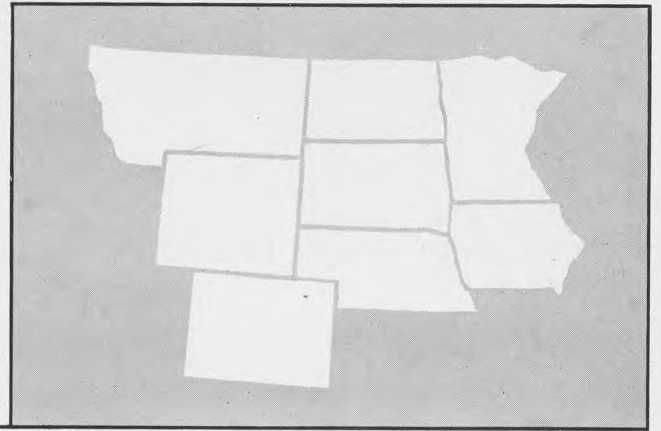


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 995

Des Moines, Iowa

October 10, 1966

House Approves \$10,000 FDIC Increase

As had been expected by Washington observers, the House last week did the House Banking and Currency Committee one better by approving a proposal to double the maximum government insurance protection on bank and savings and loan accounts from \$10,000 to \$20,000.

The Banking and Currency Committee had recommended an increase in coverage from \$10,000 to \$15,000 in the proposal which it had added as a rider to the 'cease and desist' legislation currently before the Congress.

The American Bankers Association, as was reported last week, is opposed to any increase in FDIC coverage. President Archie K. Davis, chairman of the board, Wachovia Bank and Trust Company, Winston-Salem, North Carolina, termed the move "inconsistent with the Administration's fundamental arguments for cease and desist powers."

The House passed the measure by voice vote.

The version of the bill passed by the Senate contains no provision for increasing FDIC and FSLIC coverages.

It has been suggested that, inasmuch as the Senate version of the bill contains no insurance in-

crease, the Senate may insist that the increase be limited to \$5,000. It is believed likely that the Senate will accept a \$5,000 boost if the House agrees to make the legislation permanent.

Under the House Committee the cease and desist and officer suspension and removal powers would expire June 30, 1968.

The bill must go to a Senate-House conference to negotiate differences between the two versions.

NATIONAL NEWS

BROOKLINE, MASS.: First City National Bank, Houston, Texas, has become the 100th bank in the nation to adopt the Bancardchek plan, according to Arthur R. Greene, president, First Financial Marketing Group, sponsor of the new bank service. A total of 100 banks had been the year-end goal for the organization, he said. Among the 100 are First National Bank of Denver, First National Bank of Minneapolis, First National Bank of St. Paul, First National Bank in St. Louis, First National Bank and Trust Company of Lincoln and First National Bank of Omaha.

NEW YORK: Manufacturers Hanover Trust Company has announced the election of Robert J. Tangel and

R. Bruce Brougham as assistant vice presidents in the national division.

In the October Issue Of...

The NORTHWESTERN BANKER

The big October issue of the *Northwestern Banker* will feature the programs of the upcoming Iowa Bankers Association 80th Annual Convention in Des Moines October 16-19 and the huge American Bankers Association Convention in San Francisco October 23-26.

Two exclusive survey feature articles are also included in this outstanding issue of the *Northwestern Banker*.

The first, of timely importance to bankers, deals with the effects of the "tight money" situation within *Northwestern Banker* territory as reported by top executives in banks throughout the upper midwest.

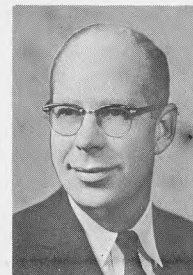
The second survey deals with a topic of ever-growing importance to all commercial bankers -- that of Electronic Data Processing.

The informative October issue also contains numerous crop and livestock reports and details of livestock marketing meetings sponsored recently by city banks. And, of course, news of happenings within each of the states served by *Northwestern Banker*.

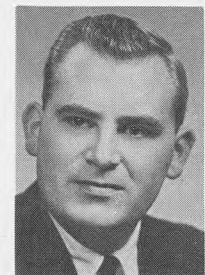


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IOWA NEWS

AMES: The Iowa Banking Board has approved an application made by University Bank and Trust Company for a parking lot office. The office will be located at 627 Main Street, east across town from the main bank building.

