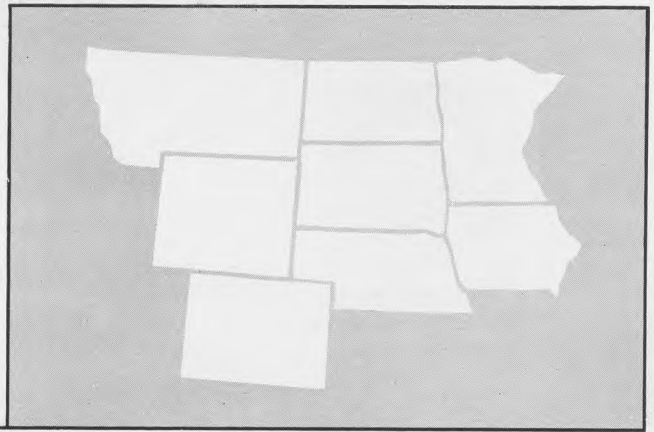


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 977

Des Moines, Iowa

June 27, 1966

Delay Action on Bank CD Rate Limit

The House Banking and Currency Committee has delayed final action on a bill designed to restrict to 5% the one-year limit which commercial banks could pay on consumer-type certificates of deposit.

The delay was viewed as a setback, and possibly the death knell, for Congressional legislation favorable to the Savings and Loan industry in its quest for more home mortgage market capital.

The surprise delay came after the Committee had voted tentatively to impose the one-year 5% limit. Some S&L strategists, in view of the 10-day Congressional recess following the July 4th holiday and in view of additional matters to be considered by the Committee, have given up the battle for Congressional assistance in their effort to attract more capital.

Among the additional matters being considered by the Committee were the following:

Chairman Wright Patman (D-Tex.) last week stated that the Committee would consider a proposal made by Rep. Paul H. Todd, Jr. (D-Mich.) which would cut the rate to 4-3/4%.

The Committee held a public hearing last Thursday on CD legislation which would give the Federal Home Loan Bank Board authority to regulate rates paid by S&L's.

Last Tuesday and Wednesday were devoted to the housing bill, traditionally opposed by the S&L's.

Stephen Slipper, staff vice

president of the United States Savings & Loan League, stated that he did not feel the rate question should be decided at this time, but should be given further study and should be the subject of additional hearings.

The American Bankers Association has fought the rate-restricting legislation arguing that it would discriminate against small savers, colleges and charitable institutions.

House Passes Senate Version of Holding Act

The House last week passed the Senate version of the Bank Holding Company Act of 1966 which will force Financial General Corporation, headed by former Des Moines businessman Gen. George Olmsted, and the Du Pont Company to divest themselves of non-banking interests over a period of several years.

The bill was sent to the White House for President Johnson's signature.

The new law will permit Financial General to retain all of its banking interests. It must divest itself of its non-banking interests, but has until 1978 to do so.

The Du Pont Company has been given five years to complete its divestiture of non-banking interests.

The Bank Holding Company Act of 1965 exempted the two organizations under a clause which exempted firms affiliated with a registered investment company at

the time of the law's passage.

The organizations, under the 1966 law, will be required to obtain Federal Reserve Board approval to acquire additional banks and will be able to obtain banks only in their home states by purchase or merger. Acquisition of banks in other but their home states will henceforth be possible only by merger.

Four States Go Under U.C.C. Within a Week

Four states within the area served by *Northwestern Banker* will be operating under the provisions of the Uniform Commercial Code within the next week.

Iowa's effective date is July 4, although the date it actually becomes effective will be July 5, due to the Independence Day holiday. The Code goes into effect in Minnesota, Colorado and North Dakota this Friday, July 1.

NATIONAL NEWS

CHICAGO: John R. R. Roser, vice president, Harris Trust and Savings Bank, has been named administrator of the international banking division and has been appointed chairman of the international banking credit committee. Lambert W. Bredehoft, vice president, formerly administrator of international banking, has become deputy executive of the national group. Robert W. Rogers, vice president, moves from the national group, which he served

(Continued to back page)

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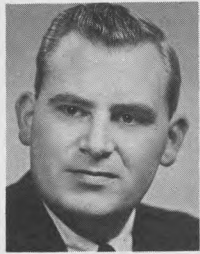
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IOWA NEWS

THE OFFICE of the Iowa Bankers Association has been moved within the Liberty Building in Des Moines. Formerly on the fourth floor of the building, the IBA is presently located in room 630 of the Liberty Building. The phone number remains unchanged--area code 515 243-0179.

AMANA: The Benton-Iowa County Bankers Association will hold a meeting Wednesday, June 29, at the Ox Yoke Inn, beginning at 6:30 p.m. A social hour and dinner is planned.

