Sales, Programming, and Marketing Added

Several years before the consultants and banking leaders from major financial centers began to talk about the need for modern "Marketing" concepts using latest technology, plus a structured sales-oriented staff, Bank of Norfolk was already quietly putting such a structure into place. As a result, the organizational structure of the Financial Center includes sales, programming and marketing.

The sales division is made up of the manager of the insurance agency, of investment sales, real estate, personnel and Mr. Tiedje. It does not include front-line officers of the bank who are not sales oriented. "We have a weekly sales meeting," Mr. Tiedje commented, "at which time we look at what each person can sell from the other areas. Our long-term objective is to have these key sales departments all cross-selling for other departments."

Mr. Tiedje went on to explain that "We have six agents in the real estate division now and hope to have 10 by the end of the year. These agents are not employees of the bank but are independent. They pay for certain services and we provide certain services. They help cross-sell services of the bank." The insurance agency also operates as a separate entity and is part of the bank's cross-selling team. Each department pays its share of expenses. The sales people in real estate and insurance are paid on a commission basis. "They keep their own hours," Mr. Tiedje noted. "We provide the facilities, they provide their own help."

After expenses are paid, a specified percentage of the profit goes into an incentive compensation plan for a total of seven people from the entire organization. One half of the income generated from all these four de-

LOBBY THEATER...

(Turn to page 26, please)

Gain customer confidence with customer conveniences



IT IS IMPORTANT that banks present a professional and successful image. With the publicity banks are getting these days, gaining customer confidence is more important than ever before. It is a fact that people do business with successful people.

We are continually helping financial institutions present an image they can be proud of. At the same time, our firm helps to organize the bank internally to increase personnel efficiencies in the bank's everyday operations. This is why so many

Written especially for
THE NORTHWESTERN BANKER
By **ROSS SCHOONOVER**
Vice President
Office Concepts, Ltd.
Waterloo, Iowa

financial institutions are calling on Office Concepts, Ltd. to help assist them in their new building additions, or remodeling plans.

Mahaska State Bank in Oskaloosa called on us to help assist in its addition into the Old Legion Hall, which was located next to the bank.

The stone that was used on the existing bank was applied to the exterior of the Legion Hall, which brought the two buildings together for a unified look.

Both floors of the Legion Hall were incorporated into the bank in the remodeling process to meet the bank's expanded needs in office space and customer convenience.

The lower floor addition consists of a waiting area with up-to-date stock market reports shown on T.V., two offices for the financial consultant and trust officer, and a conference room.

The upper level consists of three conference rooms, seven loan offices, waiting area, note department, computer area, library, and the president's office. An elevator also was added as a convenience to the customer.

Customer confidence *can* be achieved by installing customer conveniences and by presenting a successful image.

LOBBY THEATER...

(Continued from page 25)

partments goes to shareholders, the other half is distributed to the seven participants on a formula basis.

"We set up an incentive program" Mr. Tiedje stated, "because we didn't think the future of banking would allow just continual salary increases and would have to be based on production."

A Successful Venture

With every employee in the bank, its subsidiaries and related businesses oriented to sales and cross-selling, Bank of Norfolk is making its Financial Center a successful venture of the present, instead of waiting for it to become a part of the future. A catalyst for making the public aware of all these varied financial services is the Bank of Norfolk Theater right in the main lobby. It is the "window" through which customers and the general public see how the bank can help them preserve and enhance their personal estates.

So, if you're in Norfolk and you're invited by someone who says, "Let's go down to the bank and see what's on at the theater?" you should accept the offer. What you see might be a brighter economic future for your money!

EXPERTS IN BANK NEGOTIATIONS AND SALES

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● Nebraska Firm Offers High-Tech ATM Housings

Heritage Industries of Wayne, Neb., a long time leader in modular manufacturing has recently added a complete line of High-Tech ATM KIOSKS, SURROUNDS and MINI BRANCH BANKS.

Duane Henneman, vice president of Heritage Industries, stated "The kiosks will include a state of the art Drive-Up facility that can be set on a narrow island, a regular Drive-Up and a Walk-In facility. Financial institutions will be able to select from a wide variety of sidings plus tile or brick to enhance their ATM placements. Further, our electronic turntable will place any ATM into the service mode within a matter of seconds."

Mr. Henneman went on to state "Heritage will soon be introducing a new line of modular teller cabinets also and will be marketing its new products nationwide through a distributor network."

● Kansas City Fed Reports

Net earnings of \$809 million were recorded by the Federal Reserve Bank of Kansas City in 1985, with the bulk going to the U.S. Treasury as interest on Federal Reserve notes, according to President Roger Guffey.

The bank's operating expenses rose 4.4 percent, from \$63.5 million in 1984 to \$66.3 million last year.

Payments to the U.S. Treasury totaled \$798 million, up \$35 million over 1984. The Kansas City Fed paid dividends of \$4.7 million to its 1,050 member banks in the seven-state Tenth District, and added \$6.4 million to its surplus account.

● Wells Fargo Opens Ag Financing Chicago Office

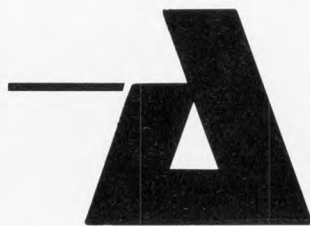
Wells Fargo Ag Credit, a national agribusiness finance firm, has opened an office in Chicago to provide loans to processors, producers and distributors as well as companies involved in the Midwestern agricultural market.

Wells Fargo Ag Credit is a subsidiary of San Francisco's Wells Fargo & Company and an affiliate of Wells Fargo Bank.

The new office, located at 55 West Monroe St., is headed by vice president and regional manager Larry Lewton.

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Commercial Banking Division
Commercial National Bank of Peoria
301 S.W. Adams, Peoria, IL 61631

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Name _____
(please print)

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the items we process per month:**

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Foreign checks deposited _____

Wire transfers _____

Return items _____

Statements _____

Coupons _____

Average Cash Letter \$ _____

Bank _____

Address _____

City _____ State _____ Zip _____

Phone (_____) _____



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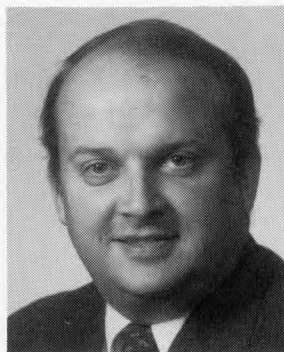
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WILLIAM J. HOCTER
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HARLAN K. YATES
Secretary

1986 Annual Illinois Bankers Association Convention

June 11-13
Adam's Mark Hotel, St. Louis, Mo.



JOHN W. LUTTRELL
Treasurer

ST. LOUIS, MO. is the site chosen for this year's Illinois Bankers Association Annual Convention. The event will be held June 11-13 at the Adam's Mark Hotel. This year's convention theme is "Open The Doors To New Horizons For Banking."

A wide array of speakers, workshops, panel discussions, recreation and other activities have been planned for bankers and their spouses. Entertainment at this year's banquet will be provided by The John Polzin Orchestra, The Arbors, vocalist Lisa Michaels and comedian Don Rice III.

Presiding at the convention will be IBA President G. Thomas Andes, president of the First National Bank of Belleville. Other IBA officers include: Vice President, Charles E. Waterman, chairman and CEO, South Holland Trust and Savings Bank; Secretary, Harlan Yates, president, Cisne State Bank; Treasurer, John Luttrell, president, First National Bank, Decatur, and Executive Vice President, William J. Hocter.

The program schedule follows:

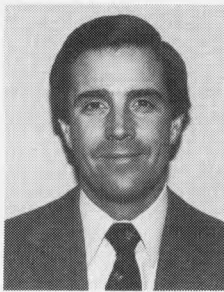
Wednesday, June 11

A.M.

- 9:30 Buses depart for golf tournament.
- 10:30 IBA Golf Classic.

P.M.

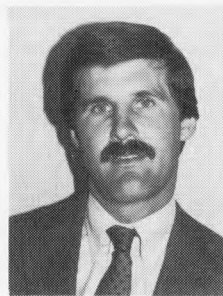
- Noon- Registration/exhibits open. Cash buffet
- 7:00 lunch - exhibit area.
- Noon Numerous prize drawings. Buses depart for tennis tournament.
- 1:00 Tennis anyone?
- 12:45 Riverboat cruise/brewery tour
- 1:30 Convention workshops
 - Interstate Banking—Frieder
 - Exceptional Performance—Turock
 - Anti-Takeover Devices—Brennan & Freechack
- 3:15 Convention workshops
 - Women's Market—Nelson
 - Interstate Mergers & Acquisitions—Wooden & Klein
 - Portfolio Management Strategies—Kubik, Stephens & Thompson



D.M. THOMPSON



L.O. STEPHENS



J.L. KUBIK



M. VANCE

5:30- Complimentary welcoming reception

7:00

7:30 Baseball game—National League
Champ Cardinals vs Montreal Expos

Thursday, June 12

A.M.

8:00 Registration opens. Complimentary regional breakfasts

9:00 First general session
What's Ahead for the Economy—Louis Rukeyser.

10:30- Exhibits open

4:00

11:00 Cash bar reception—Exhibit area. Cash luncheon buffet—prize drawings

11:30 Special reception with Louis Rukeyser. (By invitation only)

P.M.

12:30 Spouses' luncheon—Art Fleming

Noon Fifty year club luncheon

2:00 Second general session
Adventure in Creative Thinking—Mike Vance

Friday, June 13

A.M.

8:00 Registration open. Continental breakfast—Exhibit area.

8:00- Exhibits open

Noon

8:30 Third general session
View from the FDIC—C.C. Hope, Jr.

9:30 IBA/AIB State Education Committee Presentation—John T. Kustes

State and Federal Legislation and Regulatory Panel—G. Thomas Andes, William J. Hocter, Sen. Philip Rock and William J. Bosies, Jr.

10:00 Grant's Farm/Plaza Frontenac Tour

11:00 Cash bar reception—Exhibit area. Prize Drawing.

P.M.

Noon Convention luncheon

Alliance Between State Associations and the ABA - The Benefits to Illinois Banks—Donald Ogilvie

Commitment to Excellence—Lou Holtz

2:00 Grand prize drawing—Exhibit area.

Bankpac Fur/San Francisco Trip.

2:45 Fourth general session.

Bank Safety and Soundness—Kaufman, Kane & Connell.

4:00 IBA Insurance Report—John Luttrell

6:00 Banquet reception

7:00 Banquet—The Arbors, Don Rice III, John Polzin Orchestra. □

You Will See Them at the Annual Illinois Bankers Convention June 11-13

THE following metropolitan bankers and service and equipment dealers have indicated that they will be attending the annual convention of the Illinois Bankers Association in St. Louis, Mo., June 11-13.

Chicago

Drovers Bank of Chicago: James Carmody, chairman; Joseph Migely, president and CEO; John Crotty, senior vice president; Kathleen Hardy, vice president, and Lawrence Nau, assistant vice president.

LaSalle National Bank: Homer J. Livingston, Jr., president; John J. Lynch, Jr., senior vice president; Peter H. McGuire, Delmar Rogers, Jr., Wayne L. Bismark, and Jeffrey

J. Bowden, vice presidents; Therese Hillgamyer and Richard D. Moline, assistant vice presidents; Barbara R. Winter, loan officer, and Thomas L. Nelson, loan representative.

Northern Trust Company: Mr. and Mrs. Charles H. Barrow, Mr. and Mrs. Clyde W. Reighard, Mr. and Mrs. John V.N. McClure, Mr. and Mrs. Charles H. Cory II and Mr. Theodore W. Flint.

Milwaukee

First Wisconsin National Bank: Robert J. Vinent, vice president.

Bank Equipment and Other Firms Douglas Austin & Associates, Toledo, Oh.: Dr. Douglas V. Austin, president and CEO, and Robert

Bukowski, vice president.

HBE Bank Facilities, St. Louis, Mo.: Patrick Kaiser.

Nortridge Software, Freeport, Ill.: Gary Osborne, sales manager.

Promoted in Galesburg

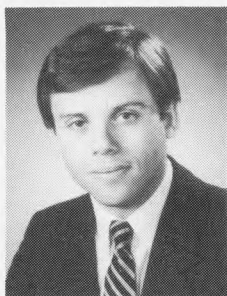
A.C. "Dick" Dickson, Jr. has been promoted to executive vice president of First Galesburg National Bank and Trust Company. Mr. Dickson joined the bank in 1983 as a senior vice president and senior loan officer. He has more than 30 years of commercial lending expertise. He was formerly senior vice president of commercial lending at Harter Bank and Trust Company, Canton, Oh. He has also held senior officer positions with the National Bank of Detroit.

Two Elected in Melrose Park

Robert C. Gremley has been elected president and CEO and Thomas H. Roth has been elected vice chairman of Melrose Park National Bank.

Named in Yorktown

Bruce W. Taylor has been named executive vice president of the Bank of Yorktown, part of the Cole-Taylor Financial Group, Inc. He was formerly senior vice president of the bank.



B. TAYLOR

Mr. Taylor will continue to head the commercial and real estate lending departments for the bank and will assume additional responsibilities to be announced later.

Mr. Taylor started at the bank in 1983 as a senior commercial loan officer. He began his banking career in 1977 at Main Bank of Chicago and joined Drovers Bank in 1979.

Appointed in Galesburg

Malcolm E. Lambing, Jr., CEO of First Illini Bancorp, Inc. has announced the appointment of Mary F. McFadden to corporate vice president of human resources for the corporation.

She brings with her 12 years experience in all phases of human resources management and employee relations. She was most recently manager of human resources marketing for GTE in Chicago and previously served as corporate public relations manager for DeKalb Agresearch, Inc.

Appointed in Wheeling

Carol L. Ennis has been appointed vice president and trust officer at Main Bank, Wheeling.

Ms. Ennis was previously employed by the Northern Trust Company, Chicago for 12 years, most recently in corporate financial services. Her experience also includes marketing and sales of personal financial services.

John E. Morlock has been promoted to assistant vice president at Main Bank.

Mr. Morlock was previously with The Dunmah Bank, St. Charles, as a

loan analyst. He has been with Main Bank for four years and is located at the Chicago office in Milwaukee and Western Avenues.

Joins Arlington Heights Bk.

Craig J. Fahrner has joined The Bank and Trust Company of Arlington Heights as vice president/cashier and security officer. Mr. Fahrner has 16 years of bank operations experience. He was previously with Illinois Marine Bank, Clarendon Hills.

First Illinois Corp. Files For Stock Shares

First Illinois Corporation, headquartered in Evanston, has announced that it has filed with the Securities and Exchange commission for an offering of 2,500,000 shares of common stock. The offering will be managed by Merrill Lynch Capital Markets. The multi-bank holding company expects to use the net proceeds from the offering to finance the acquisition of First Burlington Corporation, to reduce debt, and for possible future acquisitions.

First Illinois Corporation and First Burlington Corporation have entered into a definitive agreement providing for the acquisition by the company of all of the outstanding capital stock of First Burlington Corporation for \$28.2 million in cash. First Burlington is a multi-bank holding company headquartered in LaGrange with consolidated total assets at year-end of \$245 million. The proposed acquisition is subject to regulatory approval and approval by First Burlington's stockholders.



Kendon T. Birchard has been elected president and chief operating officer of Community Bank of Edgewater, a unit of First Colonial Bankshares. Mr. Birchard comes to the bank from National Security Bank, where he was senior vice president of marketing and retail services.

* * *

Henry W. Tymick, vice president of administration and operations for W.N. Lane Interfinancial, has been elected president of Money Network, Inc., the Association for Shared Electronic Funds Transfer.

It was also announced that **Joel J. Crabtree**, senior vice president of Continental Illinois National Bank, has been elected to vice president and treasurer, and **Kenneth R. Keck**, senior vice president of Harris Trust and Savings Banks, to secretary for the association's board.

Mr. Tymick, who has served on the Money Network board for five years and as its vice president in 1985, succeeds **Martin J. Noll**, president and CEO of First Security Bank.

* * *

Patrick J. Carmody has been named vice president of Ford City Bank and Trust Company, a member of the Cole-Taylor Financial Group, Inc.



P.J. CARMODY

Mr. Carmody joined the bank in 1985. Previously, he served as a banking consultant to United Savings of America, and director of Century Express Mortgage services for Century 21 realtors. In his new position, he will have a variety of real estate lending responsibilities.

* * *

Jeffrey L. Conner has joined Northwest National Bank of Chicago as senior vice president and senior loan officer.

Prior to joining the bank, Mr. Conner was responsible for credit and loan administration at Society Bank of Eastern Ohio, Canton.

CHICAGO NEWS...
(Turn to page 42, please)

Wisconsin

D. Treptow, pres., Brown Deer
B.K. Koontz, exec. dir., Madison



Valley Banc. Receives Approval to Acquire Banks

Valley Bancorporation's chairman, Gus A. Zuehlke, has announced that approval has been received from the Federal Reserve Board for the affiliation of First National Bank & Trust Co. of Beaver Dam, Bank of Spring Green, The Commercial Bank in Chilton, Peshtigo State Bank and First National Bank of Minocqua and Woodruff with Valley. Shareholders of the banks had previously voted overwhelmingly to approve the mergers.

Upon consummation, the shareholders of the banks will receive common stock of Valley Bankcorporation. In addition, approximately 20% of the shares of First National Bank of Minocqua and Woodruff will be exchanged for cash.

Mr. Zuehlke said that each bank will continue to be managed by its existing board and officers.

With the addition of these five banks, Valley Bancorporation, based in Appleton, will have assets in excess of \$2 billion.

WBA Elects Officers

The Wisconsin Bankers Association (WBA) has elected new officers and members of the WBA Executive Council for the 1986-87 fiscal year.

Rowland J. McClellan, president of the Valley Bank, Janesville, Wisconsin will begin his term as president in June following the Association's convention in Green Bay. Mr. McClellan will replace Dean A. Treptow, president of the Brown Deer Bank, Brown Deer, Wisconsin who will continue to serve on the WBA Executive Council.

Other officers are Richard P. Klug, chairman of F&M Bank, Menomonee Falls, vice-president; and treasurer, Thomas L. Schiefelbein, president, Security National Bank, Durand, Wisconsin.

Elected to serve three-year terms as members of the 1986-87 Execu-

tive Council are Glen D. Johnson, president, First Wisconsin Bank of Grantsburg; Jess S. Levin, president, Bank of Elmwood, Racine; and Jon R. Schumacher, senior vice president, The Marine Corporation, Milwaukee.

