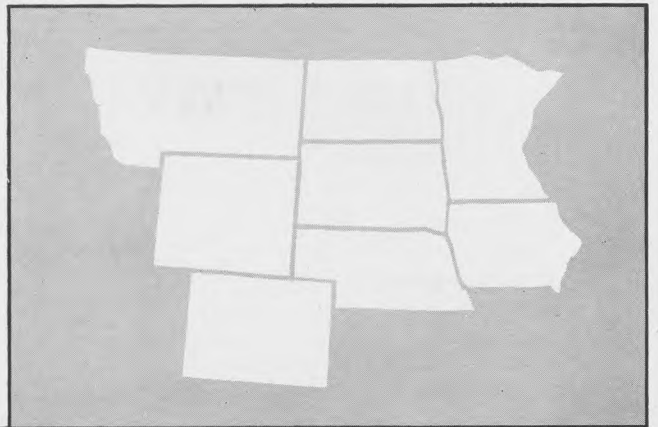


NORTHWESTERN Banker

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Des Moines, Iowa

July 18, 1966

Urges Ceiling on CD Interest Rate

Secretary of the Treasury Henry H. Fowler shifted the administration's position last week and urged Congress to enact a temporary statutory ceiling on interest rates that both banks and savings and loan associations can pay on time deposits of up to \$100,000.

Mr. Fowler specified no rate, but it is understood the Treasury would find a ceiling of 4¾% or 5% acceptable.

It was reported that the House Banking committee would take up the question of "rate war" legislation again the last week of this month.

Current Date for Coins

House Banking Committee Chairman Wright Patman (D.-Tex.), who made the announcement, also revealed that beginning January 1, 1967, the Treasury will adopt the 1967 coin designation and expects to continue normal coin dating procedures thereafter. He said that 1966 special Mint sets will be put into production in August.

On August 1, the United States Mint will begin production of coins bearing a 1966 date. Pennies, nickels and new alloy coins previously produced during 1966 bear a 1964 or 1965 date, a move designed to reduce the numismatic value of

the coin and lessen the chance of coin hoarding.

In the early phases of the coin shortage, the Mint used a 1964 date on all coins but switched to a 1965 designation when the new composition coins were minted.

Farmers Home Admin. Adds Interest Charge

An interest charge of one-half per cent has been added on top of the 5¾% rate which the Farmers Home Administration charges for rural housing loans to borrowers with above-moderate family income.

Previously the insurance charge was deducted from the interest charge. This remains the case with respect to 5%, insured rural housing loans which the Department of Agriculture's FHA makes to borrowers with low or moderate family income.

NATIONAL NEWS

BOISE, IDAHO: Idaho Savings and Loan Association has closed its four offices in the state due to "a combination of tight money and the interest rate battle that's going on nationwide," according to Tom

McEldowney, acting state finance commissioner.

CHICAGO: Eight new vice presidents of Harris Trust and Savings Bank were appointed by the bank's board of directors last week.

Those named were Hugh K. Brower, Richard L. McAuliffe, and B. Kenneth West in the banking department; Robert F. King, building services; John L. Stephens, personnel; William Flory, marketing; and William E. Welch, Jr., operations. All had served as assistant vice presidents with the exception of Mr. Welch, who recently joined the bank.

CHICAGO: John M. Case and Richard E. Kelley have been elected vice presidents at The First National Bank of Chicago. Thomas M. Ware, chairman, International Minerals & Chemical Corporation, has been named to the bank's board of directors.

CHICAGO: John P. Kelley, director of data processing, has been elected a vice president at Central National Bank in Chicago. Phil Bakakos has been named second vice president and Adorea S. Goodman has been elected assistant trust officer. David H. Reimers, chairman of the bank's agricultural advisory committee, has retired, ending a 50-year banking career.

(Continued to back page)

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IOWA NEWS

BOONE: John H. Goepfinger, 95, first president and chairman of the board of Citizens National Bank here until his retirement in 1952, died recently at Madrid, where he had resided for the past year.

DES MOINES: Iowa-Des Moines National Bank is now paying 5% on 3-month CD's with a \$1,000 minimum. The rate was formerly 4½%.

DES MOINES: Iowa Banking Board will hold its annual meeting here on Thursday, July 21.

DIAGONAL: E. M. (Doc) Watson, president, First State Bank, has announced his candidacy for state representative for Ringgold and Taylor counties. M. I. Roberts, former chairman of the board, died recently at the age of 86 years.

FONTANELLE: Ruford Bower, 72, vice president, State Savings Bank, died recently. He had been associated with the bank for 48 years.

HAMPTON: Mrs. Charles W. Nolte, has resigned her position as assistant cashier at Hampton State Bank and has announced her candidacy for the nomination for Franklin county recorder in the September Republican primary.

