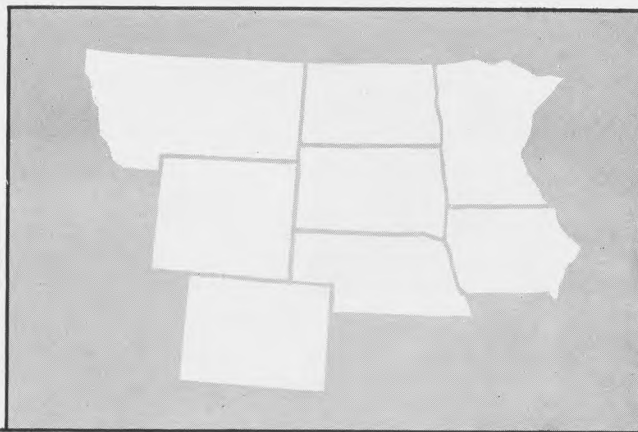


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 982

Des Moines, Iowa

July 25, 1966

Robertson Defeat May Delay S.3158

The Administration bill (S.3158), which would give Federal bank and Savings and Loan regulatory authorities cease and desist and officer removal powers, may be in jeopardy.

Chances for passage of the bill this year were lessened with the apparent defeat in the Virginia primaries of Chairman A. Willis Robertson of the Senate Banking Committee. Official vote tabulations are now being made in Virginia.

Senator Robertson's committee had been expected to consider the numerous amendments that have been offered to S.3158 and report a modified version of the bill.

With the adjournment of Congress expected in about two months, reluctance on the part of Senator Robertson and his committee to continue work on the proposed legislation would stall the bill for another year. The House Banking Committee would not normally consider the legislation until Senate action had been completed.

In the event final vote tabulations show that A. Willis Robertson has been defeated for his bid for re-election to the Senate, Senator John Sparkman (D.-Ala.) would be next in line for chairman of the Senate Banking Committee. He is also up for re-election this fall.

NATIONAL NEWS

BELLEVILLE, N.J.: Plans for a

joining of forces of Walter Kidde & Company, Inc., and Dura Corporation have been announced by Fred R. Sullivan, president of Kidde, and H. Lynn Pierson, chairman, and J. Thomas Smith, president, Dura Corporation.

BOSTON: Andrew F. Brimmer, newest member of the Federal Reserve Board, said last week that "serious consideration should be given to removing temporarily the stimulus provided by the investment tax credit" as a means of restraining business expansion without further inflationary pressure. He also urged banks to restrain loan expansion to both stem inflationary pressure and to assure preservation of a sound banking system.

CHICAGO: Funeral services were held last Wednesday in Barrington, Illinois, for Charles W. Newhall, vice president in charge of the correspondent bank division of the First National Bank of Chicago. Death was attributed to cancer.

CHICAGO: William A. Ryan has been promoted from assistant cashier to assistant vice president at La Salle National Bank. Mr. Ryan will continue to head the programming and processing division of the automation department.

KANSAS CITY: John Fowler has resigned as vice president of the

Commerce Trust Company to join the First National Bank here. He will travel Kansas, Arkansas and parts of Oklahoma.

KANSAS CITY: A plan for Commerce Trust Company stock to be transferred to a holding company was announced last week by the bank's board of directors and management. James M. Kemper, Jr., chairman and chief executive officer, stated that such an ownership transfer would allow the best economic utilization of the bank's investments. Commerce Trust, with resources of \$542 million as of June 30, is Kansas City's oldest and largest bank. Execution of the plan to exchange two shares of proposed holding company stock for each share of Commerce Trust stock would be contingent upon tax rulings and approval from regulatory agencies.

NEW YORK: The Chase Manhattan Bank, N.A., last week opened a full-service commercial banking office in Saigon, thereby becoming the first American bank to operate in South Vietnam.

NEW YORK: Fred N. Shepherd, executive manager of the American Bankers Association from 1922 to 1937, died recently at the age of 87, following a brief illness.

NEW YORK: Mosler Safe Company has elected John Mosler chairman of the board. Martin S. Coleman

(Continued to back page)

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IOWA NEWS

Chrystal Urges Boost In Bank Loan Limits

John Chrystal, Iowa superintendent of banking, says that he will recommend that the next Iowa legislature raise the maximum annual interest rate on regular bank loans from 7% to 8% and on bank installment loans from 6% to 7%. He states that Iowa's banks have been thrown into what could be a dangerous business position by the imbalance between the rates they can charge and the rates they can pay.

"If you let one side of the scale move through a restricted area," he said, "it seems logical you should let the other side get in balance."

AMES: Clyde McEntire, represent-

ative for DeLuxe Check Printers from Marshalltown, won third place in the Iowa Masters Golf Tournament with a score of 219 over the rugged Iowa State University course.

CLUTIER: Mrs. Marvin (Helen) Cherveney, formerly associated with the Chelsea Savings Bank, has joined Clutier State Bank.

DIAGONAL: E. M. Watson, president of the First State Bank of Diagonal, will be the speaker at the banquet August 5 in conjunction with the second annual Iowa Inventors Congress to be held in Creston.