Continuing as council members are: Harry B. Conlon, Jr., president, Associated Banc-Corp, Green Bay; Larry J. Carson, president, Lancaster State Bank, Lancaster; and Leonard Hoffman, vice-president, First National Bank, Bangor; John F. Bolles, president, Monona Grove State Bank, Madison; Richard D. Pauls, chairman of the board, First Interstate Bank of Wisconsin, Sheboygan; and Ronald Isaacson, president, State Bank of Medford.

Elected in Menomonee Falls

It has been announced that Lawrence K. Elton has been elected as president of F&M Bank, Menomonee Falls. Richard P. Klug, who was president, moves to chairman and remains CEO of the bank.

Mr. Elton, who was executive vice president of the bank, continues as executive vice president of F&M Financial Services Corporation. He joined F&M in 1984.



L.K. ELTON

Valley Bancorporation Declares 3-For-2 Stock Split

Directors of Valley Bancorporation, Appleton, parent company of the Valley Banks, voted to authorize a 3-for-2 stock split, thus providing a 50 percent stock dividend. On May 30, 1986, stockholders will be mailed one new share of common stock for each two common shares held as of the record date, May 23, 1986. Gus

A. Zuehlke, Valley's chairman and CEO, pointed out that after the 3-for-2 stock split, Valley would have 7.8 million common shares outstanding. Valley stockholders currently number approximately 6,000.

Elected at 1st Wis.

Lisa H. Sivanich has been elected assistant vice president within the personal services group of First Wisconsin Trust Company, Milwaukee. She will specialize in the administration of personal trust accounts. Ms. Sivanich rejoins First Wisconsin after a two-year leave of absence.

Added in Brown Deer

Brian Casper has joined Capital One Corporation/Brown Deer Bank, Brown Deer, as a lender in its commercial banking department. He previously held several lending positions with another major Milwaukee area bank.



B. CASPER

The bank has also named six new directors to the board in a move intended to expand its presence in key markets. Board members are: Charles F. Drake, president, Charles Drake Associates, Inc.; Ronald E. Hanbury, vice president/operations, Capital One Corp./Brown Deer Bank; Michael R. Klemz and Richard F. Laabs, senior vice president, Capital One Corp./Brown Deer Bank; Jay H. Robertson, vice president, partner and director of Robertson-Ryan & Associates, and Dr. Gerald M. Rosen, D.V.M., veterinarian and owner, Park Pet Hospital, Milwaukee.

CPA Receives Award

Sal A. Troia, CPA and vice president/treasurer of Valley Bancorporation, Appleton, was honored by the National Association of Accountants Madison Chapter as the recipient of the President's Achievement Award for 1986. He received the award at a dinner held at the Sheraton in Madison on April 16.

Prior to joining Valley Bancorporation, he was vice president/treasurer and chief financial officer of United Banks of Wisconsin, Inc., Madison for 16 years.

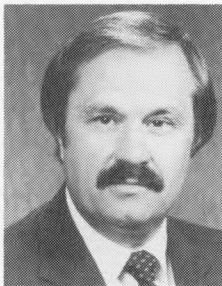
South Dakota

B.C. Solum, pres., Watertown
J.M. Schwartz, exec. mgr., Pierre



Richard Duncan Is Named Director of Banking

South Dakota Gov. William Janklow has appointed Richard Duncan, 52, as director of banking and finance for the state. Mr. Duncan also becomes executive officer of the state banking commission. The appointment was effective April 1.



R. DUNCAN

Mr. Duncan fills the vacancy created by the recent retirement of Glen Ritterbusch. Patricia Whiteside of the department of banking and finance staff was acting director during February and March.

Mr. Duncan is a native of West Des Moines, Ia. He attended Iowa State University in Ames, as well as Dakota Wesleyan, then received his law degree from the University of South Dakota in Vermillion. Mr. Duncan entered private law practice in Pierre and for 20 years headed his own firm of six attorneys.

Mr. Duncan assisted in the organization and chartering of American

At the time this issue was being mailed, the South Dakota Bankers Association was holding its Annual Convention in Sioux Falls at the Ramada Inn.

B. Michael Broderick, Jr., president of First American Bank, Canton, was scheduled to advance as president of the association, succeeding Burdette C. Solum, district president of Norwest Bank South Dakota, N.A., Watertown.

The complete convention report with photos will appear in the June NORTHWESTERN BANKER.

State Bank in Pierre in 1977, serving as member of the bank's board of directors until two years ago.

Three Advance in Sioux Falls

The board of First Bank South Dakota has elected Dennis Daugaard, vice president and trust officer, trust services division, Sioux Falls.

Mr. Daugaard began his career in 1981 as a trust administrator at the bank. He was elected a personal trust officer in 1982 and was named assistant vice president in 1984. For the past year he has been serving as personal trust manager.

Fred White has been elected vice president and manager of indirect retail lending.

Mr. White joined the bank in 1972 as a trainee at the main office. He was elected an installment loan officer in 1973 and was promoted to assistant vice president in 1976. Named branch manager in 1984, he has been serving at the east branch in Sioux Falls for the past eight years.

Cynthia Geiwitz has been elected assistant vice president and trust officer, trust services division, Sioux Falls.

She joined First Bank of South Dakota as a trust administrator in Rapid City in 1972, and was elected a personal trust officer in 1983. Following her move to Sioux Falls, she has been a pension trust officer since 1985.

Stockholm Bank Fails, New Bank Is Chartered

The Stockholm State Bank was declared insolvent and closed March

27 by Patricia Whiteside, who was acting director of banking and finance for South Dakota at the time. Immediately following that action, a new state charter was issued to Community State Bank of Stockholm, which opened for business on March 31.

The purchasing group paid the FDIC as receiver a total of \$36,000 purchase premium and assumed \$6.3 million in 1,800 deposit accounts. Community State also is purchasing certain of the failed bank's loans and other assets for \$4.5 million. FDIC advanced \$1.8 million to facilitate the transaction and retained assets of the failed bank with a book value of about \$2.3 million. Stockholm State Bank had \$6.8 million assets when it was closed.

The new stockholders are Norman Moldenhauer, who will be president of the new bank; Maynard Linngren, retired, Milbank, and his wife, Arleen; Hollis Bohn, farmer, Strandburg, and Sydney Johnson. Mr. Moldenhauer had joined Stockholm State Bank eight months ago as president, and will not head the newly-chartered bank.

Plankinton Banker Retires

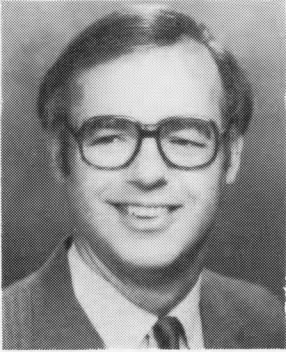
Robert M. Burchfield, senior vice president of the Farmers and Merchants State Bank of Plankinton is retiring from the bank after 39 years of service.

Mr. Burchfield came to the bank in 1947 after having served in the U.S. Army and also having been a teacher and coach at Woonsocket. He was a member of the board and a loan officer for a number of years.

Ronald Kristensen will take over Mr. Burchfield's loan officer duties. Mr. Kristensen has been a bank employee for the past five years. Prior to that he worked in a finance company.

Correction!

In the list of "Largest Banks in South Dakota, the 1984 and 1985 figures were inadvertently exchanged for Farmers State Bank, Winner, ranked 14th among the largest banks. Deposits for 1984 were \$71,060,000 and loans were \$39,816,000. In 1985, deposits were \$74,321,000 and loans were \$35,612,000. The error does not change the bank's ranking.



ROY W. TERWILLIGER
1st Vice President



CLINTON D. KURTZ
President



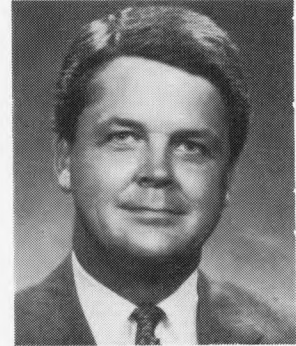
JAMES R. JORSTAD
2nd Vice President



TRUMAN JEFFERS
Exec. Vice Pres.

96th Annual Minnesota Bankers Association Convention

June 2-4
Radisson St. Paul Hotel



SCOTT JONES
Treasurer

THE Minnesota Bankers Association will hold its 96th Annual Convention at the Radisson St. Paul Hotel, June 2-4, 1986.

Clinton Kurtz, MBA president and president of Citizens State Bank, Norwood, will preside over the three-day convention.

During the general business sessions, new MBA officers will be elected for 1986-87. Endorsed candidates are Roy Terwilliger, president, Suburban National Bank, Eden Prairie, for MBA president; James R. Jorstad, president, Citizens State Bank, Hayfield, for MBA first vice president; A. William Sands, chairman, Western Bank, St. Paul, for MBA second vice president; and James Gessell, president Cherokee State Bank, St. Paul, for MBA treasurer.

In addition, three new MBA board of directors members, who were elected by MBA districts last September, will take office after the convention for a three-year term. New board members are Charles Johnson, president, Root River State Bank, Chatfield, MBA District 1; John F. Campe, president, Klossner State Bank, MBA District 2, and James H. Hearon III, chairman, National City Bank, Minneapolis, MBA District 5.

In addition to the general sessions, special interest

sessions, on current banking topics will be repeated twice daily for the convenience of convention delegates. Nearly 40 exhibits on banking and related products will also be on review.

The MBA 96th Annual Convention will also offer a special spouse's program for spouses of convention delegates, including a special hospitality center and luncheon.

The convention will offer many social activities including men's and women's golf tournaments. The MBA annual banquet will be held Tuesday, June 3.

The Convention planning committee includes: Gerald Bilski, MBA Convention Committee Chairman, Midway National Bank, St. Paul; Richard Klingens, Norwest Bank St. Paul; Rodell Hofland, First Bank Security, St. Paul; Leonard Kiskis, First Bank Minneapolis/St. Paul; Gerald Thomas, Midway National Bank, St. Paul; Mary Lou Terwilliger, Eden Prairie.

Convention speakers were not available at press time. The program runs as follows:

Monday, June 2

A.M.

8:00 Men's golf tournament, Southview Country Club; Mendakota Country Club.
Women's golf tournament, Valleywood Golf



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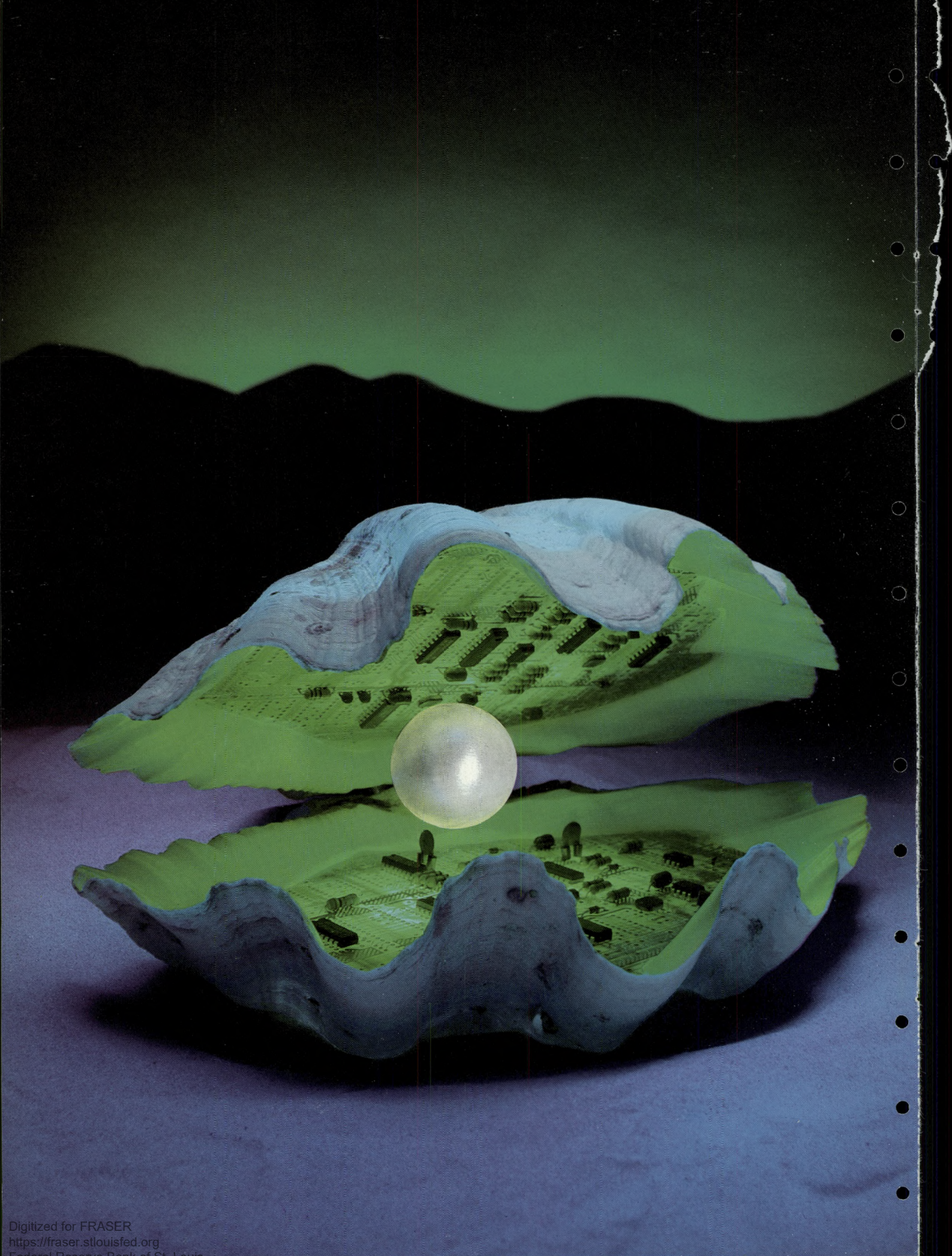
resources of a billion dollar bank to help you meet the challenges of today, and tomorrow.

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FIRST WISCONSIN

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Course.

9:00 Registration desk open

P.M.

1:00 Spouse's hospitality center open

1:00 Exhibits open.

2:30- Special Interest Sessions

3:45

4:00- Special Interest Sessions

5:15

6:30- First Night Hospitality hosted by: American National Bank & Trust Co., St. Paul; First Bank Minneapolis and First Bank St. Paul; Marquette Bank Minneapolis and Norwest Corporation.

Tuesday, June 3

A.M.

7:30 Registration desk open

8:00 Fellowship Breakfast

9:00 Exhibits open.

9:00 Spouse's hospitality center open.

9:30- General Session

11:30

P.M.

Noon Luncheons.

- Delegates
- Pioneer and past officers
- Spouses

2:00- Special interest sessions-repeated from Monday.

3:15

3:30- Special interest sessions-repeated from Monday.

4:45

5:15- All convention reception-hosted by MBA members and associates.

6:15

6:30 Annual banquet

Presiding: MBA President Clinton D. Kurtz.

Featuring: installation of 1986-87 officers and board.

Wednesday, June 4

A.M.

8:00 Registration desk open

9:00- General session

11:30

11:30 President's reception

P.M.

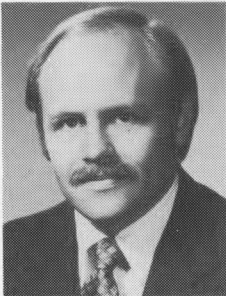
12:15 President's luncheon.

2:30 Convention adjournment. □

Named in Rochester

John C. Mulder has been named president of First Bank Rochester, succeeding Randolph S. Koppa, who has taken a position as a vice president in First Bank System's metro division corporate banking group.

Mr. Mulder joined First Bank System in 1955 as vice president of regional credit for the company's southeastern Minnesota affiliates. He had previously served as president of First Interstate Bank in Racine, Wis. He began his banking career in 1974 at First Wisconsin National Bank of Milwaukee.



J.C. MULDER

ciation.

MBA indicates that the positive portions of the bill, including interest write down and debt restructuring will be rendered inoperable by other provisions, which affect the enforcement of loan agreements. The burdensome, costly, and time consuming requirements of extended mandatory mediation, according to MBA, will only undermine the voluntary mediation program already in progress. In addition, the act will decrease the value of collateral relied on by agricultural leaders, said MBA.

Clinton D. Kurtz, MBA president and president of the Citizens State Bank in Norwood said that agricultural bankers say that the new legislation will bring further deterioration to the current crisis situation in agriculture. He said that lenders will have to restrict credit as a result of the well-intentioned but unwise passage of the legislation.

"Unfortunately," Kurtz said, "the sincere attempt to help farmers will only have the effect of reducing credit and adding cost to many farm borrowers."

St. Cloud Agency Acquired

First Bank System, Inc. has received approval from the Federal Reserve Bank of Minneapolis to ac-

quire Niskern Agency, Inc. in St. Cloud.

The Niskern Agency, which wrote \$2.8 million in premiums and had annual revenues of more than \$350 thousand in 1985, will do business as First Insurance St. Cloud-Niskern Agency. The agency will also become the new Northern Minnesota regional headquarters of First Bank System Insurance.

Elected Pres. in Albert Lea

Daniel L. Brady has been elected president of First Bank Albert Lea.

He succeeds Waldon A. Jensen, who has taken a credit management position with First Bank System in Bismarck, N.D.

Mr. Brady has most recently served in a credit management position for First Bank System in Rochester. Prior to that, he was associated with Norwest Bank in Mason City, Ia., where he was vice president and agricultural department manager. He began his banking career in 1971, when he joined Commercial Trust and Savings Bank in Charles City, Ia.



D.L. BRADY

MBA Calls For Change In State Farm Law

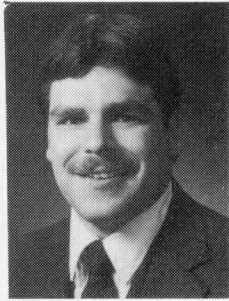
Key provisions of the Farm Bill recently passed by the Minnesota Legislature will drastically reduce the availability of credit in Minnesota agriculture, and should be repealed or altered if the law is to be of help to Minnesota farmers, according to the Minnesota Bankers Asso-

Maplewood Appoints Three

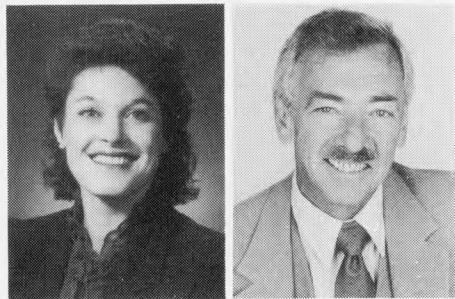
Maplewood State Bank has announced the following appointments: Mark Novitzki has been elected as a vice president, and Judith Blackburn has been elected as a personal banking/marketing officer.