AMES: First National Bank has secured approval from the Comptroller of the Currency to establish a parking lot facility in the area of 2318 Lincoln Way (near Iowa State University). No definite plans have been made, according to Robert W. Stafford, vice president.

CEDAR RAPIDS: The AIB 1966 District 10 Regional Leaders' Con-

ference will be held at the Roosevelt Hotel here July 14 and 15. The program, under the direction of Thomas Dinkel, Central Bank and Trust Company, Denver, executive councilman for District 10, will feature guest speaker Henry C. Harra, First National Bank of Passaic County, Totowa, New Jersey, vice president of the AIB section of the American Bankers Association.

COUNCIL BLUFFS: Charles Tyson and Joseph Yager have been elected vice presidents of the First National Bank of Council Bluffs. Mr. Tyson joined the bank in June, 1964, and is in charge of the installment loan department. Mr. Yager joined the bank earlier this month and is in charge of mortgage banking operations.

DES MOINES: H. L. Gandy has been elected an assistant vice president at Iowa-Des Moines National Bank. He will head the bank's systems and procedures department. Mr. Gandy, a native of Des Moines, was most recently director of data processing in the state comptroller's office.

DES MOINES: Smith W. Brookhart, III has been elevated from assistant cashier to cashier at Plaza State, replacing Earle Van Steenhuyse who has been named vice president and cashier at First National Bank & Trust, Beatrice, Nebr. In addition approval has been received by Plaza State for construction of two drive-up tellers on east parking lot of Merle Hay Plaza adjacent to Merle Hay Road.

DES MOINES: East Des Moines National Bank has secured approval from the Comptroller of the Currency for a parking lot facility in the Pleasant Hill area in east Des

Moines. Doyle Butts, executive vice president, states that no definite plans have been made for a specific location.

DES MOINES: Homer S. Tesdell has been promoted to assistant cashier of the Central National Bank and Trust Company. Mr. Tesdell has been associated with the bank since 1929.

EAGLE GROVE: The Iowa Banking Board has approved a parking lot office for the Security Savings Bank here. C. W. Dunn is president of the bank.

EMMETSBURG: Gary Hughes, until recently a resident of Des Moines, has been elected assistant cashier at Iowa Trust and Savings Bank. He is a recent graduate of Drake University, Des Moines.

FARLEY: Farley State Bank observed its 60th anniversary last Thursday.

MAQUOKETA: Reid E. Erickson, manager of the installment loan department, has been elected vice president of the Jackson State Savings Bank. For the past three years, Mr. Erickson had served as the Clinton office manager for the Morris Plan Company.

MASON CITY: Gary A. Hermann has been elected assistant cashier at the First National Bank of Mason City. He joined the bank in December, 1965, as agricultural representative.

MISSOURI VALLEY: Mr. and Mrs. John A. Kovar will be honored at a reception from 2:30 p.m. to 5:00 p.m. on Sunday, June 26 at the Logan-Missouri Valley Country Club on the occasion of their 50th wedding anniversary. Mr. Kovar is vice president and cashier of the Peoples State Bank.

MONTICELLO: Charles M. Luett, a director and past vice president of the Monticello State Bank, died recently of a cerebral hemorrhage.

WATERLOO: Frederick Koch has been advanced from vice president to senior vice president at Waterloo Savings Bank, according to President Dale DeKoster. Four additional promotions were also announced: Merle W. Rodgers, from vice president and cashier to senior vice president; Robert V. Cooper, from vice president to senior vice president; E. James O'Connor, from assistant vice president to vice president, and Gerald Curran, from assistant cashier to cashier. The bank has also

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appointed Judd W. Leland, formerly associated with Rath Packing Company, as agricultural representative.

NEBRASKA NEWS

BEATRICE: Earle Van Steenhuyse will become vice president and cashier of First National Bank and Trust. He was formerly cashier of Plaza State Bank. Des Moines, Iowa.

GRAND ISLAND: Banking Director Byron Dunn reports that another application for a fourth bank to be located in Grand Island has been filed with his office. As was reported last week, an application for a Bank of Grand Island, Inc., was earlier filed. Shortly thereafter, an application for a proposed Bank of Hall County, Inc., was filed. Applicants named in the latter application include Lloyd H. and Lloyd J. Wheeler, Lloyd W. Kelly and Lloyd W. Kelly, Jr., Ellis A. Anderson, Reid Halbert, John Niedfelt, Herbert E. Lysinger and Jack Bailey, all of Grand Island, and Ralph E. Misko, president, First Security Bank, Holdrege, and a former state banking director. Grand Island is presently served by three commercial banks and a trust company.

NORTH PLATTE: Federal Home Loan Bank Board has approved a new charter for the First Federal Savings & Loan Association of North Platte.