LEON: Wayne B. Rowland has resigned as executive vice president of Decatur County National Bank to join Federal Deposit Insurance Corporation as senior loan examiner, headquartering in Des Moines, effective August 15.

MODALE: Bennie M. Stave, who has purchased a substantial portion of the stock in Modale Savings Bank from Edgar A. Sears, has been named executive vice president. Mr. Sears will continue as vice president for an indefinite time.

MONTICELLO: Louis Morf, vice president, has been elected a director of Monticello State Bank, succeeding Charles Luett, whose death was reported earlier.

NEVADA: Nevada National Bank is now paying 5% on Certificates of Deposit held for six months or longer in minimums of \$1,000.

PRINCETON: Glen H. Suiter, executive vice president of the Farmers Savings Bank recently announced that Eugene R. Holst has joined the bank as assistant cashier. Mr. Holst is a recent Loras College graduate and served as a computer programming instructor in the army.

RED OAK: A. C. Thiel has been promoted from vice president and cashier to executive vice president, and Winfield G. Mayne, assistant cashier, has been named cashier at Montgomery County National Bank.

SHEFFIELD: Grand opening will be held by the Sheffield Savings Bank in its new building tomorrow, July 19.

NEBRASKA NEWS

CLEARWATER: Mrs. Rena Wattles, Oakdale, has accepted a position with the Citizens State Bank here.

She had been employed for 10 years at the National Bank of Neligh. Guy Miller, 76, chairman of the board, died recently.

FIRTH: FDIC approval has been granted to State Bank of Firth.

LESHARA: Paul S. Christensen and Don Hinds, Fremont businessmen, have purchased the Leshara State Bank from H. P. Haessler. Mr. Hinds will continue to operate the D&D Investment Company and the All Makes Sewing Store in Fremont, with which both men have been associated. Mr. Christensen will be president of the bank. Mr. Haessler, president and cashier for the past 45 years, will continue as an executive officer.

MARTELL: Open house will be held by the Martell State Bank in its new building on Saturday, August 6, according to Mary Wunderlich, cashier. The bank moved to its new quarters on June 26.

MAYWOOD: Merle Roach, 73, who headed the Farmers State Bank here for 30 years prior to moving to Fort Collins, Colorado, in 1962, died at Fort Collins early this month.

OMAHA: The Packers National Bank has become the second bank to file a petition in Lancaster County District Court seeking to dissolve the order granting a state bank charter to the proposed Southroads Bank of Omaha. A hearing was held last Wednesday on the Bank of Bellevue's request for a reversal of the state's conditional approval of the charter.

OMAHA: FDIC has granted approval to Center Bank to establish a detached teller facility at 1918 South 40th.

PLATTSMOUTH: FDIC has granted approval to Plattsouth State Bank to establish a detached teller facility at Fourth and Chicago Avenues.

TRENTON: John A. Exstrom has joined the staff of the State Bank of Trenton as assistant vice president. He had been auditor of the National City Bank of Denver.

WACO: Mrs. Axie Bouslough, assistant cashier, Farmers and

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MINNESOTA NEWS

EAST GRAND FORKS: Arvy J. Larson has been elected assistant cashier and agricultural representative at First National Bank of East Grand Forks.

EDINA: Emmanuel R. Jacobson has been elected assistant cashier and auditor at First Southdale National Bank, rejoining the bank after two years as cashier of Moorhead State Bank. President Donald W. Judkins has also announced plans to remodel and enlarge the quarters of the 10-year-old bank.

EYOTA: D. E. Morrison, cashier, Farmers State Bank, has been elected to the bank's board of directors. He was also elected a member of the board of Elgin State Bank, of which he is executive vice president.

MINNEAPOLIS: Services were held recently for Clarence Lodahl, 70, acting Minnesota banking commissioner from the fall of 1965 until last month. He had been a member of the state banking department staff for 35 years.

VIRGINIA: Terrence Roszak has been elected an assistant cashier at the newly-opened Northern State Bank of Virginia.

SOUTH DAKOTA NEWS

BELLE FOURCHE: William Hannah has been advanced from assistant cashier to assistant vice president and Gerald Keil has been elected assistant cashier at the Belle Fourche office of the First National Bank.

PIERRE: Tom Brisbine, executive vice president, Sanborn County Bank, Woonsocket, has been appointed to serve on the South Dakota Banking Commission. He was named by Governor Nils A. Boe

to succeed Walter Willy whose term has expired.

VERMILLION: The Tabor branch of the Citizens Bank of Vermillion has occupied its new, quarter-round building on Tabor's Main street.

NORTH DAKOTA NEWS

HARVEY: Henry Polkinghorn, Pelican Rapids, Minnesota, attorney, has been elected chairman of the board of Harvey National Bank. Fred Kwako, former Pelican Rapids druggist, is president of the bank and his brother, Stanley Kwako, is executive vice president.