Mr. Novitzki began at the bank in 1983 as a management trainee. In 1984, he was appointed to a loan officer.

Ms. Blackburn started at the bank in 1983 as a teller. Since then, she has held various positions within the bank.



M. NOVITZKI



J. BLACKBURN

B. KENNEDY

In addition to the recent appointments, the bank has hired Bob Kennedy, former principal of Oakdale Elementary School, as director of customer relations. His duties include maintaining close relations between the bank and its customers and helping new and potential customers become acquainted with the bank's services.

Employed in Brainerd

Lee Mielke, president of First Bank Brainerd, has announced the employment of James D. Holle as vice president in commercial lending. Mr. Holle has been with First Bank System for four years and most recently held a position as a regional credit specialist. He was previously a commissioned national bank examiner with the OCC.



J.D. HOLLE

Changes Made in Brainerd

The board of First American Bank of Brainerd recently named Beverly Marx as assistant vice president, human resources/security officer.

Ms. Marx joined First American Bank in 1970 and has held various positions including: teller, loan secretary, executive secretary to the president, and personal banking manager prior to her duties in the personal department.

In addition to this promotion, the Bremer Financial Services Corporation, of which First American Bank is a member, recently selected Ms. Marx to serve as the regional human resources officer, representing Region III in the Bremer Financial Services network.

First American Bank of Brainerd has announced that Debbie Jelacie has joined the bank's downtown office as a real estate loan representative. She has eight years of financial institution experience.

The bank has also announced that Dan Cymbaluk, real estate representative, will be returning to Crookston to join his family farming operation.

Two Named V.P. in Rochester

Norwest Bank Rochester has announced that Beverly Simpson has been named vice president and manager/consumer lending. She was most recently vice president and manager of the Green Meadows and Northside offices. Ms. Simpson, who joined the bank in 1956, was elected assistant vice president in 1973 and promoted to vice president and manager of the Green Meadows office in 1977.

Ms. Simpson replaces Carla Kilpatrick, who recently announced her resignation and plans to move to Florida.

Betty A. Beck, retail service manager, has been promoted to vice president and manager/retail services. She joined the bank in 1982 and was elected marketing officer later that year. In 1984, she was promoted to retail services manager.

MBA Adds School

The Minnesota Bankers Association has announced it will sponsor a

new bank operations school in February, 1987. The school's one-week resident session will be held at the Radisson Arrowwood in Alexandria February 23-27, 1987. The comprehensive school curriculum is based on the American Bankers Association Professional Development Program.

The school's purpose is to prepare present and future operations level managers to effectively and efficiently manage the operations and related functions of a bank.

The school is open to present and future operations managers who are employees of member banks of the MBA. Prerequisites for admission include a minimum of one year in a supervisory capacity or five years banking experience; and successful completion of various AIB courses.

Added in Thief River Falls

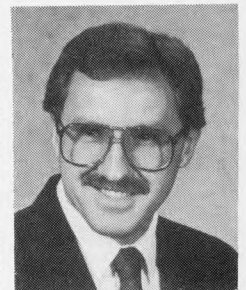
Northern State Bank of Thief River Falls has announced that Kyle Anderson has joined the staff as an installment loan officer. He came to the bank from Heights Finance Corporation of Thief River where he served as assistant manager.

Two Named in St. Cloud

Dan Hesterman has been named a commercial lending officer at Zapp National Bank, St. Cloud. He has been with the bank for two years. Mary Kay Pfannenstein has been named a sales manager. She has been with the bank for eight years.

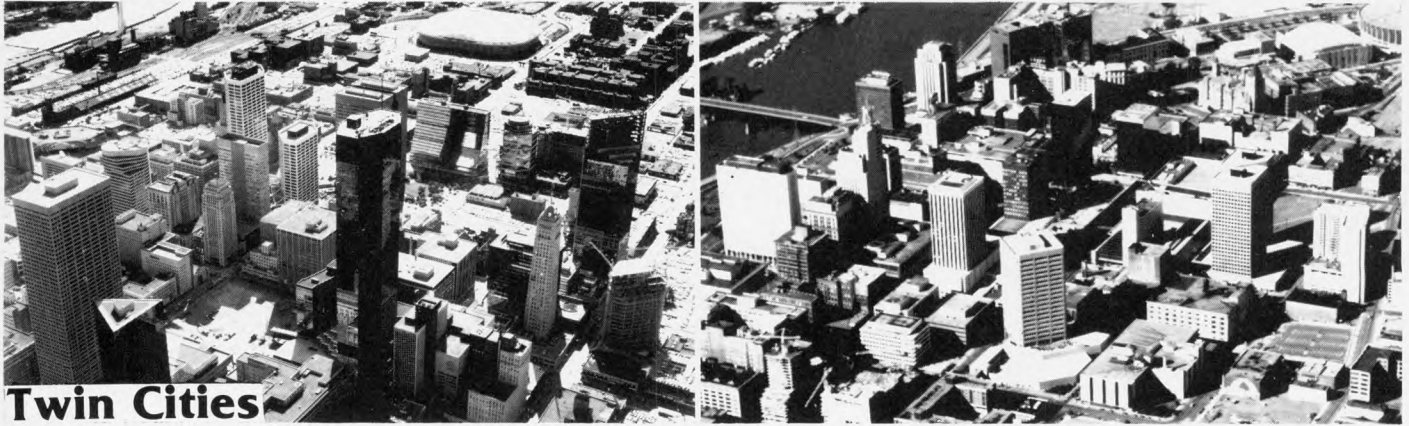
Elected in Hastings

Norwest Bank Hastings, N.A. has announced that Albert E. Patten has been elected as an agricultural banking officer. Mr. Patten joined Norwest Bank Hastings this year following his association with the Central Iowa Production Credit Association.



A.E. PATTEN

He is a graduate of the University of Wisconsin, Platteville where he received a BS degree in Agricultural Economics.



Twin Cities

Norwest Bank Minneapolis has named **Edgar M. Morsman, Jr.** to the new position of senior vice president and chief lending officer for corporate banking activities in the Twin Cities area.



E.M. MORSMAN, JR.

Mr. Morsman is the author of a widely-used textbook on loan management. "Effective Loan Management" is the industry's first comprehensive reference guide for loan managers.

President of Norwest Bank Rochester since 1982, Mr. Morsman was elected to the additional posts of chairman and CEO of Norwest Bank Dodge Center in 1984. Before moving to Rochester from Minneapolis he was responsible for loan administration policy and procedures for Norwest Affiliate banks.

He joined Norwest Bank Omaha in 1969 after two years as a finance and intelligence officer with the U.S. Army and six years with Morgan Guaranty Trust Company as a loan officer in Portugal, Spain, Italy and Greece.

* * *

Randolph S. Koppa has been named vice president and group head for the food products/agribusiness and wholesale/retail divisions of the First Bank System Metropolitan Division corporate banking group.



R.S. KOPPA

Mr. Koppa, who has been president and managing officer of

First Bank Rochester since 1983, was vice president and division manager in the metropolitan division of Continental Illinois National Bank in Chicago. He held positions as branch manager in Greece, The Netherlands and Italy.

He started his career with Bank of America in 1966 as an international lender in San Francisco and was later assigned to the Singapore office.

* * *

St. Anthony Park State Bank in St. Paul has recently announced the following

changes in its official staff: **Charles Hanneman** from vice president to senior vice president; **Laird Anderson** from vice president/senior lending officer to vice president/business development;



S. FILLHOUER

Tamara Peterson from marketing director to marketing and training director, and **Sharla Fillhouer** from teller supervisor to consumer banking officer.

Mr. Hannema joined the bank in 1984, after working as a commercial banking officer in the First Bank System and a branch manager of First Bank St. Paul's Shoreview office.

Mr. Anderson has had prior banking experience at First Bank St. Paul, Norwest Bank St. Paul, and National City Bank.

Miss Peterson joined the bank in 1980 and has had the positions of customer service, trainer, supervisor and marketing representative.

Ms. Fillhouer gained prior banking experience at First American Bank in Redwood Falls.

The First Banks recently announced the promotions of **Richard L. Peterson** to senior vice president, real estate finance department, First Bank Minneapolis and First Bank Saint Paul; **Gerald L. Reichwald** to senior vice president, special loans real estate, First Bank Minneapolis and First Bank Saint Paul; **Harlee E. Goldsteen** to vice president, special loans real estate, First Bank Minneapolis, and **William M. McRostie** to vice president, special loans real estate, First Bank Saint Paul.



R.L. PETERSON



G.L. REICHWALD



H.E. GOLDSTEEN

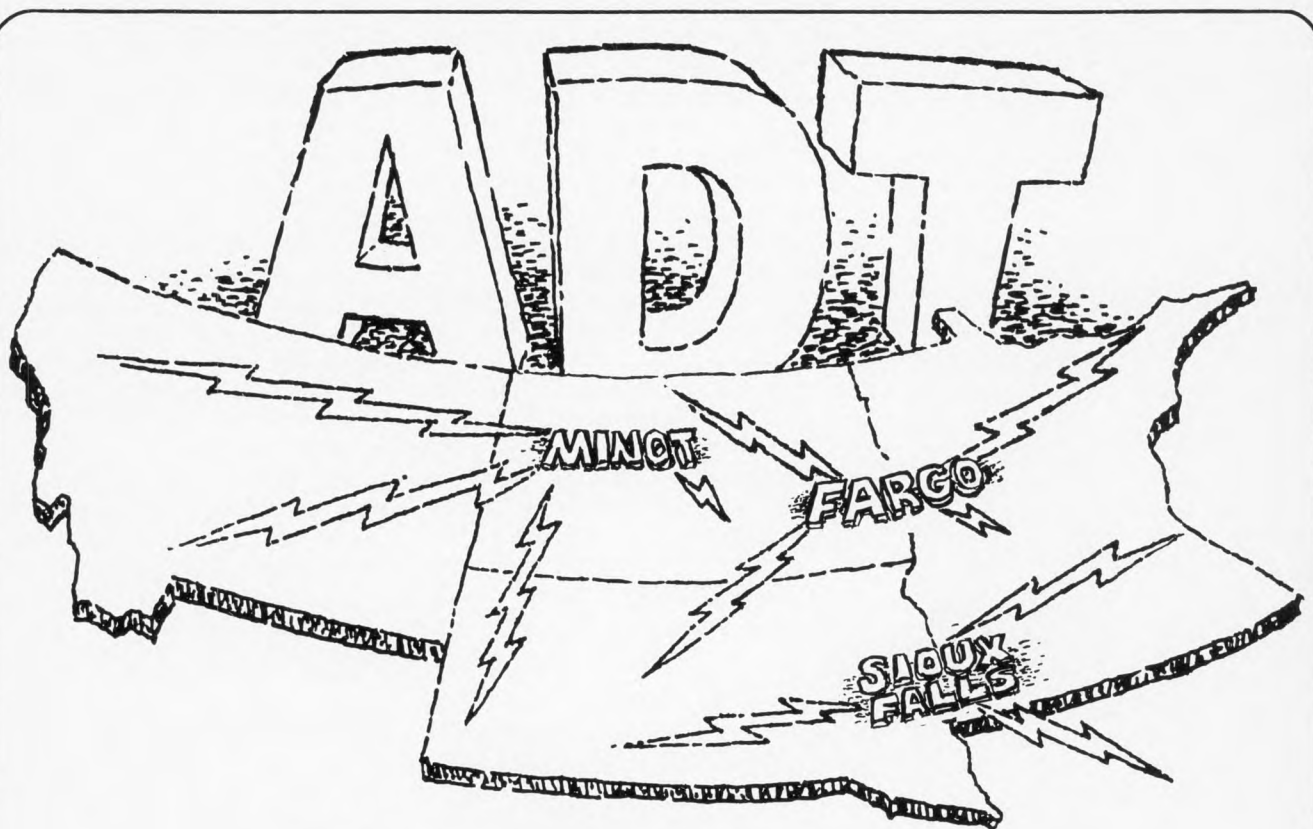


W. McROSTIE

Mr. Peterson joined First Bank Minneapolis in 1972 as a credit analyst and had been vice president in the real estate finance division I since 1982.

Mr. Reichwald, who joined First Bank Minneapolis in 1965 in trust real estate, had been vice president in real estate banking, First Bank Saint Paul since 1985.

Ms. Goldsteen, who joined First Bank Saint Paul in 1985, had been



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assistant vice president in real estate.

Mr. McRostie, an attorney, joined First Bank Saint Paul in 1984 as a real estate officer. He had been assistant vice president in real estate banking/special loans since 1985.

* * *

American National Bank of Saint Paul has announced that **Sabina Sten**, vice president, has been promoted to manager of the executive and professional department.

Ms. Sten joined the bank in 1984 as vice president in the commercial loan



S. STEN

department, and in 1985, became a member of the executive and professional department. Prior to joining American, she had over 10 years of banking experience with First Bank Minneapolis.

Dean Cadry and **Richard Goiffon** have joined the commercial banking department as assistant vice presidents.

Mr. Cadry has most recently been employed by Richfield Bank and Trust in the commercial lending department. Prior to that, he was with Cargill Leasing Corporation as account manager, and with Norwest Bank St. Paul as a lending officer.

Mr. Goiffon came to American from First Minnesota where he most recently served as assistant vice president in commercial lending.

* * *

Roger H. Scherer, president and CEO of Scherer Bros. Lumber Company, Minneapolis, has been named to National City Bank's board of directors. He is also president and CEO of Truss Manufacturing Co. and a general partner of Scherer Ltd.

Dr. Walter W. Heller, Regents Professor of Economics, University of Minnesota, is retiring from the board. He has been a director since 1964. He will remain a director of National City Bancorporation.

* * *

American Bancorporation Inc. has announced that **Donna R. England** has been promoted to director of internal audit. She joined AIB's

lead bank, American National Bank of Saint Paul in 1982 as an accounting officer. In 1984, she was promoted to assistant cashier.

* * *

David E. Zinschlag has joined Bremer Financial Services, Inc. as vice president-insurance education and training/marketing.

Mr. Zinschlag had been with PrideMark North Central, Inc. as president and CEO. Prior to that, he held various positions at Anchor Casualty, CNA Insurance Company and Security Insurance Group. He also owned and operated a multi-lines independent insurance agency in Lake Elmo.

CHICAGO NEWS...

(Continued from page 31)

Richard M. Delaney has been named vice president, marketing for W.N. Lane Interfinancial, which includes the Chicago area Lane banks. He succeeds **Paula T. Bartholome**, who left the Lane banks to manage the campaign of **Kevin McCarthy**, republican congressional candidate in the 20th district of Illinois.



R.M. DELANEY

Prior to joining Lane, Mr. Delaney was manager of advertising and promotional planning for Montgomery Ward Corporation, Chicago. Previously, he was vice president of marketing at ITT Consumer Financial Corporation, Minneapolis, and marketing manager at Continental Illinois National Bank.

* * *

Gregory G. Cromwell has been promoted to vice president of personal banking, and **Brenda A. Rifenberg** to vice president and cashier at the Community Bank of Edgewater.

Mr. Cromwell was assistant vice president and assistant manager, personal banking at Michigan Avenue National Bank in Chicago.

Prior to her promotion, Ms. Rifenberg was a cashier and corporate secretary at the Community Bank of Edgewater. Previously she served as an operations officer for the Bank of Chicago.

The Chicago Bank of Commerce will open its third downtown facility in June on the first floor of the 200 North LaSalle Building in Chicago.

Pending regulatory approval, the bank will be located at the main entrance of the 30-story office tower and will offer a full-service commercial and retail banking center as well as a 24-hour automatic teller.

George McCarthy, president and CEO of the bank, said the selection places the bank in a geographically strategic location which will enable it to maximize the North Loop marketplace potential.

The 625,00 square foot office building has been developed by The Palmer Group Ltd. for Teachers Insurance and Annuity Association.

* * *

Mark A. Shekerjian has been named assistant vice president of commercial loans, and **Grant A. Cowen** has been named a commercial loan officer at Amalgamated Trust and Savings Bank.

Mr. Shekerjian joined the bank from his position as assistant vice president of commercial loans at Parkway Bank and Trust Company, Harwood Heights. Mr. Cowen's previous experience includes working as a bank examiner for the State of Illinois Commissioner of Banks and Trust Companies.

* * *

Robert D. Sanford has joined Drovers Bank of Chicago as an EDP auditor. Mr. Sanford, who has 16 years of banking experience, previously worked with the First National Bank of Chicago in both EDP operations and more recently EDP audit.

* * *

David L. Keller has been elected to the North Shore National Bank's board. Mr. Keller is currently executive vice president of the bank and manager of loan services and administration for Affiliated Banc Group.

* * *

Kenneth J. Douglas, chairman and CEO of Dean Foods Company has been elected to the board of American National Corporation. American National is the holding company for American National Bank and Trust Company of Chicago.

Montana

R. Timmerman, pres., Butte
J.T. Cadby, exec. v.p., Helena



tural department. In 1973, he left his position as vice president to fulfill a dream of becoming a full-time rancher.

NABW Conf. Set for June 6-7

Focusing on "Managing for Profit," the Montana State Conference of the National Association of Bank Women, Inc., will be held June 6-7 at Grouse Mountain Lodge, Whitefish.

G. Virginia Higinbotham, vice president of Park View Management Services Corporation and former vice president of United Bank, Pueblo, Colo. will speak on "Competing on a Shifting Playing Field" during the general session. Also scheduled to speak are W.E. "Buster" Schreiber, vice president-elect of Montana Bankers Association; Mary Craig, owner of Mary Craig and Associates CPA firm and former director of the Montana Department of Revenue, and Claudia J. Inman, national director of the northwest region of NABW and assistant vice president, Bank of California, N.A., Portland, Ore.

Workshops will also be offered during the conference.

Assisting Muffie Thomson, the conference chairman and assistant vice president, Flathead Bank of Bigfork, in the planning are area bankers: Patricia Birk, assistant vice president, First Interstate Bank, N.A., Kalispell; Marlene I. Havens, cashier, Mountain Bank, Whitefish; Barbara Hoyt, assistant vice president, First Interstate Bank, N.A., Kalispell; Pam Purcell, assistant cashier, Flathead Bank of Bigfork; Sharon Thomson, assistant vice president, Bank of Columbia Falls, and Lorine R. "Rene" Zukowski, credit operations officer, First Interstate Bank, N.A., Kalispell.

Women Bankers in Billings

Nearly 60 women bankers gathered at the Sheraton Hotel in Billings on April 4, to attend the Women Bankers Conference sponsored by the Montana Bankers Association. The conference was designed to address issues of management and professionalism specific to women in the marketplace.

The conference was put on by the newly-created Women Bankers committee of the MBA, and had an estimated economic impact of \$16,400.