FONDA: J. W. Cusack will leave his position as vice president, National Bank & Trust Company, Chariton, to join First National Bank, Fonda, on August 15 as vice president and cashier.

LEON: Ward Kilgore is joining the Decatur County State Bank as executive vice president August 15. He is resigning as vice president of the Ida County State Bank at Ida Grove. At Leon he will replace Wayne B. Rowland, whose resignation to become senior loan examiner in Des Moines for FDIC was announced in last week's issue.

TREYNOR: R. J. Gronstal, cashier of the Treynor State Bank, has been elected chairman of the Pottawattamie County Zoning Commission.

WHEATLAND: John R. Crowley is now serving as vice president of the First Trust and Savings Bank here. He was formerly assistant cashier of the DeWitt Bank and Trust Company. The Comptroller recently denied his application to start a new national bank in DeWitt.

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NEBRASKA NEWS

BEATRICE: Twelve foreign students recently visited the Beatrice National Bank and were guided on their tour by Walt Braun, assistant vice president, who explained the institution's relationship to agriculture.

EXETER: Work is progressing on the new building being constructed by the First National Bank of Exeter.

GERING: Roy Yaley, vice president and trust officer at Gering National Bank, has resigned his position to join the National Bank of Commerce in Lincoln.

NORFOLK: The Norfolk Daily News recently presented a feature article honoring J. J. DeLay for his 61 years in the banking profession. He is chairman of the DeLay First National Bank here. Two of his sons are also bankers. Bernard DeLay is president of the local institution and Jay DeLay is president of Huron Valley Bank, Ann Arbor, Michigan.

NORTH BEND: Stan Vala has joined the staff of the Platte Valley Bank as cashier, succeeding Fred Zinnert who resigned earlier this month.

OGALLALA: A detached parking lot office has been approved by the Comptroller for the First National Bank here. It will be located at 305 East A street.

OMAHA: Frank Sibert, a member of the correspondent department at The South Omaha Stockyards National Bank, has been promoted from assistant vice president to vice president. Wanda Vosik has been elected assistant vice president, Al Drake has been named controller and Dan Dutch has been advanced to auditor. Elected assistant cashier, effective August 1, is John Farrell, presently in the credit department of Northwest Bancorporation, Minneapolis.

SYRACUSE: Eugene A. Pratt, 74, former president of the First National Bank here, died recently. He had been associated with the bank since 1917 and had retired in 1962.

WAYNE: L. B. McClure has resigned as vice president of the

First National Bank here after having been associated with the bank for 49 years. He will remain on the bank's board of directors.

MINNESOTA NEWS

ALBANY: Stearns County National Bank and First State Bank have merged under a national charter. The name Stearns County National Bank will be retained.

BARRETT: H. B. Johnson of Elbow Lake has purchased control of the Citizens State Bank here. He will serve as president. I. L. Quist, also of Elbow Lake, has been named vice president and Luther Quist has been elected cashier.

MINNEAPOLIS: Mrs. Louise Hagstrom has been elected auditor of the First Produce State Bank of Minneapolis. Mrs. Hagstrom joined the bank as an administrative assistant in 1960.

MONTGOMERY: Gene LaFrance has assumed his duties as executive vice president of the Citizens State Bank of Montgomery. Leonard J. Ouradnik, assistant cashier, has been advanced to cashier of the institution. Mr. Ouradnik will be graduated next month from the Graduate School of Banking at the University of Wisconsin.

ONAMIA: It was recently reported that Houlton Benzie, president of First State Bank here, would soon retire and sell his stock in the bank to his brother, Charles Benzie, who will subsequently assume the presidency. Succeeding Charles Benzie as cashier will be Albert Young, a resident of Onamia since February, 1965, and a former FDIC examiner.

ST. PAUL: Hearing will be held tomorrow (Tuesday) on an application for a proposed Skyline State Bank at Albert Lea.

ST. PAUL: The new 500-room St. Paul Hilton Hotel opens its doors today (Monday).

SOUTH DAKOTA NEWS

HURON: The executive council of the South Dakota Bankers Association

IN SIOUX CITY. . . THE BANK FOR PERSONAL SERVICE



SECURITY NATIONAL BANK

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ation will hold its annual summer session here August 4. Member bankers who wish to have an item placed on the agenda may write their respective executive councilmen or the association office, Box 1257, Huron.

SIOUX FALLS: Several promotions have been announced at Northwestern National Bank. Clyde Fischer has been elected assistant vice president. The following were elected assistant cashiers: John R. Burkholder; Sid Allen Bostic; Max E. Miner; Arthur Wilbur, and Gary Olson. Dave Armstrong, assistant vice president, has moved from the Madison Office to Sioux Falls. Dennis Dalziel, assistant vice president, will move from the Huron Office to assume duties as assistant manager at Madison. William T. Larson, assistant vice president, will become assistant manager at Huron.

WEBSTER: Ervin R. Bollinger will join the Security Bank here August 1, serving in the installment loan and insurance departments. Mr. Bollinger had been assistant cashier at Bowdle State Bank.