BLOOMFIELD: Both Bloomfield banks -- Davis County Savings Bank and the Exchange Bank -- have announced that hereafter they will remain open Thursday afternoons and will close at 11 a.m. on Saturdays.

CHARLES CITY: W. Loren Parr, executive vice president, Commercial Trust and Savings Bank, was honored recently upon the completion of 50 years with the institution.

COLUMBUS JUNCTION: As part of the opening activities planned early next year with the completion of the remodeling project at Columbus Junction State Bank, a competitive art show will be conducted. The early announcement was made in order to give contestants time to complete their entries.

DANBURY: Farmers Savings Bank held open house in its new building last Thursday.

DEWITT: The Iowa Banking Board has approved an application made for a new bank in DeWitt. Issuance of a charter awaits meeting of conditions, principally FDIC ap-

proval. Applicants include Doyle A. Butts, who has been executive president, East Des Moines National Bank, Des Moines, and who will be managing officer. Other applicants are Dr. F. F. Benson, E. A. Ellingson, T. H. George, Andrew Hartman, Peter T. McGinn, Rex B. Peters and Everett Rogers, all from the DeWitt area. No name has been selected for the proposed bank.

ELDORA: First National Bank has announced an increase of one-half per cent in interest rates on time certificates, new or renewed. The new rate is 4½%. The bank pays 4%, compounded quarterly, on pass-book savings.

FOREST CITY: Jean McMahon, assistant cashier, Forest City Bank and Trust Company, has been installed as secretary of the Iowa group of National Association of Bank Women.

HOPKINTON: Open house will be held in the near future marking completion of the new building for Citizens State Bank. Marvin G. Lucas, executive vice president, reports that the construction project is "progressing nicely."

HUBBARD: D. W. Heineking, president, the Security State Bank, has announced that the bank will pay 4½% interest on all new or renewed time certificates. All such certificates will have a six-month maturity.

IDA GROVE: Construction has been initiated on a new, one-story brick building for the Ida County State Bank, with completion scheduled for next spring.

INDEPENDENCE: A "birthday party" in observance of the 25th anniversary of the founding of Security State Bank was held Saturday at the Gayla Ballroom. The party included a free dance and five prizes, including a portable color television set.

MITCHELLVILLE: Farmers Savings Bank held open house yesterday at the bank's new modern office in Bondurant.

OSCEOLA: An application for a parking lot office for Clarke County State Bank has been approved by the Iowa Banking Board.

ROCK RAPIDS: The Lyon County Bankers Association held its annual meeting recently at the Rock River Golf and Country Club. The meeting began in the evening following a social hour and dinner. Harold Bonander, president, Security Savings Bank, Larchwood, was elected the association's new president. Cliff Pruitt, president, Inwood State Bank, was elected vice president and Jerry Leahy, president, Lyon County State Bank, Rock Rapids, was named secretary-treasurer.

ROLAND: Open house was held recently at Roland State Bank, marking completion of an extensive remodeling project which had been in progress throughout the summer months.

SIOUX CITY: Funeral services were held last Wednesday for Clifford L. Adams, 58, president, Live Stock National Bank, who died unexpectedly a week ago Sunday in a Sioux City hospital. Mr. Adams, who had been associated with the bank since 1930, became a vice president in 1947 and president in 1957.

NEBRASKA NEWS

Group Meetings

The 1966 series of Group Meetings of the Nebraska Bankers

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Association gets underway to- day with the Group 6 meeting in Sidney. Larry Nothwehr, of the *Northwestern Banker* staff, will attend all the meetings and report on them in the November issue of the magazine. Group 5 will meet tomorrow in North Platte, Group 3 will meet Wednesday in Norfolk and Group 2 will meet the same day in Fremont. Group 4 will meet Thursday in Hastings and the series will wind up with the Group 1 meeting Friday in Lincoln.

LINCOLN: Eleven original paint- ings by Jimmy Ernst will be on dis- play throughout the month of Octo- ber at First National Bank and Trust Company. Mr. Ernst created the mural on the south wall of the bank lobby.