MBA Makes Nominations

W.E. "Buster" Schreiber, president of Mountain Bank of Whitefish, has been nominated by the MBA Board of Directors for president of the association. The board's other nominations include: James Bennett, president of Citizens Bank of Billings, for MBA vice president; Lynn Grobel, president of First National Bank of Glasgow, for MBA treasurer, and Richard Timmerman, president of First Bank Butte, for immediate past president.

Elections for MBA officers will be held at the 1986 convention and annual meeting to be held in Kalispell, June 25-27. Nominations may be made from the floor.

The board also met with Governor Ted Schwinden and proposed that the state consider participating with Montana bankers in the Farmers Home Administration plan for interest rate buydowns as a solution to the ag situation.

Under the plan, Montana bankers would offer capital to qualify ranchers and farmers through the FmHA buydown program and the state would participate with an additional one or two percent buydown on the interest rate. An ag borrower could possibly receive a four or five point decrease in interest rates if this proposal took effect.

Changes Made in Cut Bank

Chris Owens has been promoted to senior vice president at First National Bank of Cut Bank. He joined the bank in 1969. Vince Taylor has joined the bank as vice president. He leaves the Pondera Bank of Conrad as president.

Tom Kuka has been promoted to assistant vice president in the commercial loan department. He joined the bank in 1981. John Swanz has been elected to the board. He is a Judith Gap area rancher.

Forsyth Bank Purchased

A purchase agreement has been signed for the sale of First Bank Forsyth. The bank, which had year-end assets of \$60.4 million, will be purchased by all 23 of the bank's employees and its six directors including Albert A. Martens, vice president.

The sale is pending regulatory approval. Specific terms of the purchase have not been disclosed.

Two Join Great Falls Bank

Village Bank of Great Falls has announced that Richard R. Melone has joined the bank as manager of consumer loans, and Michael L. DeMarco as cashier.

Mr. Melone has several years of consumer lending experience, most recently with First Interstate Bank, Great Falls. He was also with Olympic Bank, Everett, Wash., First Bank Great Falls, and Security Pacific Bank in Los Angeles, Cal.

Mr. DeMarco is returning to banking after six years in the retail business. He had last held the assistant vice president/commercial lending position at First Bank Great Falls. He was employed with First Bank for 13 years.

Elected in Great Falls

Fred J. Hashley has been elected as assistant vice president of Central Bank of Montana, Great Falls. Mr. Hasley's banking career began at Norwest Bank, Great Falls, in 1976. He served as an installment loan collector, installment loan officer and in 1984, was elected a commercial loan officer.

Rejoins Hamilton Bank

After an absence of some 13 years, Don McGourty has rejoined the staff at Citizens State Bank in Hamilton as an agricultural loan officer. When he came to the bank in 1962, he was in charge of the agricul-

North Dakota Banking.



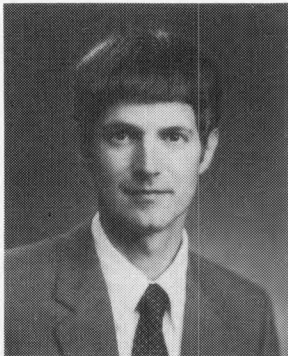
WILLIAM M. SANGER
President



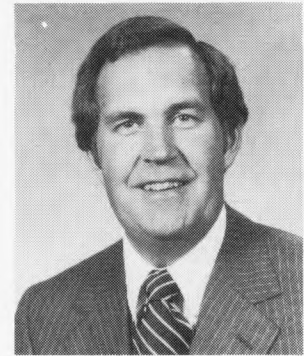
Together...
We're Building
a Better
Tomorrow.



HARVEY HUBER
Pres.—Elect



HARRY J. ARGUE
Exec. Director



JOHN PIERSON
V.P./Treasurer

1986 Annual
**North Dakota Bankers
Association Convention**

June 9-10
Holiday Inn, Fargo

WITH "Together...We're Building A Better Tomorrow" as the theme, this year's annual convention of the North Dakota Bankers Association reflects the need for all commercial banks, regardless of size, to work in harmony. The theme ties in with NDBA's present television advertising campaign.

The convention will be held June 9-10 at the Holiday Inn, Fargo. A number of guest speakers are scheduled, and entertainment at the convention banquet Tuesday night will be provided by Danny Davis and the Nashville Brass, winners of several Country Music Association's best instrumental group of the year awards.

Presiding at this year's convention will be NDBA President William M. Sanger, president of First Bank, Wahpeton. He has been assisted this past year by President-Elect Harvey Huber, president of Union State Bank, Hazen; NDBA Vice President/Treasurer John Pierson, president, Norwest Bank Minot, and NDBA Executive Director Harry J. Argue, Bismarck. The program schedule follows:

Monday, June 9

A.M.

- 9:00 Ladies' golf tournament (18 holes), Prairie-wood Golf Course.
10:00 Men's golf tournament (18 holes), Oxbow Country Club.

P.M.

- 12:00- 7:00 Registration desk open, Lobby.
6:00- 7:00 President's reception — Pool Patio.
7:00 Dinner — Great Hall.
• "Gift of Laughter"—James "Doc" Blakely, Wharton, Texas.

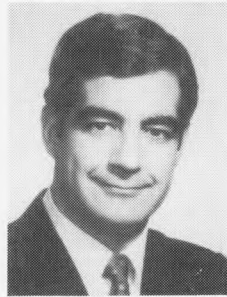
Tuesday, June 10

A.M.

- 7:30 Prayer breakfast — Great Hall
• Presiding: D.N. Hammerstrom, president, West Fargo State Bank, West Fargo.
• Invocation and Memorial Service; Pastor Thor Rykken, Faith Lutheran Church, West Fargo.
• "Why You Are the Way You Are"—Dr. Kevin Leman, Christian Psychologist, Tucson, Arizona.
9:30 General session — Harvest Hall
• Call or order—NDBA President William M. Sanger, president, First Bank, Wahpeton.
• Recognition of NDBA executive councilmen and 1985-86 committee chairmen.
• Presentation of 40 and 50-year banker awards.
• Recognition of NDBA past presidents.
9:50 "The Nation's Economy - Where Are We Go-



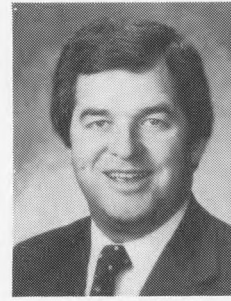
A. LINKLETTER



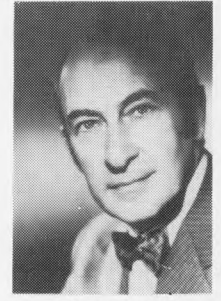
W. ISAAC



DR. K. LEMAN



M.W. OLSON



I.R. LEVINE

ing?"—Irving R. Levine, NBC News economic affairs commentator, Washington, D.C.

10:30 Break

10:50 Insurance presentation

11:20 NDBA business meeting

- President's report.
- Nominating committee report: Les Nesvig, chairman, NDBA nominating committee, president, First State Bank, LaMoure.
- Election of officers.
- Vote on proposed NDBA bylaws amendments.
- NoDakBankPac Progress Report—Roger Berglund, NoDakBankPac chairman, president, Dakota Western Bank, Bowman.
- Election of North Dakota Banking Leadership Conference Delegate—Les Nesvig, ABA state vice president for North Dakota, president, First State Bank, Lamoure.

P.M.

12:15 Delegates' luncheon—Great Hall

- Presiding: Terry Zeltinger, president, Tower County State Bank, Cando.
- Invocation: Pastor George Buchin, Community Presbyterian Church, West Fargo.
- News update: Charlie Johnson, KXJB-TV, Fargo.

• Presentation of golf awards—Jack Holm, Norwest Bank, Fargo.

• "Yes You Can!"—Art Linkletter.

2:00 Address: Mark Olson, ABA president-elect, president, Security State Bank, Fergus Falls, MN.

2:15 Address—William M. Isaac, president, The Secura Group, Washington, D.C.

3:15 Break

3:30 "Let's Push the Wheelbarrow Right Side Up"—Orion Samuelson, farm service director, WGN Radio and TV, Chicago, IL.

4:30 Recess

7:00 Reception—Pool/Patio.

8:00 Convention banquet—Great Hall

- Master of ceremonies: Jerry Woods, Managing director, North Dakota First Banks, Fargo.
- Invocation: Rev. Arthur Grimstad, associate professor, Religion, Concordia College, Moorhead, MN.
- Installation of 1986-87 NDBA officers
- Entertainment: Danny Davis and The Nashville Brass. □

NORTH DAKOTA NEWS...

(Turn to page 70, please)

Wyoming

H. Kreycik, pres., Douglas
G. Tea, exec. dir., Casper



First Wyoming Affiliates Purchase Banks

First Wyoming Bank, N.A.—Green River has purchased certain of the assets and assumed the banking operations of First National Bank of Green River, effective March 31. The announcement was made by David R. Johnson, chairman, president and CEO of First Wyoming Bancorporation. The First Wyoming Bank has moved its

banking operations into the former First National Bank building in Green River. The banks' combined assets total \$32 million.

Meanwhile, First National Bank of Chugwater has sold certain of its assets and its banking operations to First Wyoming Bank—Wheatland, effective March 31. Combined assets of the banks total \$25 million.

Elected in Sheridan

Dale Cammack has been elected

to the board of the Sheridan National Bank. Mr. Cammack is president of Tracey Resources, Inc., a Sheridan-based petroleum products marketing firm.

Elected Pres. in Cheyenne

Eugene T. Haynes has been elected president of the Western Bank of Cheyenne. He comes to Cheyenne from Douglas.

In addition, Terri L. Baker has been appointed cashier of the bank, and John C. Macleod has been elected vice chairman of the board.

Named in Cody

Dale Smith has been named vice president and manager of commercial loans at First Wyoming Bank-Cody. His most recent position was executive vice president and senior loan officer at First Wyoming Bank in Big Piney.

If we're not your correspondent bank, you're writing off the best service in the region.

Frankly, you're short-changing yourself and your customers by not using First Interstate Bank of Denver as a correspondent bank.

That's because no other bank in the Rocky Mountain region approaches our experience, resources, and breadth of products.

You're missing the business know-how of the region's oldest bank, one that understands your market and has helped large and small financial institutions succeed for over 100 years.

You're missing the strength and flexibility of the multistate First Interstate Bank system, with more than \$49 billion in assets.

And you're missing a range of comprehensive and technically advanced products that can be tailored to your needs today and tomorrow.

Specifically, you're overlooking:

Cash letter processing that gives you excellent availability and competitive pricing.

A proven commitment to extending credit.

Participations that offer flexibility and fast turnarounds.

Investment products and expertise from the region's leading investment department.

International services that offer access to First Interstate's worldwide network.

The most advanced cash management systems, along with complete consulting and support.

Third-party cash management services that will meet the needs of your customers.

And you can buy federal funds at national rates in amounts as low as \$50,000 on approved credit.

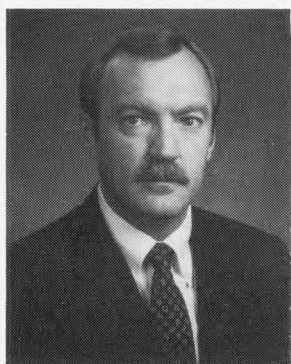
To learn more, call Bob Swartz now at (303) 293-5600. Whether your operation is large or small, you have a lot to gain from the best correspondent banking services in the Rocky Mountain region.



First Interstate Bank

First Interstate Bank of Denver
633 Seventeenth Street, Denver, Colorado 80270

Member FDIC



A.J. "TONY" ANDERSON
Vice President



ROYCE B. CLARK
President



DON A. CHILDEARS
Exec. Manager

85th Annual Colorado Bankers Association Convention

June 4-7
Broadmoor Hotel
Colorado Springs

THE 85th annual convention of the Colorado Bankers Association gets underway June 4-7 at The Broadmoor Hotel in Colorado Springs. "Bankers: Proud of the Difference We Make" is this year's convention theme.

This year's convention promises a host of excellent speakers, bigger and better exhibits, and terrific social events. In addition to the general sessions, convention attendees may participate in Discovery Sessions or four workshops.

Presiding at this year's convention is CBA President Royce B. Clark, chairman and president, Intra-West Bank, Greeley. He has been assisted this past year by Vice President A.J. "Tony" Anderson, president and CEO, The Kiowa State Bank, Kiowa, and Executive Manager Don A. Childears.

The convention program follows:

Friday, June 6

A.M.

9:00- Noon Annual CBA President's Address—Royce B. Clark. Election and Installation of 1986-87 CBA Officers.

"High Performance Banking in the Colorado Economy"—Alex Sheshunoff, founder of Sheshunoff & Company.

"Feeling Upbeat About Yourself, Your Profession & Your Future"—Heartsill Wilson, author, consultant and professional speaker.

P.M.

Noon Luncheon—At this time, United States Space Foundation Executive Director Richard P. MacLeod will provide an informative review of our nation's space program and its future. Also awards will be presented:

- Departed Friends of the banking industry
- 50-Year Club
- Special Thanks for Years of Service as CBA Legal Counsel—Bruce T. Buell and Richard M. Koon
- Special Legislative Awards to several supportive legislators
- Gift to CBA President Royce B. Clark
- Convention Tournament Winners

- 2:00- 3:15 Two simultaneous sessions—Billy C. Wood, deputy comptroller for the Western District of the Comptroller of the Currency. Richard B. Doby—Colorado's State Bank commissioner and chairman of the state banking board.
- 2:00- 3:15 'Personal Tax Planning'—Dinah L. Lewis, a Denver tax lawyer and CPA. This session on tax planning for individuals focuses on tax problems that bankers and spouses frequently encounter, along with strategies to minimize individual and estate taxes. Also included will be a review of important recent tax changes.
- 3:30- 4:45 Two simultaneous sessions—Roger Guffey, president of the Federal Reserve Bank of Kansas City. Sidney M. Carroll—FDIC assistant regional director based in Dallas.
- 3:30- 4:45 "Creative Entertaining in the Home" Emphasis is placed on *fun* and the creative use of many kinds of foods and beverages (with and without alcohol) that promise to make you a memorable entertainer. This includes a brief

review of your legal liability regarding alcohol-related injuries and your guests.

4:45 Adjournment.

Saturday, June 7

A.M.

7:30- 8:50 Continental Breakfast.

During a complimentary continental breakfast from CBA, discuss any issue you choose with your fellow bankers. You determine the agenda! Sit at any table with bankers of your choice and discuss legislative issues, expense control methods, productivity improvements, asset/liability management, D&O and blanket bond, ag lending, Colorado banking's future...

9:00- Noon General Session—A.J. "Tony" Anderson presiding.

"Banking Issues and Challenges"—Donald T. Senterfitt, president of the American Bankers Association and Vice Chairman of Sun Trust Banks in Orlando, Fla.

• Election of Colorado Delegate to ABA Banking Leadership Conference.

• CBA Resolutions and Bylaws Amendments "Risk in Banking: The Art of Managing Events You Can't Control"—John R. Segerstrom, chairman of Segerstrom & Co. bank consulting firm.

An overview of risk in the deregulated banking environment, focusing on financial and regulatory risk, recognizing key points of control, establishing policy to manage exposure, and measuring actual performance. □

You Will See Them at the 85th Annual Colorado Bankers Convention June 4-7

THE following metropolitan bankers and service and equipment dealers have indicated they will be attending the 85th annual convention of the Colorado Bankers Association June 4-7.

Denver

Central Bank of Denver: Mads Anderson, president, Central Bank of North Denver; John Stafford,

president, Central Bank of Academy Blvd., and Peter McQuire, executive vice president, Central Bank of Academy Blvd.

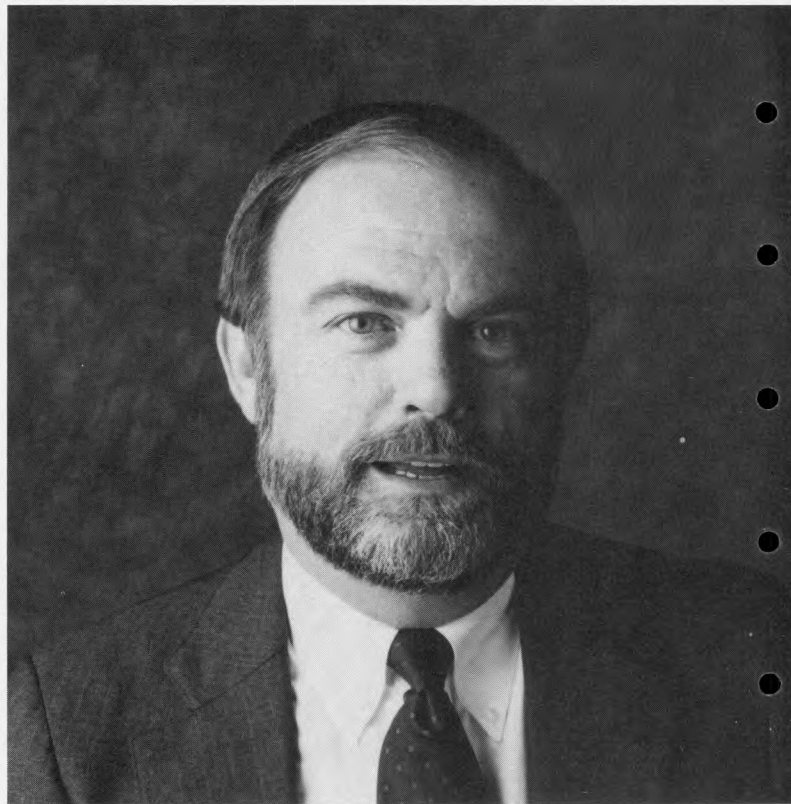
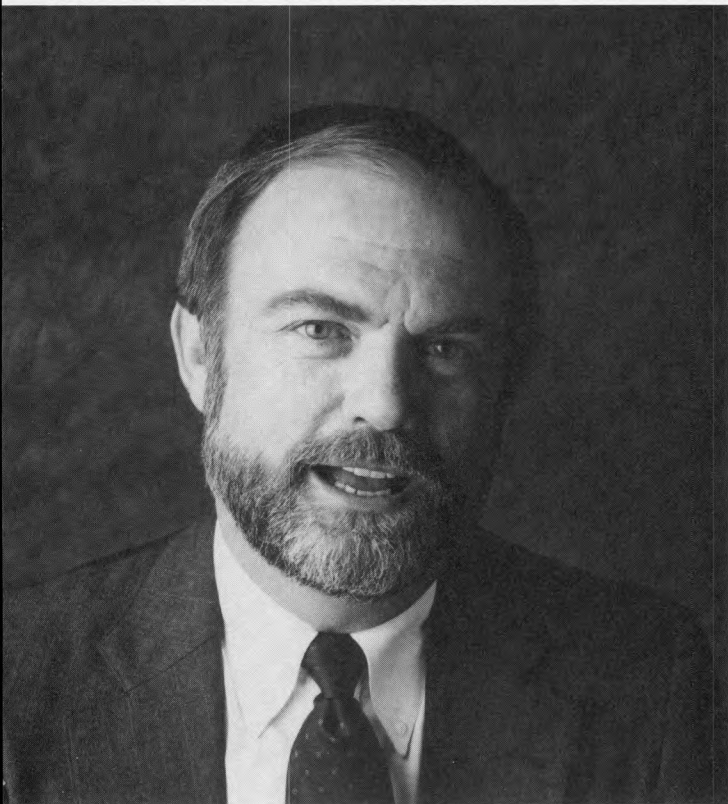
Colorado National Bank: Douglas H. Kelsall, vice president and regional group manager; Larry G. Matthes, vice president, and Ursula M. James, Celeste E. McLane, and Elizabeth H. Hund, assistant vice

presidents.