WILLISTON: C. O. (Owen) Harding, vice president, American State Bank of Williston, retired recently, ending a banking career which spanned more than a half-century.

MONTANA NEWS

Albert Brubaker, Terry, Heads Montana Bankers

Albert S. Brubaker, president, State Bank of Terry, has been elected president of the Montana Bankers Association at the organization's 63rd annual meeting held this year at Banff Springs, Alberta, Canada. John E. Tenge, president, Midland National Bank, Billings, was elected vice president. J. Dewey Street, president, Security Bank & Trust Company, Bozeman, was named second vice president and Robert Wallace was re-elected secretary-treasurer.

BILLINGS: Richard H. Spalding has been elected an assistant trust officer and Eddie Bert Leuthold has been advanced to assistant cashier at Midland National Bank.

Haines Named Secretary Of Wyoming Bankers Assn.

It was reported last week, under a misleading headline, that F. J.

(Woody) Haines, vice president, First National Bank of Laramie, had been named the new secretary of the Wyoming Bankers Association.

The item was inadvertently placed in the Montana News section under a headline stating that Mr. Haines had been named secretary of the Montana Bankers Association.

SBIC Inquiry Delays Cease and Desist Bill

A new inquiry on the small business investment company program and consideration of pending housing legislation are expected to delay for two weeks or so further action by the Senate Banking Committee on the Administration bill (S.3158) concerning cease and desist and officer removal authority for Federal bank and S & L supervisory agencies.

The cease and desist bill is before the Committee's Financial Institutions Subcommittee, where the outlook still appears good that a bill with modified officer removal authority can be approved.

The SBIC inquiry, which began last Friday before the Committee's Small Business Subcommittee, is the result of a question raised by Chairman William Proxmire of Wisconsin over an upcoming SBIC probe by the Senate Permanent Investigations Subcommittee. One reason for Congressional interest in SBIC is that Richard Kelley, SBA deputy administrator for investment until June 30, disclosed before his resignation that about one-third of the nation's 700 SBIC's are considered "problem companies" by SBA. Senator Proxmire contends that probably as much as \$18 million to \$20 million is likely to be lost and that capital of a number of SBIC's has been seriously impaired.

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CHICAGO: Rufus C. Dawes, assistant vice president and assistant secretary, has been named to head the business development division of the trust department at La Salle National Bank.

CHICAGO: Lester A. Gohr, assistant cashier, will retire at the Federal Reserve Bank of Chicago August 1, after 47 years of service. Adolph J. Stojetz has been appointed assistant cashier, effective August 1, to succeed Mr. Gohr.

CHICAGO: Samuel D. Addoms, Sylvan L. Franklin, John T. Leatham, John C. Nyhan, Roger E. Schield, David J. Spengler, Robert T. Stevenson, Jr., and William T. Woodward, Jr., have been elected assistant cashiers in the commercial banking department at Continental Illinois National Bank and Trust Company. In all departments, 31 new officers were elected.

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DALLAS: Gil Hooper has been named southwest division manager for the bank division of Diebold, Incorporated. His new assignment will include the states of Texas, Oklahoma, Colorado, and parts of New Mexico, Wyoming, Kansas and Nebraska.

HOUSTON: A. G. McNeese, Jr., president of Bank of the Southwest announced recently that Robert Stewart, Jr., has been advanced from senior vice president to executive vice president with duties as chief operating officer.

NEW YORK: Henry J. Langworthy and Douglas J. Weare have been elected assistant vice presidents in the personal trust department at Manufacturers Hanover Trust. Ben S. Gilmer, vice president, American Telephone and Telegraph Company, has been elected a member of the bank's board of directors.

NEW YORK: Merrill Lynch, Pierce, Fenner & Smith, Inc. has moved Michael W. McCarthy from the position of chairman and chief executive officer to the newly created post of chairman of the executive committee. He is succeeded by George J. Leness, whose president's post goes to James E. Thomson, formerly executive vice president.

SAN FRANCISCO: The officials in charge of liquidating the assets of defunct San Francisco National Bank, have reported that depositors will probably not get all their money back. The FDIC is still attempting to collect nearly \$32 million from borrowers.

WASHINGTON, D.C.: John deLaitre, whose term as a member of the Federal Home Loan Bank Board expired June 30, has agreed to

join the Mortgage Bankers Association of America September 1, and to assume the office of executive vice president November 2. Prior to his FHLBB appointment, Mr. deLaitre was president of the Farmers and Mechanics Savings Bank of Minneapolis.

LATE NEWS...

LINCOLN: First National Bank and Trust Company will sponsor its annual Correspondent Bank Conference September 16-17. Business sessions will be held on Friday, and again on Saturday until noon. Bankers and their wives will then be guests of the bank at University of Nebraska's opening football game on Saturday afternoon. The opponent will be Texas Christian University.

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