OMAHA: Occidental Building and Loan, located in the Brandeis Crossroads Shopping Center here, was robbed last Monday of approximately \$10,000.

MINNESOTA NEWS

CROOKSTON: The Crookston National Bank has purchased the Bratrud Building, located adjacent to the bank building, for future expansion.

HAMBURG: Henry C. Reget, Minneapolis, has purchased the State Bank of Hamburg from Allan R. Burrill. Mr. Reget has been named president. Rex Heston remains as executive vice president and cashier, Erwin A. Proehl as vice president and Anna May Oelfke as cashier.

IN SIOUX CITY. . . THE BANK FOR PERSONAL SERVICE



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LAKEVILLE: Adon A. Zimmer, 56, president, First National Bank of Lakeville, died recently at St. Mary's Hospital in Rochester following a brief illness.

NORTHFIELD: The first session of the Minnesota School of Banking convened at St. Olaf College here with 70 Minnesota banker-students in attendance. The school, initiated this year, consists of two resident sessions of one week each. Students attending the initial week of the school, which was concluded last Friday, will return in June, 1967, to complete the course.

NORTH DAKOTA NEWS

BUFFALO: Gorman King, Valley City, and H. R. Edlund, Buffalo, have been elected chairman and president, respectively, of the newly-reorganized First State Bank of Buffalo.

McCLUSKY: Open house was held recently at the new First National Bank here. The special occasion also marked the bank's 59th anniversary. The bank's new \$75,000 building was completed this spring.

SOUTH DAKOTA NEWS

HUMBOLDT: Eldon Munce, 46, vice president, Community Bank, died in his sleep of a heart attack early this month.

MONTANA NEWS

GREAT FALLS: The Federal Reserve Board has denied an application by the proposed First Montana Bank Corporation to acquire control of the Ravalli County Bank, Hamilton, and the First State Bank,

Stevensville. The Board stated that the proposed move would possibly mix banking and non-banking interests in violation of the Bank Holding Act. The First Montana had sought to become a bank holding company via the acquisition. The Corporation owns Commerce Bank and Trust, Helena, a finance company, a real estate investment company and five title insurance companies.

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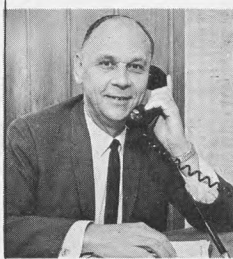


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NATIONAL NEWS

(Continued)

as deputy executive, to the same capacity for the personal banking group.

KANSAS CITY: P. V. Miller, Jr., last Tuesday was elected president of Commerce Trust Company. Harry L. Wuerth was named vice chairman of the board and Charles E. Shewalter was advanced to senior vice president and controller.

Mr. Miller, 44, succeeds James M. Kemper, Jr., president of the bank since December, 1955, and president and board chairman since November, 1964. Mr. Miller had been senior vice president in charge of administration. He has been associated with the bank since his graduation from Kansas University in 1947.

Mr. Wuerth fills the position of

vice chairman which had been vacant since the retirement, in 1964, of Joseph C. Williams. He has been with the bank since 1930.

Mr. Shewalter, 36, had been associated with Arthur Andersen & Company, Chicago, until he joined the bank as controller January 31, 1965.

NEW YORK: John W. Lapsley and James A. O'Connor have been elected vice presidents at Morgan Guaranty Trust Company.

NEW YORK: Richard G. Hall has been promoted to assistant secretary at Chemical Bank. Mr. Hall, in the bank's correspondent department, will represent Chemical Bank in Minnesota, Wisconsin, North Dakota, South Dakota and Montana.

NEW YORK: James W. North has been elected a senior vice president at Chase Manhattan Bank, N.A. He is group executive of the personal trust group of the bank's trust department. Associated with the bank since 1951, Mr. North had been a vice president since 1961.

NEW YORK: Bankers Trust Company has named Charles G. Miller, Jr., vice president in charge of its newly-created marketing department. Mr. Miller, with the bank since 1946, was elected a vice president in 1955.

WASHINGTON, D.C.: David C. Motter has been appointed to the post

of Deputy Comptroller of the Currency, effective July 1.

R. Coleman Egertson, a native of Estherville, Iowa, has been appointed Regional Administrator of National Banks for the Third National Bank Region, supervising 368 national banks in Pennsylvania with assets of \$15 billion.

LATE NEWS...

DES MOINES: Iowa-Des Moines National Bank, largest in Iowa, was robbed last Wednesday of exactly \$1,500 by a lone bandit. It was the first such incident of its kind in the bank's 98-year history.

RED WING, MINN.: Bruce Akerson has been elected a director of the First National Bank of Red Wing. The announcement was made by President William S. Solberg.

FOREST CITY, IA.: Federal Home Loan Bank Board has approved a charter for the Forest Federal Savings & Loan Association here.

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