First Interstate Bank of Denver: Bob Lee, chairman; Bob Malone, president and CEO; Rod Uhrich and Bob Smith, executive vice presidents; Jack Panter, senior vice president; Bob Swartz, vice president, manager correspondent banking; Kirk Reed, Tom O'Hara, and Jack Bell, vice presidents, and Pat Amburch and Deb Kelly, assistant vice presidents.

Kansas City

United Missouri Bancshares: Lyle



As a correspondent banker for over 12 years, I've helped holding companies and individual investors finance new bank charters and acquire existing banks.

Central Bank of Denver is a banker's bank. We understand your management information and accounting needs. And we can provide our respondent customers with bank-related software, ranging from board reporting to loan documentation.

Wells, vice chairman; Phil Straight, executive vice president; Dick Muir and Jeff Goble, vice presidents, and Mark Bailey, bond investment officer.

Bank Equipment and Other Firms Bank Building Corporation, St. Louis, Mo.: Bob Owens.

Central States Health & Life, Omaha, Neb.: Pat Keitges, regional vice president, and Judy Straayer and Foster Daniels, regional managers.

Advanced in Denver

United Bank of Colorado, Inc., Denver has announced that Margaret A. McKechnie has been named director of corporate communications. Working with Ms. McKechnie are Jay Fell, manager of financial communications and Linda Watson, manager of employee communications.

United Banks has also announced the election of Richard S. Watt as chairman of United Banks Service Company. He will continue to serve as president of United Banks' data processing subsidiary.

Promoted in Denver

Scott A. Karas has been promoted to senior vice president and manager of retail banking at First Interstate Bank of Denver. Mr. Karas replaces Gary J. DeFrance, who recently was named president and CEO of First Interstate Bank of Englewood.



S.A. KARAS

After serving as senior vice president and chief financial officer of First Interstate Bank of Idaho in Boise, Mr. Karas joined the Denver bank in 1983. He has 15 years of banking experience, most recently as senior vice president of planning and analysis.

Changes Made in Englewood

First Interstate Bank of Englewood has appointed Roland Muhrer as senior vice president. Mr. Muhrer has been with the bank for 21 years

most recently as vice president and manager of marketing and new accounts.

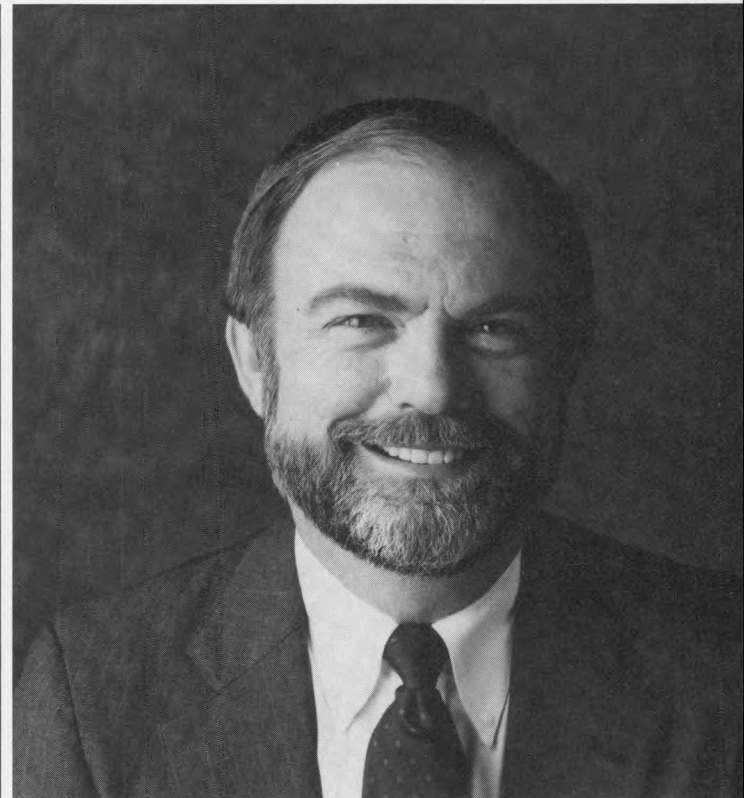
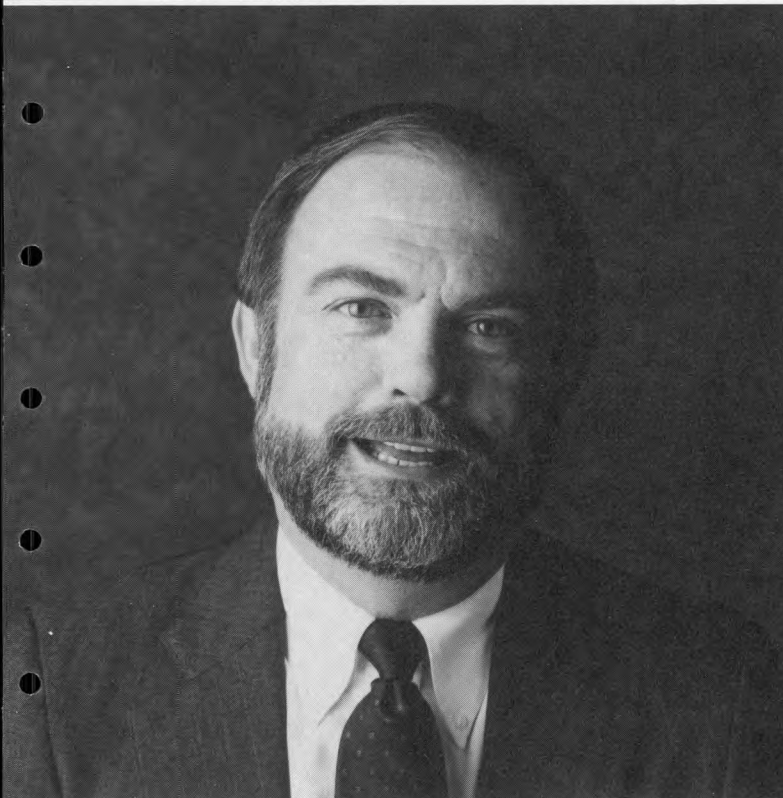
The bank has also added Robert J. Malone to its board. Mr. Malone is president and CEO of First Interstate Bank of Denver.

Five Named in Boulevard

Mrs. Jerry Sheely, president of Colorado National Bank-Boulevard has announced that Gaylene D. Ellis has been promoted to vice president/loan administration, Michael H. Rickard to assistant vice president/operations, Jeanee Sneed to controller, and Betty J. Dodd to personnel officer. Joseph R. Wolkenstorfer has been named cashier at the bank.

Ms. Ellis joined the bank in 1977 as a loan clerk. She started her career in 1967 and was associated with several banks in the Denver area.

Mr. Rickard joined the bank in 1980, Ms. Sneed in 1964, Ms. Dodd in 1980, and Mr. Wolkenstorfer came to the bank in 1974.



We've earned a reputation of integrity and stability. And our philosophy is to deliver superior services in a responsive and timely manner.

When you call, ask for me, Bill Tumelty. And let's talk Better Correspondent Banking. **The Better Bankers**



Central Bank
Denver

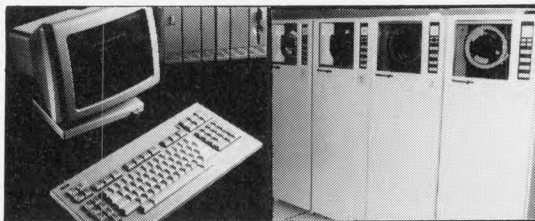
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Full Line of Products

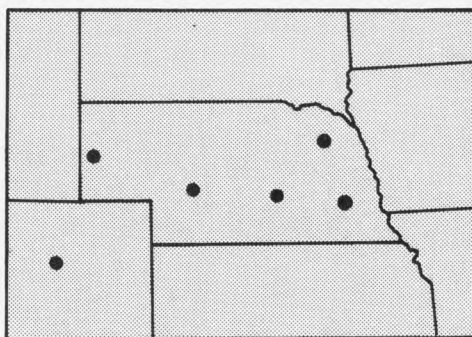
CSC offers a complete line of processing services for banks of all sizes. This includes on-line and ATM support, application systems, and financial planning packages.



CSC also manages data processing costs with a variety of product delivery methods, including Micro Banking, Remote Capture and Balanced Bank.

Dependable Service

The high level of service provided after conversions have been made has kept CSC a data processing leader for banks in the midwest. Technical back-up and customer support are provided through six computer centers strategically located in Lincoln, Grand Island, North Platte, Scottsbluff and Norfolk, Nebraska; and in Denver, Colorado.



You can rely on the knowledgeable staff of CSC to provide the kind of service and back-up that you need in today's fast-moving banking environment.

Established Company

CSC has been in the data processing business since 1966. The company is the largest provider of bank data processing services in Nebraska. An active expansion policy has opened up new markets in Colorado, Kansas and Wyoming.

Bankers Working for Bankers

CSC understands banking. Financial software is developed by bankers for bankers, using the traditional format bankers are already familiar with. They are responsive to banker's needs, and have the expertise and the back-up to keep banks efficient.


■ If you'd like a CSC representative to contact you for a comprehensive analysis of your data processing needs, call 1-800-245-3103 in Colorado. In Nebraska, call 1-800-742-7633.

NBC Computer Services Corporation

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National Bank of Commerce

A  FIRST COMMERCE bank.

Nebraska

M. Adams, pres., Ogallala
S. Matzke, Jr., exec. v.p., Lincoln



Five Promoted in McCook

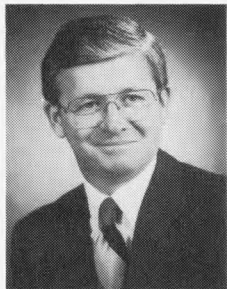
At American State Bank, McCook, Bill J. Blough has been promoted to president, succeeding K.H. Niedan, who will remain chairman of the board. Mr. Blough formerly served as the bank's executive vice president and cashier.

Richard E. Mustion was promoted to vice president in the commercial and agricultural loan department. Other promotions went to James A. O'Dea, cashier, Martha J. Moore, marketing officer, and Roger L. Taylor, vice president—agency manager.

Elected Pres. in Ralston

S. John Bednar has been elected president and chief executive officer of the Ralston Bank. He replaces Arthur H. Denker who died suddenly on March 15.

Mr. Bednar was formerly a vice president in the commercial loan department and has been with the Ralston Bank since last year. Prior to that he was a vice



S.J. BEDNAR

At the time this issue was being mailed, the Nebraska Bankers Association was holding its Annual Convention at the Omaha Red Lion Inn.

C.G. "Kelly" Holthus, president and CEO, First National Bank, York, was scheduled to advance as president of the association, succeeding Mel Adams, Jr., chairman and CEO of Keith County Bank & Trust Co., Ogallala.

The complete convention report with photos will appear in the June NORTHWESTERN BANKER.

president in commercial loans at the Bank of Millard where he worked for 16 years.

Mr. Denker had been president of the bank for 20 years.

Staff Changes in Curtis

R. Scott Wilkinson, president and chairman of the Curtis State Bank, died recently in Omaha. He had been employed and active in the bank since 1940 and was president/CEO since 1947. His son, John S. Wilkinson, was promoted to president last month.

Other board hiring and promotions include: Roger S. Hogeland, vice president; Harold M. Farrar, assistant vice president and cashier and director; Shirley C. Jurgens, assistant cashier, and Suzanne D. Hillmann, director.

Two Appointed in Stratton

At the Commercial Bank in Stratton, Bill D. Zahl has been appointed to president and CEO replacing Robert N. Kehr who has retired.

Richard C. Bernt has joined the bank as vice president replacing Mr. Zahl. Mr. Bernt previously served as a branch manager with the Production Credit Association.

Named in Fort Calhoun

Linda Halford, cashier, has been promoted to vice president/cashier at the Fort Calhoun State Bank. She has been with the bank for 10 years.

Ted Granger, Jr. has been added to the staff as vice president of marketing. He was previously with the Platte Valley Bank of North Bend and the Fremont National Bank and Trust Company of Fremont.

Elected in McCook

Mike Zarzycki has been elected senior operations officer of the First National Bank of McCook. He brings 23 years of banking experience with him. He comes from the First National Bank, Kirksville,

Mo., where he was a senior operations officer.

Bank of Brady Purchases Partial Assets

The Bank of Brady has purchased some of the assets of the recently-closed Maxwell Cooperative Credit Association and has opened a branch office in Maxwell to serve customers of the coop. Reportedly the Bank of Brady will not assume depositors' accounts from the failed institution, which was uninsured.

NBA Announces Committee Chairmen

NBA President-Elect Kelly Holthus has announced the following bankers will chair the association's five standing committees: Jim Fox, First National Bank of Albion, BankPAC Committee; Jack Ayres, Bank of Bellevue, Bank Management Committee; Max Callen, City National Bank, Hastings, Lending Committee; Jim Nissen, Gateway Bank & Trust, Lincoln, Government Relations Committee, and Stan Maly, First National Bank of Lincoln, Marketing Committee.

The bankers will also serve with the 1985-86 chairmen on the Planning Committee, which will be chaired by the President-Elect.

Elected in Norfolk

Richard Moore has been elected as a cashier at the Bank of Norfolk. Mr. Moore was employed with State Federal Savings and Loan in Beatrice prior to joining the bank staff in 1981. In 1984, he was promoted to assistant cashier.

Bankers Graduate

Eighty bankers from Nebraska, Kansas and Missouri have graduated from the 1986 School of Banking Fundamentals held March 17-21 in Manhattan, Kansas.

The program was offered by the Schools of Banking, Inc., an organization sponsored by the Kansas and Nebraska Bankers Associations.

The course featured a revised curriculum designed to introduce the students to basic banking concepts as they relate to the overall operations of the bank.

The Professional Development Program Intermediate School of Banking is scheduled for September 21-26.

FirstTier Correspondents

Our New Name Speaks For Itself.

So Does Our History.



Omaha National and First National Lincoln are now FirstTier Bank Omaha and FirstTier Bank Lincoln. New names for two of the Midwest's most experienced providers of Correspondent Bank Services.

While our names may have changed, our people and commitment remains. As always, you can depend on the FirstTier Correspon-

dents for fast, responsive, personalized service in meeting your needs...the qualities our reputations were built upon.

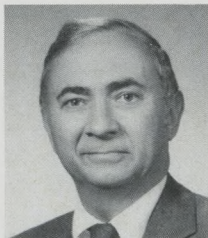
And, as our new name implies, we're dedicated to bringing you the "first tier" of quality in everything we do...backed by more than two centuries of combined experience.

For all your Correspondent needs, remember the name — FirstTier.

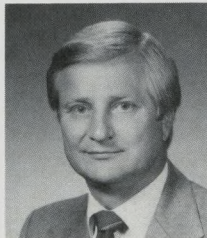


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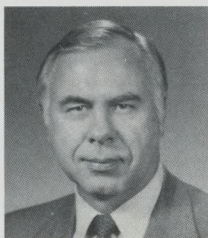
13th & M Sts., Box 81008,
 Lincoln, NE 68501
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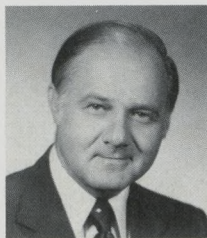
Gary L. Parker
 Vice President / Manager



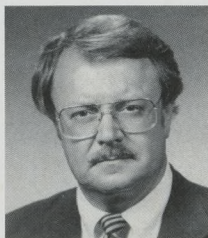
Richard J. Yeshnowski
 Vice President



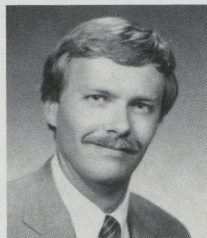
Delmar J. Olson
 Vice President



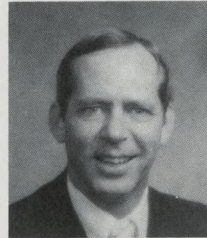
James L. Allen
 Vice President



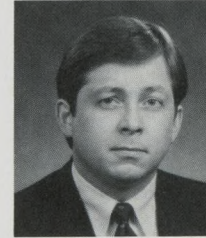
John D. Clements
 Vice President



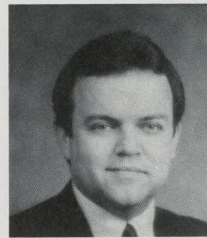
Tim Kyndesen
 Second Vice President



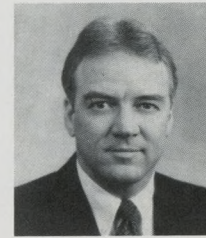
Gary L. Bleck
 Vice President / Manager



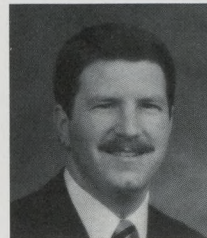
Steve Anderson
 Vice President



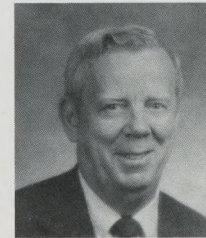
Mark Hahn
 Vice President



Charles Greenway
 Assistant Vice President



Randy Gould
 Assistant Vice President



Charles Ellis
 Operations Manager



Omaha

Chris E. Fenimore has been elected as vice president and trust officer at American National Bank of Omaha. He will supervise the activities of the bank's trust department.

In 1983 Mr. Fenimore became assistant industrial commissioner for the state of Iowa. In 1984, he joined the Hawkeye Bancorporation in Des Moines as a trust officer, and in 1985, was promoted to assistant vice president and trust officer at the State Bank and Trust Company in Council Bluffs.