NORTH DAKOTA NEWS

BISMARCK: William J. Daner, secretary, North Dakota Bankers Association, has been elected first vice president of the Central States Conference of Bankers Association Executives. The conference this year was held at Bellaire, Michigan. Newly-elected president of the conference is Roland W. Blaha, executive vice president, Illinois Bankers Association.

COLORADO NEWS

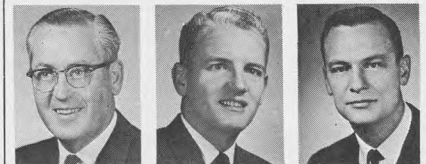
DENVER: The Guaranty Bank of Stapleton, the 66th commercial

bank in the Denver metropolitan area, opened for business last Tuesday at Stapleton International Airport. Walter A. Woods, previously president of Guaranty Bank & Trust, is president of the new bank, an affiliate of Guaranty Bank & Trust.

Interest Rate Regulation Announced by Fed and FDIC

An Administration drive for more strict controls over interest and dividend rates may have been eliminated by actions of the Federal Reserve Board and the Federal Deposit Insurance Corporation, lowering the maximum rate which commercial banks may pay on time deposits having more than one maturity date.

Effective July 20, no member of the Fed or FDIC shall pay interest accruing at a rate in excess of 5% per annum, compounded quarterly, regardless of the basis upon which such interest may be computed, on any multiple maturity time deposit, which is payable only 90 days or more after the date of deposit or 90 days or more after the last preceding date on which it might have been paid. The rate was formerly 5½%.



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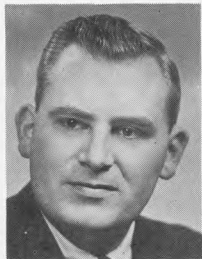
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succeeds Mr. Mosler as president and William A. Marquard, Jr., senior vice president, will succeed Mr. Coleman as executive vice president. Edwin H. Mosler, Jr., who has been chairman of the board, is retiring from active management but will continue as a director and chairman of the finance committee.

NEW YORK: Edgar W. Davy and Wheeler T. Dell have been elected vice presidents of The Chase Manhattan Bank, N.A. Mr. Davy is in the bank's international department and Mr. Dell serves in the trust department.

NEW YORK: Landon Peters, vice president, The Bank of New York, has been elected to the additional post of treasurer, succeeding the retiring William E. Bachert as treasurer.

NEW YORK: Plans are reported to be complete for the 7th annual session of the National Trust School to be held August 15-27 on the campus of Northwestern University, Evanston, Illinois.

ROCK ISLAND, ILL.: The Illinois Banking Division has announced receipt of an application for a permit to organize a new state bank in Rock Island. Applicants are J. Robert Larson, Stanley H. Coin, Howard H. Cohn and Kermit H. Schroder, all of Rock Island, and John Lingris of Moline. The proposed bank -- the Bank of Rock Island -- would have capital of \$500,000.

SAN FRANCISCO: E. Herrick Low, executive vice president, United California Bank, has been elected to the bank's board of directors.

WASHINGTON, D.C.: William M. Moroney, formerly general counsel, has been appointed special assistant to the chairman and board of directors of the FDIC. John F. Lee, formerly assistant to the chairman, has been named general counsel; John L. Flannery, formerly administrative assistant to the chairman, has been designated assistant to the chairman, and Leslie H. Fisher, formerly assistant general counsel, has been appointed deputy general counsel.

WASHINGTON, D.C.: John W. Shaffer has been appointed regional administrator of national banks for the Fourth National Bank Region, headquartered in Cleveland, Ohio, according to James J. Saxon, comptroller of the currency.

LATE NEWS...

BETTENDORF, IA.: Paul Knowles, former state representative and now president of First Iowa-Illinois Mortgage Company, and Jack Schroeder, 16-year veteran of the Iowa legislature and chairman of General Life of America Insurance Company, have been elected to the board of directors of Bettendorf Bank and Trust Company. They succeed Joseph C. Glickman and M. M. Goldman, both of Minneapolis, who served prior to the transfer of bank ownership to local control early this month.

CEDAR RAPIDS, IA.: Top executive promotions were announced at Merchants National Bank last week. S. E. Coquillette, formerly chairman of the board, is now chairman of the executive committee. John T. Hamilton, II, has moved from president to chairman of the board. He

is succeeded as president by James E. Coquillette, formerly senior vice president. Elected to the new position in the bank of executive vice president is F. Forbes Olberg, formerly senior vice president.

CHAPMAN, NEBR.: An application for a state charter for the proposed Bank of Chapman, Inc., has been denied, according to Byron Dunn, Nebraska director of banking.

HERSHEY, NEBR.: An application for a proposed Hershey Valley State Bank, Inc., has been denied by the Nebraska department of banking.

MINNEAPOLIS: National City Bank last Thursday named Patrick W. Colbert, Jr., vice president in charge of its correspondent bank division. Mr. Colbert, formerly assistant vice president, has been with the bank since it opened in 1964.

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