* * *

Douglas County Bank and Trust Company has announced that **Patrick M. Coyle** has joined the organization as a trust officer.

Mr. Coyle was previously employed with Douglas County Bank and Trust Company from 1976-79. He left in 1979 to pursue a private law practice and after two years, worked as a trust officer for Bankers Trust Company in Des Moines, Ia., and Packers Bank and Trust Company of Omaha.

* * *

First National Bank of Omaha has announced that it has successfully implemented the new M&I Marshall & Isley Loan Management System, marketed and supported by Software Alliance Corporation, Berkeley, Cal., on February 14,

1986.

"To our knowledge, this is the only fully integrated database loan product on the market today..." said **Jim Senter**, First of Omaha vice president.

With a project team consisting of eight programmers and four business analysts, the bank put the system into production within five months. During that time, it also integrated its IMS-based customer information package with the loans product. Upon implementation, First of Omaha converted 7,000 installment loans and 12,000 customers to the new system.

The bank plans to convert all of its commercial loans and mortgage loans later this year.

Because it is fully integrated, the Loan Management System processes all loan products - commercial, installment and mortgage. Its multi-institution, multibranch capability is designed to assist banks in the delivery of any type of loan to any type of customer. The on-line, real time system is characterized by a number of flexible, user-selected, parameter-driven processing capabilities.

Mr. Senter said the system will allow the bank to reduce the manual effort required to service loans and will also put "complete, accurate and up-to-the-minute loan information in the hands of management, lenders, customer service staff and the operations staff."

* * *

Norwest Investment Services is now a wholly owned subsidiary of Norwest Bank Minneapolis. In addition

to the headquarters in Minneapolis, Norwest Investment Services has 10 other locations including Chicago, Des Moines and Omaha. The Omaha office is located at 1919 Douglas. It was previously a department within Norwest Banks Nebraska, N.A.



R.E. BILLMEYER



R.J. BROWN

The officers at the Omaha location are: **Robert E. Billmeyer**, senior vice president and manager; **Robert J. Brown**, vice president; **Gregory D. Lavitt**, assistant vice president, and investment officers **Inez H. Basich**, **Stephen F. Kuehl** and **Bradley J. Stockwell**.

* * *

John E. Trecek has joined Municipal Bond Underwriters, Inc. as general counsel for the firm. A native of Omaha, he has been in private law practice for the last seven years. Mr. Trecek graduated from the University of Nebraska,

Omaha, with a BA degree and received his J.D. from the University of Nebraska, Lincoln.

MBU, Inc. specializes in tax-exempt securities for municipal growth and improvement.



J.E. TRECEK

Applies to Form Multibank Holding Company

American Commerce Banshares, Inc. has applied with the Federal Reserve Board to form a new multibank holding company in Nebraska. It would acquire ownership of American National Bank, Omaha; Home State Bank & Trust Co., Humboldt; Johnson County Bank, Elk Creek, and The Dawson Bank, Dawson. The assets of the four banks total some \$125 million.



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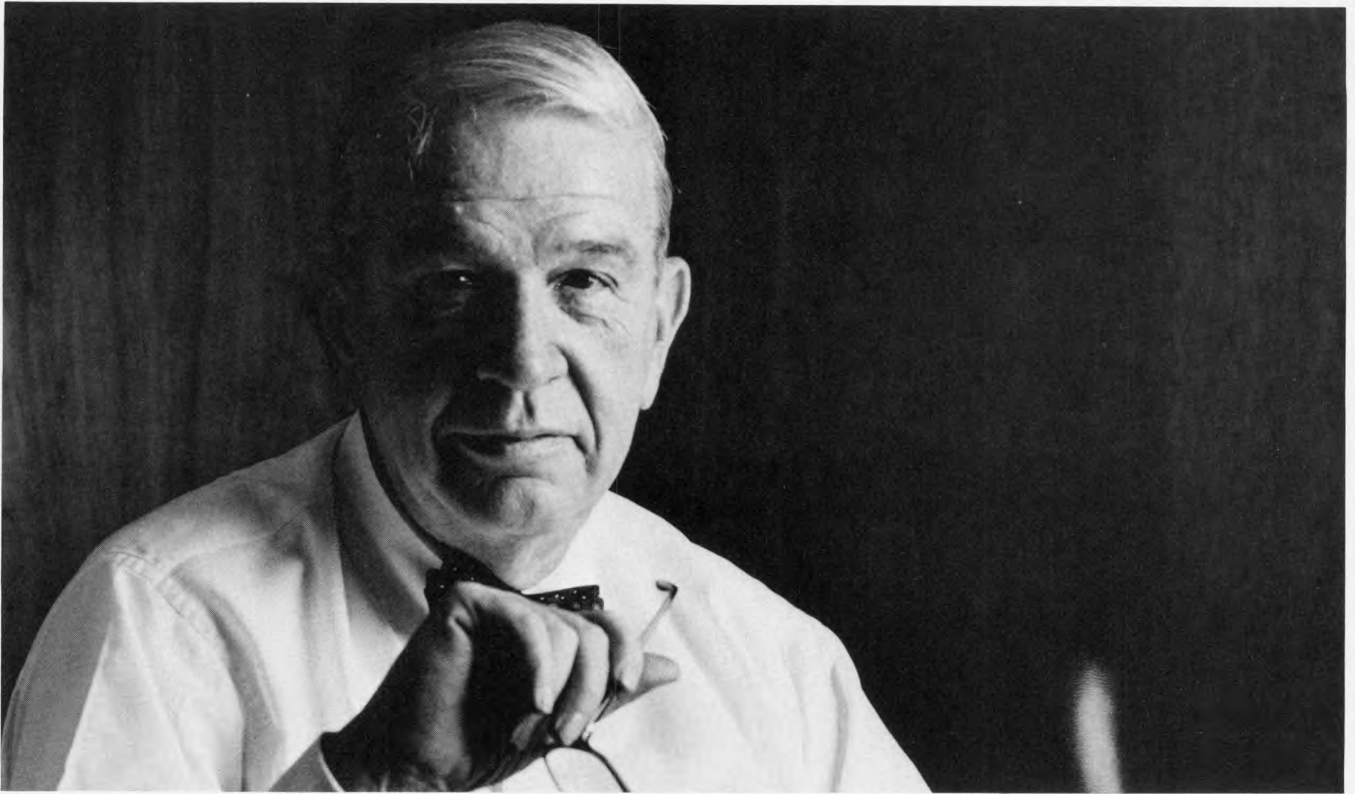
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Gerry Tomka, Ralph Peterson, Fred Kuehl, Tom Jensen, Tim Smith, Todd Kruse.

Banking on common ground



John Chrystal, President, Bankers Trust

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We understand, first hand, the needs of your bank — and your customers. Just as we understand the many challenges facing Iowa banking, today.

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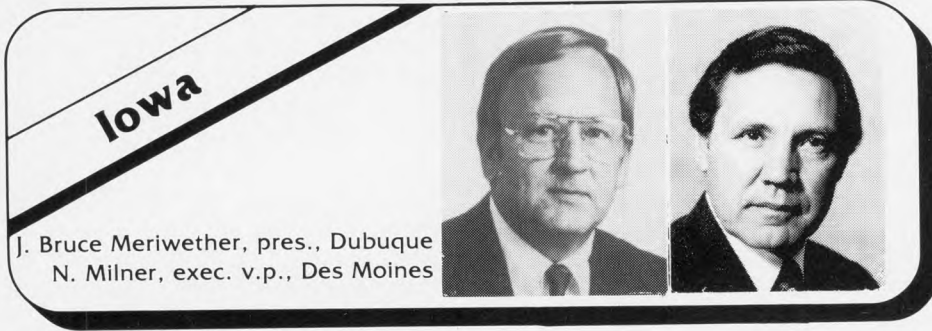
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Complete Story of the Assumption of Dyersville Bank

The board of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of The National Bank, Dyersville, by American Trust and Savings Bank, Dubuque.

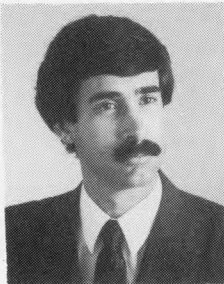
The failed bank's only office reopened April 11 as a branch of American Trust and Savings Bank and its depositors automatically became depositors of the assuming bank.

The National Bank, which had total assets of \$42.1 million was closed on April 10, 1986 by Dean S. Marriott, senior deputy comptroller of the currency, and the FDIC was named receiver.

American Trust and Savings Bank will assume about \$38.2 million in 9,100 deposit accounts and has agreed to pay the FDIC a purchase premium of \$516,500. It also will purchase certain of the failed bank's loans and other assets for \$16.8 million. To facilitate the transaction, the FDIC will advance \$21.7 million to the assuming bank and will retain assets of the failed bank with a book value of about \$25.3 million.

Sioux City Pres. Elected

Richard McGinnis of Des Moines has been elected president and chief executive officer of First Interstate Bank of Sioux City, succeeding Bruce Kolbe, who has resigned to join Pioneer Valley Savings Bank in Sergeant Bluff.



R. MCGINNIS

Mr. McGinnis has over 13 years banking experience and for the past three-and-one-half years has served as vice president and director of

marketing of First Interstate of Iowa, Inc., Des Moines. Prior to that he was employed by the American Bankers Association, Washington, D.C., and First Virginia Bank, Inc., Falls Church, Va.

Staff Changes Announced in Cedar Rapids

Stephen L. Allison, who has been executive vice president of United State Bank in Cedar Rapids for the past nine years, has assumed the position of president and chairman of the board.

Before joining United Bank in 1977, he spent 16 years at People's Bank and Trust Company.

Mr. Allison has announced changes in the lending department of the bank.

David W. Sorenson has been named senior vice president in charge of all lending functions. Mr. Sorenson has been affiliated with the bank and in charge of commercial lending activity for over a year. He served as assistant vice president for 10 years with Bettendorf Bank and Trust Company before joining United Bank of Delta, Colo. as manager of lending.

Jeffrey C. Johnston has been added to the bank's lending department and will be responsible for all



S.L. ALLISON

consumer lending functions. He has been associated with the bank for the past six years and served as cashier.

Mr. Allison also announced the appointment of Dwight Hughes, Jr. to the banks board. Mr. Hughes is president of Dwight Hughes Nursery.

C.W. Logan, Merville, Dies

Charles W. Logan, 95, chairman of the First Trust & Savings Bank of Merville, died April 4 after a short illness. Mr. Logan was actively involved in the bank's affairs as its chairman until his death.

Mr. Logan organized First Trust & Savings Bank in 1919, the third bank in that town. One of the other banks merged with Farmers Bank in 1924. Each evening after work, Mr. Logan held a clearinghouse meeting with a representative of the third bank—Helen McElrath, daughter of W.W. McElrath, who owned the competing bank. Later, Charles Logan and Helen McElrath were married and continued to make their home in Merville. Mrs. Logan, now 89, survives her husband.

Their son, Howard Logan, has been president of the family bank since May, 1965, at which time he succeeded his father, who had been president since 1928. Earlier in his career, Charles Logan was chairman of Iowa Bankers Association Group 1. Howard Logan served in the same capacity for the 1979-81 term.

Sac City Pres. Retires

After 40 years of banking, George H. Pingrey has retired. He served as president of the Sac City State Bank for the past 24 years. He will continue as chairman.

Succeeding Mr. Pingrey is Eldon J. Hoppenworth who has 25 years of banking experience. He has served as president of the Parkersburg State Bank and the Melbourne Savings Bank.

1986 Iowa Group Meetings

Group	Date	Location
5	May 19	Council Bluffs
2	May 20	Fort Dodge
12	May 21	Okoboji
3	May 22	Clear Lake



SPEAKING at this year's EFT Conference in Des Moines were, from left: **Jim Miller**, ITS chmn., **Dale Dooley**, ITS pres. and CEO, **Joseph Coriacci**, sr. v.p. Continental Ill. National Bank & Trust Co., Chicago, and chmn. for the National Automated Clearing House Association, who gave an "Update on NACHA" during the conference's concurrent sessions, and **Neil Milner**, exec. v.p., Iowa Bankers Association.

Bankers Given Tips at EFT Conference

By **MELINDA SAUERS**
Associate Editor

THE 214 bankers who attended this year's EFT Conference in Des Moines last month were given tips on how to develop and maintain a cost-effective EFT program in their banks. A number of prominent speakers shared their experiences with EFT in nine concurrent sessions held during the two-day conference sponsored by ITS, Inc.

ITS Chairman Jim Miller, in his opening remarks on the first day of the conference, said ITS lowered its fee structure in March and will es-crow two cents of the fee, with one cent held for rebate later to the terminal owner and one cent to the card-issuing bank.

Mr. Miller reported the number of switched transactions in March was 1,599,215, with an increase anticipated for later this year. He said POS is growing and continuing to climb, with transactions in February of 84,593.

ITS is conducting a statewide advertising campaign and will spend \$200,000 as soon as the organization and the Captain Marvel copyright owners work out an agreement on the use of the "Shazam" logo, intro-

duced last year.

A very professionally prepared slide show presentation, designed to show how financial institutions are keeping pace and leading the pack in providing advanced electronic funds transfer service, was shown. A spotlight zeroed in on a live blues/jazz saxophonist, who improvised his theme for several minutes as the slide film presentation, "We're Playing Your Song," got underway. Gradually, his music faded into the background as other taped music played during the rest of the film. The theme of improvisation was dominant throughout the film narration to emphasize how ITS has continued to innovate new and improved services for financial customers.

Neil Milner, executive vice president of the Iowa Bankers Association, gave an overview of the Iowa economy today that recounted the severe decline in the ag economy of the past two years. "I think we're through the worst of it," he said. "We're now getting clear indications that prices of farm land now will cash flow." He said many lead-

ers now are looking to a gradual rebuilding of the ag economy in 1987-88.

Mr. Milner also reviewed state and federal legislation that will affect midwest financial institutions, including those that will hopefully grant new powers to compete with non-financial institutions. "New management approaches are needed," Mr. Milner noted, "to compete with new services by such competitors as Sears and its Discovery card... We are seeing changes and we all must face these challenges to stay competitive."

Also addressing the subject of competitors such as Sears, John F. Fisher, senior vice president of Banc One Corporation, Columbus, Oh., said bankers need to be more competitive. He said Sears should have to provide two cards since banks have to have Visa and MasterCard. "I'm gonna petition Washington to insist that Sears have the non-discovery card," he said.

On a more serious note, Mr. Fisher urged bankers to "go home and do something" and exercise change in their banks. "We're beginning to see some change, but we're still restricted in the kinds of products we can buy."

Speculating on banking in the future, he predicted many changes, especially in the next 10 years. He predicts ATM's will peak at 1990 and then go downhill. He sees the paper check and electronics coming together in 1990. Banks, he noted, are going to have to update their facilities in the 1990s in order to compete.

Becoming popular in 1990-2000 will be video banking according to Mr. Fisher, and banks need to be ready for this change. He said POS also will become dominant in 2000, with the financial center and ACH also doing well.

Fading out of the banking picture will be the main office, drive-in, branching and paper checks. He said many of the products will still grow, but customers won't have to go to a bank to get them.

Mr. Fisher showed slides of his bank before he renovated it to the financial center it is today. He has what he called a sales boutique, or an expanded product offering, all housed in the financial center. He's shortened customer lines to the tellers, installed ATM's and updated

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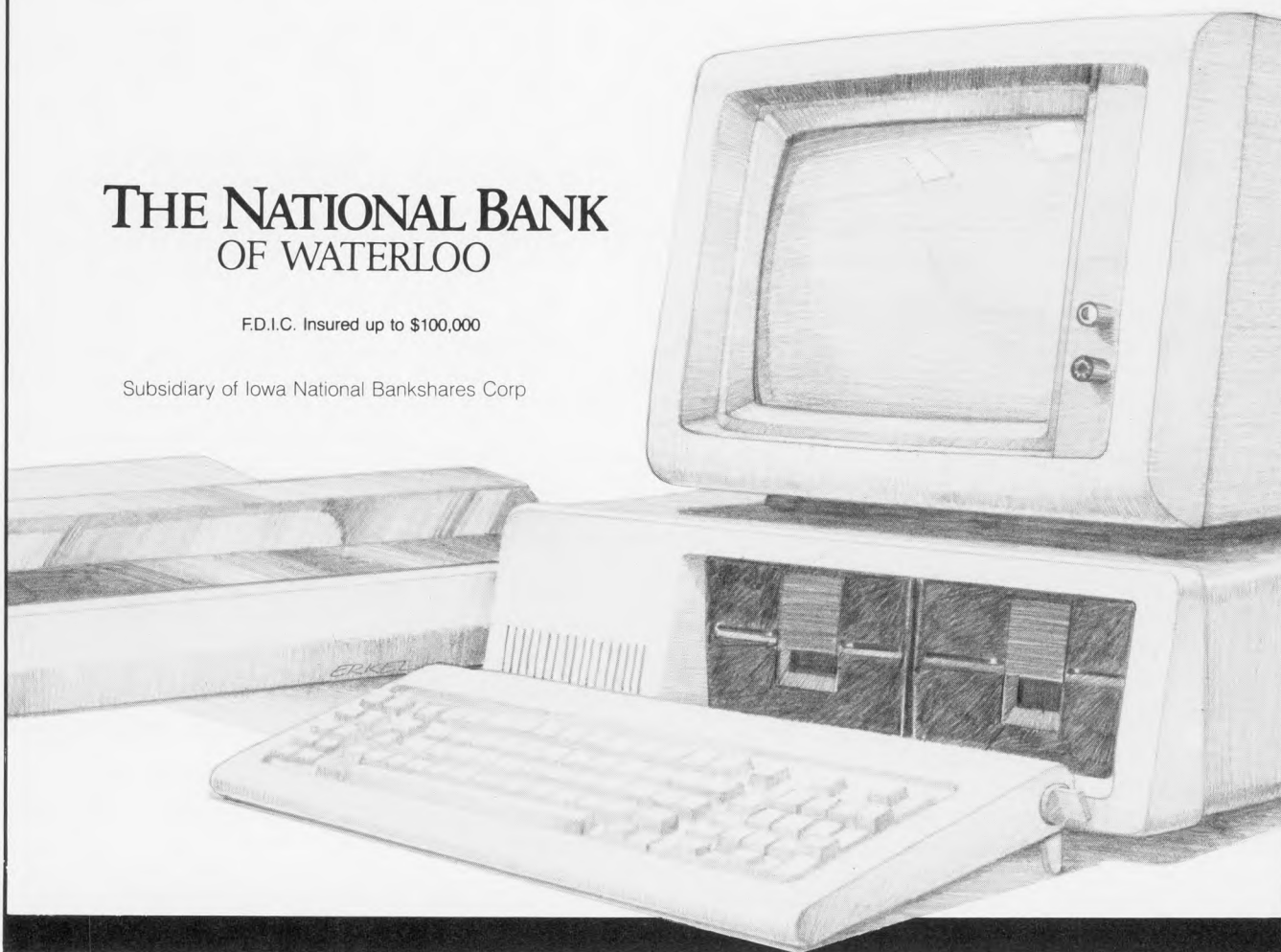
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the whole look of the building, inside and out.

ITS President and CEO Dale A. Dooley in his opening remarks discussed the EFT bill and urged attendees to call their senators and representatives and let them know they support the organizations and the bill. He said if this bill isn't passed, prices will go higher.

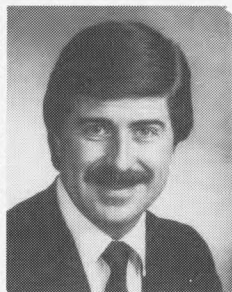
A dozen or so vendors were on hand exhibiting some of the latest technology. They were available to demonstrate and explain the latest technological advances, products and services.

Bankers could choose from nine different programs to attend during the concurrent sessions. Many programs were presented twice, so all could be attended. Topics covered included an update on NACHA, ACH marketing, legal considerations at POS, ATM site selection, marketing, credit cards and their role at POS, a national network update, touch-sensitive technology, and marketing to retailers.

Those bankers who were fortunate enough to attend this conference were rewarded with excellent speakers and valuable information on EFT systems that they can take home and incorporate into their banks. □

Five Named in Dubuque

Lynn B. Fuller has been named executive vice president and chief operating officer at Dubuque Bank and Trust Company. Mr. Fuller has been with the bank since 1971 and is responsible for all operating divisions of the bank.

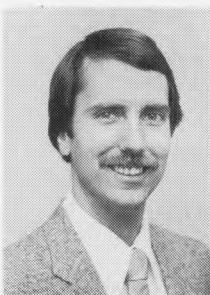


K.J. ERICKSON

Kenneth J. Erickson and Douglas J. Horstmann have both been named vice presidents/senior lending officers. Mr. Erickson joined the bank in 1975. Mr. Horstmann has been with the bank since 1980. They are jointly responsible for all lending areas.

Elsie M. Welsch, employed with the bank since 1955, has been named assistant vice president, marketing.

Sharyl E. Oswald has been appointed mortgage loan servicing officer. She has been with the bank



D. HORSTMANN



E. WELSCH



S. OSWALD



R.J. KEHL

since 1968.

In addition, Robert Kehl has been appointed to the bank's board. He is president of Roberts River Rides.

Fellowship Program To Remember Hills Banker

The Iowa Bankers Association has announced the creation of a fellowship program established as a memorial for Hills banker John Hughes. The John Hughes Memorial Fellowship will fund two scholarships to the association's annual Iowa School of Banking. These scholarships will be awarded annually to a representative of an Iowa news organization to enhance his/her understanding of the commercial banking industry, and to a junior business major attending a four-year Iowa college or university who has expressed an interest in banking as career.

Member banks have, at this printing, donated \$20,000 to endow the John Hughes Memorial Fellowship. The IBA is continuing to accept contributions to the fund and plans to use additional funds toward other special projects of interest to the industry.

Scholarship recipients will be chosen by the Iowa School of Banking Advisory Board of which Mr. Hughes served as both a member and chairperson.

IBA executive vice president Neil Milner said the scholarships will provide a member of the media and a future banker with a better understanding of the important role banking plays in the state's economy.

J. Bruce Meriwether, IBA president, said "the IBA board felt that a scholarship fund would be the best way to commemorate our lost friend."

Mr. Hughes was the president of Hills Bank & Trust Company, Hills. He was shot Dec. 9 by Lone Tree farmer Dale Burr.

At the conclusion of the fund-raising effort, all contributing banks will be recognized at IBA's 100th Annual Convention in September.

The Iowa School of Banking, sponsored by the IBA in cooperation with the University of Iowa College of Business Administration, will be held at the University of Iowa, Iowa City, June 22-27.

Three Named in Sioux City

First National Bank in Sioux City has announced the appointment of

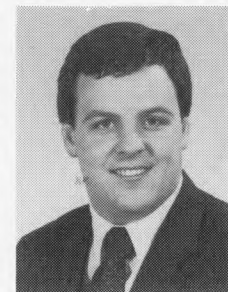
Patricia E. Kuchel as the new marketing director. She will be responsible for the bank's marketing and advertising programs and the development of a long-range marketing strategy for the bank.



P.E. KUCHEL

Ms. Kuchel was previously associated with Southern Hills General Growth Company as marketing officer for the Southern Hills Mall.

Two bank employees have been named new officers. Jim Schafer has been promoted to senior family banking officer and plaza branch manager, and Sandy Volk has been named assistant cashier and operational services division manager.



J. SCHAFER



S. VOLK

Mr. Schafer joined the bank in 1984 as a senior family banking representative. Ms. Volk joined the bank in 1979 as a teller at the main bank and became a teller supervisor in 1982.

When You Build Or Remodel Your Bank, Who Really Benefits?

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| <input type="checkbox"/> Your Local Concrete Supplier | <input type="checkbox"/> Your Local Carpet Store |
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| <input type="checkbox"/> Your Local Heating Supplier | <input type="checkbox"/> Your Local Drapery Shops |
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| <input type="checkbox"/> Your Local Painter | <input type="checkbox"/> Your Local Landscaper |
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The Kirk Gross Company uses local contractors and suppliers whenever possible. But they're not the only people who benefit.

YOU DO, TOO!

The whole town benefits. That's what your operation is all about. That's what our operation is all about.



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IN ATTENDANCE for the "Best of Iowa" marketing awards luncheon were, from left: **Dick Holthaus**, mktg. dir., IBA; IBA Pres., **Bruce Meriwether**, pres., First Natl., Dubuque; Past Mktg. Comm. Chmn., **Marilyn Pohorsky**, mktg. off., St. Central, Keokuk, and Mktg. Comm. Chmn., **Don Richards**, v.p., Waterloo Svgs.

IBA Marketing Conference Focuses on Opportunities

By **Robert Cronin**, Associate Publisher and **Melinda Sauers**, Associate Editor

OPPORTUNITIES rather than difficulties were emphasized at the Iowa Bankers Association's 1986 Marketing Conference held at the Hotel Savery in Des Moines March 23-25. Some 130 marketing officers from across the state attended the three-day conference, entitled "Blueprint For Success." A variety of speakers, concentrating on new ideas rather than past performance, and the annual "Best of Iowa" marketing awards luncheon highlighted the conference. IBA Marketing Committee Chairman Don Richards and his committee members presented 10 speakers during the general sessions, as well as three concurrent workshops during the conference.

Marilyn Pohorsky, marketing officer, The State Central Bank of Keokuk, announced the winners of the IBA's Best of Iowa Marketing Awards at the noon luncheon. Preceding the awards presentation were remarks by IBA President Bruce Meriwether and a special audiovisual show of the 1986 award winners.

Conference speakers included Don Uker, media consultant, Denison; Dr. Hale Starr, Starr & Associates, West Des Moines; Dr. Charles Cleveland, Quester Corporation,

West Des Moines; Pat Thompson and Chris Petersen, Evaluation and Training Consultants, Lincoln, Neb.; Robert Miller, Bank Marketing Association, Chicago, Ill., and Gary Raddon, Raddon Financial Group, Chicago.

Mr. Uker demonstrated "How To Get The Most Out Of Every Advertising Dollar," with a slide show and talk. He said that "real" advertising has to ask the prospect "to do something."



THE "Best of Iowa" entries were judged on the basis of creative excellence by a panel of judges with professional background in banking, marketing, advertising and public relations. **Lyn Fair** (left) and **Jana Tanner** accepted this first place award for **Joyce Chapman** of West Des Moines State Bank, who was awarded for the Newspaper category for banks above \$100 million assets.

Nonverbal communication was the topic of Dr. Starr's presentation. Choosing various men and women bankers out of the audience, she asked attendees to test for a bank image. People see bankers as conservative dressers, she said.

"A successful banker is one who listens," according to Dr. Cleveland. He said the bank customer is looking for help in handling his money. A bank is perceived as a place to store money, but Dr. Cleveland said a bank is actually a record keeper and processor of funds.

Speaking on the topic of research and its effect on marketing programs, Mr. Petersen said, "Research helps us to understand the marketplace, understand who we are, to set goals, to follow our set or achieved goals, and it helps us enthruse those people around us and get them working towards the same goals."

Mary Riche, president, Riche Associates, Inc., Des Moines, talked on how quickly people form impressions. "The first 20 seconds are the most important for a person to decide what you're like or if they like you - impression leads to image," she said. "You are what you communicate."

According to Cal Coquilllette, publisher, *Plan For Action*, Cedar Rapids, advertising budgets by 1990 will be rechanneled to direct mail, call programs, formal reporting and telemarketing. "The future of successful bank marketing will be through telemarketing," he concluded.

Richard Holthaus, IBA marketing director, presented the results of a banking perceptions study conducted by the association. The study, according to the IBA, indicated that Iowans overwhelmingly remain confident in the state banking system and their local banks. The study also showed that Iowans continue to look to their local bankers for community leadership. Mr. Holthaus said, "Given the financial environment in which a bank must operate today, this may have been one of the most important conferences our members will attend." □

"Best of Iowa" Awards Newspaper

Bank Size \$1 — \$30MM
 First Place — Treynor State Bank, Treynor
 Merit Award — West Chester Savings Bank, West Chester.
 Bank Size \$30 — \$60MM

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It happens all the time. A customer dies and his family inherits everything. Including a big loan balance.

But you can prevent that from happening to your customers. With IBIS creditor protection insurance.

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**Iowa Bankers
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First Place — Iowa Trust & Savings Bank, Emmetsburg.

Bank Size \$60 — \$100MM

Merit Award — Manufacturers Bank & Trust Company, Forest City.

Bank Size \$100MM & Above

First Place — West Des Moines State Bank, West Des Moines.

Merit Award — Security Savings Bank, Marshalltown.

Newspaper Series

Bank Size \$100MM & Above

First Place-Merit Award — Security National Bank, Sioux City.

Outdoor Advertising

Bank Size \$1 — \$30MM

First Place — Peoples State Bank, Missouri Valley.

Bank Size \$30 — \$60MM

First Place — Peoples Trust & Savings Bank, Indianola.

Literature

Bank Size \$1 — \$30MM

Merit Award — First Interstate Bank of Kalona, Kalona.

Bank Size \$30 — \$60MM

Merit Award — Hampton State Bank, Hampton.

Bank Size \$60 — \$100MM

First Place — Iowa Trust & Savings Bank, Centerville.

Bank Size \$100 & Above

First Place — Brenton National Bank of Des Moines, Des Moines.

Merit Award — First Interstate Bank of Des Moines, N.A., Des Moines.



Richard A. Stachon proudly shows off his first place award for Brenton National Bank of Des Moines. He was a winner in the literature category for banks over \$100 million in assets.

Merit Award — Security National Bank, Sioux City.

Products & Services

Bank Size \$1 — \$30MM

First Place-Merit Award — Treynor State Bank, Treynor.

Bank Size \$30 — \$60MM

First Place — Grundy National Bank, Grundy Center.

Merit Award — Iowa State Savings Bank, Clinton.

Bank Size \$60 — \$100MM

First Place — Mahaska State Bank, Oska-loosa.

Merit Award — Farmers & Merchants Bank & Trust, Burlington.

Bank Size \$100MM & Above

First Place-Merit Award — Peoples Trust & Savings Bank, Indianola.

Merit Award — Council Bluffs Savings Bank, Council Bluffs.

Merit Award — Union Bank & Trust Company, Ottumwa.

Institutional

Bank Size \$1 — \$30MM

First Place — Security National Bank, Jefferson.

Merit Award — Perry State Bank, Bagley.

Community Relations

Bank Size \$1 — \$30MM

Merit Award — Home Savings Bank, Persia.

Point-of-Purchase

Bank Size \$60 — \$100MM

Merit Award — Manufacturers Bank & Trust Company, Forest City.

Bank Size \$100MM & Above

First Place — West Des Moines State Bank, West Des Moines.

Television

Bank Size — \$1MM & Above

First Place — Security National Bank, Sioux City.

Merit Award — Northwest Bank & Trust Company, Davenport.

Radio

Bank Size \$100MM & Above

First Place — Council Bluffs Savings Bank, Council Bluffs.

Changes Made in Mason City

A number of staffing changes have been announced at Norwest Bank Mason City.

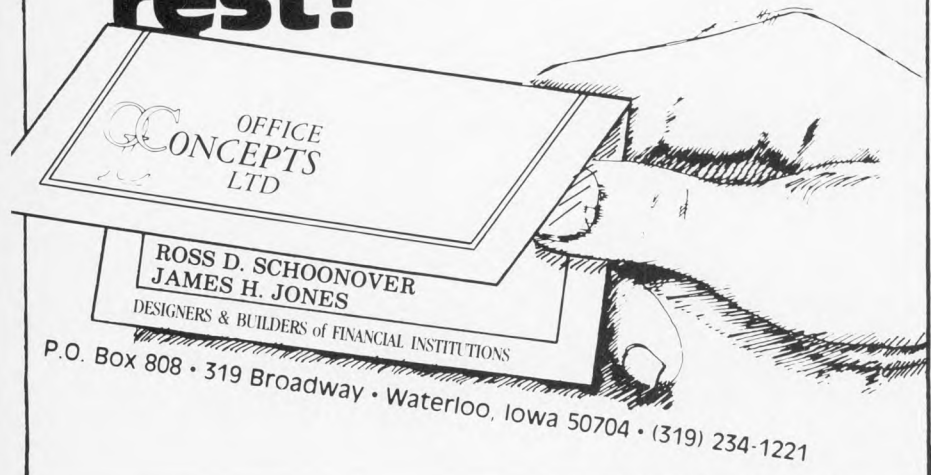
Dennis Fryar has been named vice president and manager of the commercial department, replacing Grant Barton who has resigned. Mr. Fryar's successor as manager of the agricultural department is James Morrow, vice president, who has been promoted.

Additionally, Craig Miller has transferred from the capital lending group to assistant vice president, commercial lending. Steve Flage has been promoted from credit analyst to commercial officer. "Al" Gemaehlich has also joined the commercial department as commercial officer from his previous responsibilities in overall bank business development.

Jim Garver has taken on added responsibilities as a capital lending officer in that group while continuing duties as financial institution client executive.

Dennis Meek, Norwest client executive serving the North Iowa/Southern Minnesota commercial mid-market, has resigned, having accepted a managing officer position at Norwest Bank Olson Highway, Minneapolis.

Committed to making your bank stand apart from the rest!

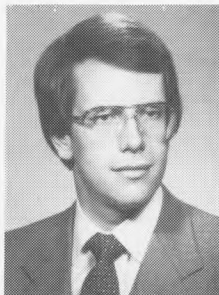


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IBA Reorganizes Staff

The Iowa Bankers Association's board has approved the reorganization of IBA's vice president positions.

Wes Ehrecke, vice president of government relations/agricultural director will act as spokesperson for IBA in the absence of Executive Vice President, Neil Milner. Mr. Ehrecke's responsibility will be to focus more time on the industry's role in government relations and agriculture areas including increased involvement with the IBA board and management. He supervises IBA compliance, government relations and agriculture departments.



W. EHRECKE



J. SORENSEN

M.F. McCARTY

John Sorensen has been hired for the newly-created position of vice president of administrative services. Mr. Sorensen came to IBA from the Iowa Corn Promotion Board and Growers Association, West Des Moines, where he was administrative director responsible for administration and financial management for the two related organizations.

Mr. Sorensen's duties with IBA include planning, directing and coordinating the activities of the internal administrative services which include the job titles of controller, human resources director, planning and data processing.

Marva McCarty, former education director, has been promoted to the newly-created position of vice president of membership services. This position involves planning, directing, and coordinating the external activities IBA provides to its members. She is also responsible for the supervision of IBA's communications, education and marketing departments.



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Valley Bank is experiencing substantial growth
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That's because we maintain a highly skilled staff, offer top service, and perform well financially.

We welcome your inquiry ...

Remember, there is a difference in banks.

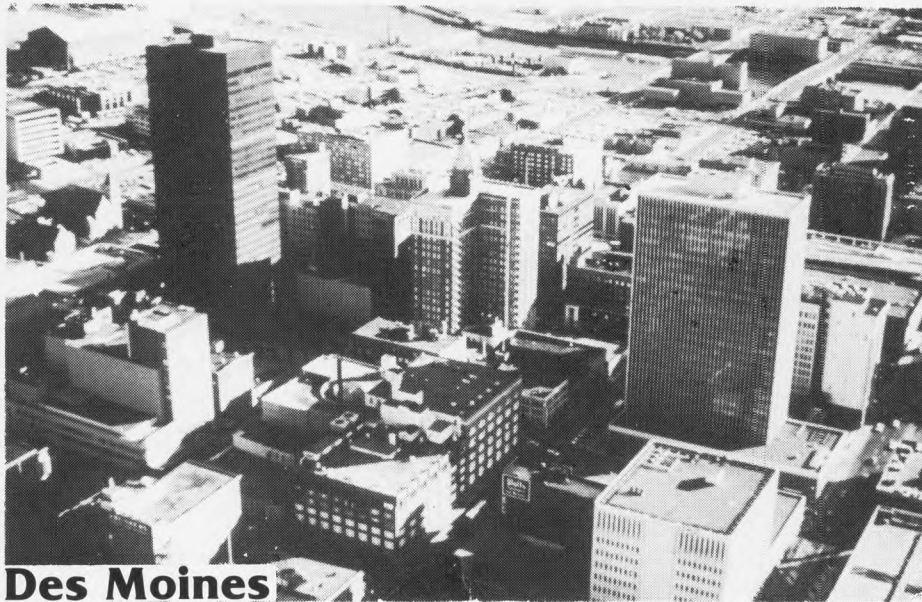
Valley National Bank

Main Office-Sixth and Walnut

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Des Moines

Following a meeting of the board of First Interstate of Iowa, Inc., **Kenneth M. Myers** has announced that his successor as chief executive officer of the Des Moines based multi-bank holding company will be **Oliver H. Hagen**, president and COO.



O.H. HAGEN

Mr. Hagen will take over the duties of CEO on October 1, 1986, following Mr. Myers' retirement. Mr. Myers will continue to serve as chairman after that date.

Mr. Hagen joined First Interstate in 1983 as executive vice president, was elected president in 1984, and became a director of the holding company later that year.

He previously served as president and CEO of First Bank of North Dakota, N.A.—Fargo, and of First National Bank of Willmar, Minn. He began his banking career with the First National Bank of Austin, Minn.

* * *

Harry McCutcheon, Jr. has been promoted from vice president to senior vice president of East Des Moines National Bank.

Mr. McCutcheon joined the staff in 1978. Prior to this, he was associated with Iowa State Bank for 16 years.

* * *

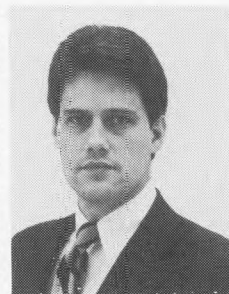
Brenton Banks, Inc. has announced the appointment of **Alan**

Torgler to assistant vice president/loan administration.

Prior to joining Brenton Banks, Inc., Mr. Torgler worked for the State of Iowa Department of Banking. He was employed in the Emmetsburg, Davenport, and Cedar Rapids field offices as a bank examiner, and most recently was a bank examination analyst in Des Moines.

* * *

Robert G. Millen, president and CEO of First Interstate Bank of Des Moines, N.A., has announced the promotion of **Linda Bollenbaugh** to manager of the West Des Moines Office located at 1990 Grand Avenue in West Des Moines.



A. TORGLER



L. BOLLENBAUGH

Ms. Bollenbaugh joined the bank in 1980 and became customer service representative in 1983.

* * *

John Chrystal, president and CEO of Bankers Trust Company has announced that the Bank of China in Shijiazhuang, Hebei Province of the Peoples' Republic of China has agreed to establish a formal correspondent relationship with Bankers Trust Company.

Shijiazhuang is Des Moines' sister-city and Hebei Province is Iowa's sister-state.

This relationship will allow for transactions to take place directly between Bankers Trust Company and the Bank of China, thus avoiding costly and time-consuming delays. Both banks are members of the international on-line communications system known as S.W.I.F.T. (Society for Worldwide Interbank Financial Telecommunications).

* * *

Robert G. Millen, president and CEO, First Interstate Bank of Des Moines, N.A., has announced the promotion of **Mary Lou Baker** to trust administrative officer.

Ms. Baker joined First Interstate in 1971 and has held the positions of probate assistant and personal trust administrator.



M.L. BAKER

* * *

In keeping with Brenton Banks' "Extra Effort" theme for 1986, the Des Moines area Brenton Banks are taking part in a 10-week promotion.

The promotion guarantees that all employees will smile, greet customers by name, provide information, answer questions, and make every attempt to satisfy customers' requests and meet their financial needs.

If not, customers will receive a Susan B. Anthony silver dollar, no questions asked as an apology for this exception. Each customer contact employee has a supply of silver dollars. Supervisors can add to this supply for exemplary service.

At the end of the promotion, the employee will keep their supply of dollars. There will also be awards for those employees who end up with more money than they had at the beginning of the promotion.

* * *

Correction!

It was reported in last month's issue that **Gary Calvert** had been promoted to manager of First Interstate Bank of Des Moines, N.A. It should have read that Mr. Calvert had been promoted to manager of the South Des Moines First Interstate Bank Office.

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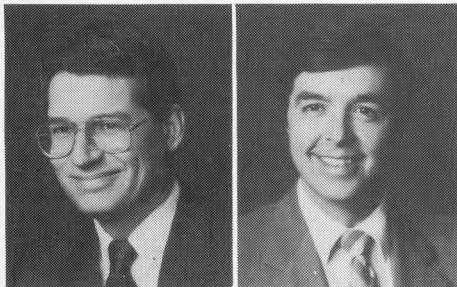


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1-800-362-1615
Ext. 7029

Two Join Cedar Rapids Bank

Robert S. De Waay, who has been president of United State Bank, Cedar Rapids, since 1983, has resigned to become executive vice president of the Merchants National Bank of Cedar Rapids.

Mr. De Waay served as a bank examiner for the state of Iowa from 1970 to 1974. He later was an officer of the Jasper County Savings Bank in Newton and the Clay County National Bank of Spencer. He was executive vice president of Hawkeye Bank and Trust in Des Moines before being named president of United State Bank.



R.S. DE WAAY

J.J. KLOSS

John J. Kloss has been appointed senior vice president and manager of the trust department of the bank. He had been with Associated First Neenah Bank in Neenah, Wis., since 1979, serving most recently as vice president and trust officer.

Mr. Kloss was previously trust officer at First National Bank of Chicago and senior trust administrator at Continental Illinois National Bank.

Elected in West Des Moines

William J. Duma has been elected as first vice president of West Bank in West Des Moines. Mr. Duma's extensive experience includes most recently, vice president, First Interstate Bank of Des Moines and previously, Barclays Bank, First National Bank of St. Paul and National Bank of Minnetonka, Minn., where he was president and chairman.

Mr. Duma will be responsible for developing commercial loans, inventory and receivable financing and operating lines of credit for metropolitan business clients.

Named in Davenport

Brenton First National Bank of Davenport has named Jon E. Schmidt senior vice president, and promoted Ellen Jewell to vice president.

Mr. Schmidt joined the bank in 1985 as vice president and was later named head of the commercial banking division. He had worked as a bank examiner for the FDIC. Prior to joining Brenton he spent several years as a senior officer with United



J. SCHMIDT

E. JEWELL

State Bank of Cedar Rapids.

Ms. Jewell joined the bank as head teller in 1963, and was named assistant cashier later that year. In 1969, she was named assistant vice president and became west office manager in 1974.

Joins Sergeant Bluff Bank

Bruce M. Kolbe has joined the Pioneer Bank of Sergeant Bluff as executive vice president and a member of the board.



B.M. KOLBE

Mr. Kolbe has been involved in Sioux City banking circles for the past 22 years, 14½ years with Security National Bank and the past 7½ years as president of First Interstate Bank of Sioux City. He recently completed a two-year term as chairman of Group 1 of the Iowa Bankers Association and as a IBA board member.

W. Des Moines Resource Center Opens



IOWA GOVERNOR Terry Branstad, left, and former Governor Robert D. Ray, president and chief executive officer, Life Investors, Inc., Cedar Rapids, were present for the official opening of Creditor Resources' Iowa Resource Center in West Des Moines, last month. Creditor Resources, Inc., is the credit insurance subsidiary of Life Investors, Inc., an Iowa holding company founded in 1959. The Resource Center will be the training site for "credit insurance professionals," according to Frank Shimsky, president of the center. Mr. Shimsky said, "It will be a unique vehicle for delivering Creditor Resources' insurance and financial services to the market place."

According to Governor Ray, the center will train thirty to forty people daily. "As an educational facility for credit professional, the Iowa Resource Center has a planned annual training curriculum of 180 days," Governor Ray said. The facility, located in West Des Moines, will have regional impact involving the surrounding states of South Dakota and Nebraska. The estimated daily cost to attend the center will be approximately \$90.

Elected in Waterloo

Steven G. Marlette, CPA, has been elected to vice president of Peoples Bank and Trust Company, Waterloo. Mr. Marlette has been with Peoples Bankshares, Ltd., the holding company of which Peoples Bank is the lead bank, since 1983, and will continue as a holding company officer. Prior to joining Peoples, he was a cost accountant for a Sioux City bank.

Joins Waverly Bank

Susan M. Whitson has joined the staff of The First National Bank of Waverly as a loan review officer. She has been employed as a loan officer in the Manchester and Cedar Falls offices of Federal Land Bank.

Changes Made in Postville

At Citizens State Bank, Postville, Steven B. Werner has been promoted from assistant vice president to vice president. He succeeds R.E. Busse who retired last fall.

Other recent promotions include Marie Meyer to assistant vice president, Terri Downing to assistant cashier, and Scot O. Nelson has joined the bank as an ag loan officer.

Hired in Lincoln

Steve Alber has been hired for the position of vice president branch manager of the Lincoln Savings Bank office at Lincoln. Mr. Alber spent two years with a commercial bank at Scales Mound, Ill., and one year with the Farm Credit System in West Union and New Hampton.

Added in Maquoketa

Francis (Frank) Klett has joined the Maquoketa State Bank to work with the loan collection department. Mr. Klett has over 20 years experience in the credit field. He was most recently employed with Credithrift of America, as branch manager in their Rock Island office.

Promoted in Waterloo

R. Scott Fetner, president of The National Bank of Waterloo, has announced the promotion of Mary B. Barnes to commercial loan officer.

Ms. Barnes joined the bank in 1983 in the management training program. She has successfully completed the certified public accountant exam (CPA) and the certified management accountant exam (CMA).



M.B. BARNES

Passes in Council Bluffs

Janice Peterson, auditor at First National Bank of Council Bluffs, has successfully passed the certified public accountant exam. She has been with the bank since 1983.

Promoted in Iowa City

Clark Houghton, president of First National Bank, Iowa City, has

NABW Hosts State Capitol Day



GOVERNOR Terry E. Branstad declared March 25, 1986 as National Association of Bank Women Day. The NABW, with a national membership of 30,000, is the largest organization of financial women in the world today providing programs in career development, management skills, public affairs, and leadership training. As part of the day's activities, the Central Iowa Group of the NABW hosted a day at the State Capitol. The day was spent reviewing the legislative process and discussing issues of importance to women and the financial community with the legislators. A reception for the legislators, NABW members and guests, and financial community leaders was held in the evening at the Hotel Savery. Representing the central Iowa group were, left: **Vice Pres.—Colleen Monahan**, v.p., Norwest Bank; **Treas.—Jo Page**, cust. acct. superv., American Federal; **Pres.—Pat Thompson**, a.v.p., Brenton Natl.; **Public Aff. Chmn.—Brenda Hansel**, asst. br. mgr., Hawkeye Capital, and **St. Public Aff. Chmn.—Christine Miller**, 2nd v.p., Norwest Bank, all of Des Moines.

announced the promotion of Allyn Jordan to a trust officer. Ms. Jordan joined the bank's trust department in 1976.

Farmers State Bk. Award Winners Named

Renee Meade of Central City, an Anamosa High School student, has been named winner of the \$50 first prize in an essay competition sponsored by Farmers State Bank of Marion. The contest purpose is to increase public awareness of locally owned banks' contribution to the community.

Second prize of \$35 went to Douglas Boots of Marion and third prize of \$15 was awarded to Angie Bucklin of Cedar Rapids. The annual contest invites Linn County high school seniors to submit short essays on the community role of the independent bank.

Entries submitted in the local contest are also being judged in a national \$5,000 scholarship fund

competition sponsored by the Independent Bankers Association of America. The scholarship contest honors the career of Howard Bell, retired executive director of the association.

Promoted in Iowa City

Iowa State Bank and Trust Company, Iowa City, has announced the promotion of Patricia A. Harvey to the position of computer-services operations officer. She has been with the bank since 1975.

RMA Ag Credit Analysis Seminar, Chicago, June 2-5

A new Agricultural Credit Analysis Seminar, sponsored by Robert Morris Associates, is designed to help lenders deal better with agricultural loans by developing a systematic process for evaluating the loans.

Dates and location of the seminar are June 2-5 in Chicago.

IBAA Seminars Scheduled

The Independent Bankers Association of America is presenting two important seminars for IIB members.

The Ag Lender I Workshop, a two-day workshop conducted by Roy Ferguson, a respected authority on ag loan management, is designed to cover all the basics of sound ag lending. It will be held May 22-23 at the Marriott Hotel in Omaha, Neb. An advanced course for graduates of the workshop will be held June 12-13 in Minneapolis.

A two-day workshop conducted by Peat, Marwick and Mitchell, the Bank Internal Auditing I Workshop will cover the purposes, techniques and control of internal auditing in community banks. The workshop will be held June 5-6 at the Marriott Hotel in Des Moines, Ia., and July 21-22 at the Sheraton Inn in Madison, Wis.

Other upcoming IBAA seminars in the midwest include: June 9-10, Asset/Liability Management Workshop, Radisson Metrodome, Minneapolis; June 11, In-House Computers for Community Banks, Radisson Metrodome, Minneapolis; and September 16-17, Commodity Marketing Seminar, Holiday Inn Mart Plaza, Chicago.

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NORTH DAKOTA NEWS...

(Continued from page 45)

Purchase Agreements Signed

Purchase agreements have been signed for the sale of three First Banks in North Dakota. The sales of Cavalier, Park River and Valley City banks are pending regulatory approval.

Darold D. Johnson, president of First Bank Cavalier and four other bank directors will buy that bank. Employees will be able to purchase a percent of the ownership at later dates. The bank had assets of \$28.2 million at year-end.

First Bank Park River, with assets of \$28.9 million, will be purchased by bank President Gary W. Paulson and a group composed of eight directors and community representatives and six employees.

Dennis H. White, president of First Bank Valley City, nine other directors and community members and 14 employees will buy that bank, which had year-end assets of

\$49.4 million.

Specific purchases terms have not been disclosed.

Promoted in Fairmount

Peoples State Bank, Fairmount, has announced the promotion of Jeffrey L. Ellsworth from assistant cashier to cashier. Mr. Ellsworth joined the bank in 1982.

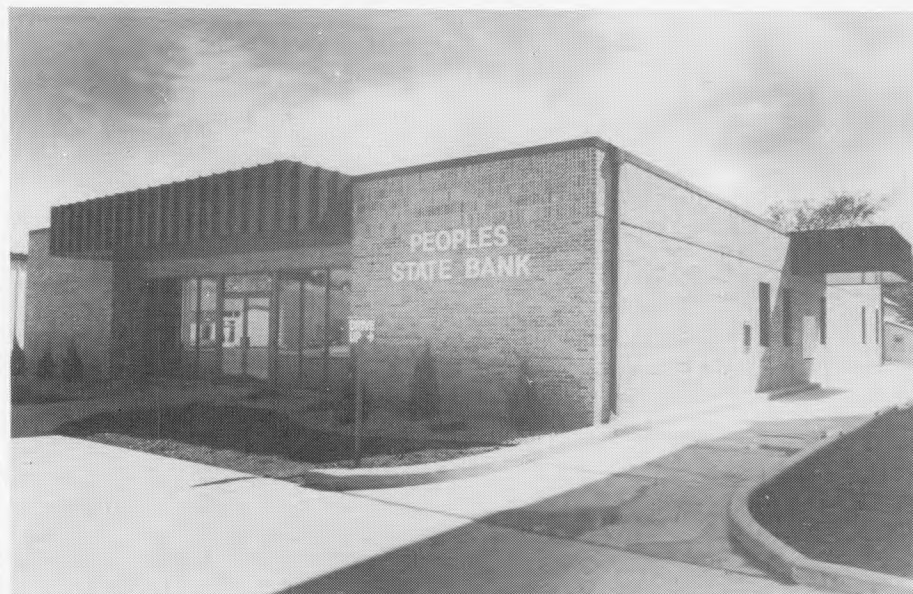
Correction!

Norwest Bank Bismarck, N.A. was inadvertently omitted from the "Largest Banks in North Dakota," chart published recently in Northwestern Banker. The bank should be listed 6th place in the chart with total deposits of \$148,604 reported in 1985 and deposits of \$140,888 in 1984.

Elected in Bismarck

Richard "Dick" Brown has been elected as a director of First Bank Bismarck. Mr. Brown is senior vice president/finance for Hedahl's, Inc.

Geo-Thermal Heating Means Savings For Peoples State Bank



GEO-THERMAL heating in the new Peoples State Bank building in Fairmount, occupied last winter, has provided a "tremendous savings" for the bank, according to Kermit Rosendahl, Jr., bank pres. The cost of the new heating has been about one-fourth of last year's heating bills when the bank kept warm with an oil-fired furnace. Mr. Rosendahl said this new heating involves a closed loop system where heat is produced from the bank's water which circulates through heat pumps rather than heating with cold air. The new brick structure is 60 ft. by 96 ft. and is located adjacent to the old bank building, which was built in the early 1900s. The new bank has four teller stations, two rooms for deposit box customers, a main vault and a storage vault, three offices and a directors room. Making up the rest of the facility are an employee lounge, furnace room, garage space and extra storage space. A drive-up teller window and night depository have also been built.

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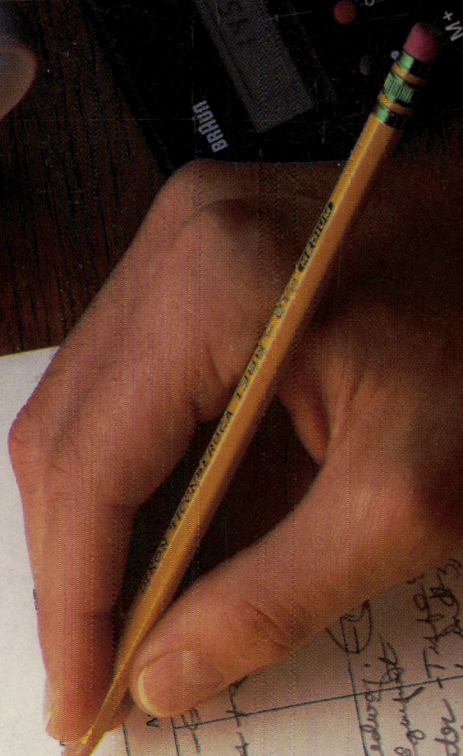
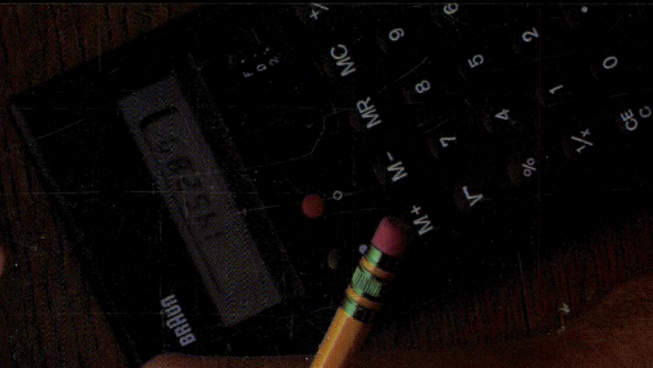
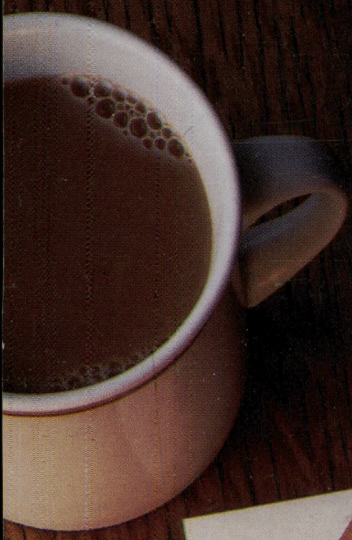
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