OMAHA: Security National Bank has completed its move from the Twin Towers to the new bank building at 3500 Farnum Street. Some excitement was generated when, during the activity of the move, the bank's burglar alarms were set off, summoning police to the scene on two occasions.

VALENTINE: "There are only a few small assets that must still go into the pot. Then the files can be sealed and stored," ac- cording to State Banking Director Byron Dunn, who reported recently on the status of the Nebraska State Bank of Valentine where, two years ago, it was discovered that Pres- ident Richard L. Davenport had embezzled \$3.4 million. A unique agreement between the banking department and four city banks resulted in full repayment of every depositor. FDIC paid up to \$10,000 to each depositor. The four city banks were First National Bank

and Trust, Lincoln; U. S. National Bank, Omaha; Security National Bank, Sioux City, and Commerce Trust Company, Kansas City, Missouri.

MINNESOTA NEWS

INTERNATIONAL FALLS: The International State Bank moved recently into its new building.

MINNEAPOLIS: Northwestern Na- tional Bank and National City Bank have announced that they are raising to 5%--the maximum per- mitted by the Federal Reserve Board--the interest on 90-day sav- ings certificates in amounts of less than \$100,000. Northwestern National's boost was one-half per cent and was to apply to certifi- cates of \$25 or more. National City's increase was one-fourth per cent and was to apply to certi- ficates in multiples of \$100.

MINNEAPOLIS: Jack V. Wallace has been advanced from cashier to assistant vice president and treas- urer of the Bank of Minneapolis.

ST. PAUL: Eldridge L. Peters, president and trust officer of the First National Bank, Hastings, has been elected president of The Independent Bankers of Minnesota at its fifth annual convention. Herman G. Hamre, president of the State Bank of Wood Lake, was named vice president of the state association. Mr. Hamre is a past president of the Minnesota Bankers Association.

ST. PAUL: Michael J. Galvin, attorney, Fred Hodgdon, president, Prior Lake State Bank, and Max Winter, president, Minnesota Vi-

kings, have been named directors of the Downtown State Bank of St. Paul.

ST. PAUL: Mason Murch has joined Southview State Bank of South St. Paul as a loan officer. Mr. Murch had been finance manager for Union Loan and Thrift Corpo- ration, St. Paul, for the past 14 years.

STILLWATER: First National Bank of Stillwater recently celebrated its 110th anniversary. The bank was founded in 1856, two years before Minnesota Territory became a state.

NORTH DAKOTA NEWS

Group Meetings

The North Dakota Bankers Association begins its series of 1966 Group Meetings tomorrow with the Northeast Group Meeting at Devils Lake. The Northwest Group will meet Wednesday at Williston, the Southwest Group will meet Thursday at Dickinson and the series will end Friday with the Southeast Group Meeting at Jamestown.

FARGO: The First National Bank and Trust Company recently opened its walk-up teller window--the first in the city.

JAMESTOWN: H. Laurel Youtz, 51, president of the Jamestown Na- tional Bank from 1959 until Febru-

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ary of this year, died recently at Jamestown Hospital. He had been in failing health for the past six and one-half years.

TOWNER: Funeral services were held recently for Melvin T. Thompson, 75, president of Pioneer State Bank, Towner, and Basin State Bank, Stanford, Montana. He was also chairman of the First Western State Bank at Minot.

SOUTH DAKOTA NEWS

Cost Analysis Meetings

The series of Functional Cost Analysis meetings, sponsored by the Federal Reserve Bank of Minneapolis, are centered in South Dakota this week. Tomorrow, a meeting will be held at the Sheraton-Cataract Hotel, Sioux Falls. Another meeting will be held Wednesday at the Falcon Cafe, Pierre, and the third meeting will be conducted Thursday at the Alonzo Ward Hotel, Aberdeen.

RAPID CITY: A. E. Dahl, chairman of the American National Bank, has reported that, from time to time during the past 18 months,

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the American National Bank and the National Bank of South Dakota of Sioux Falls, an affiliate of the First Bank Stock Corporation, Minneapolis, and the First Bank Stock Corporation have considered the merit and possibility of consolidating the activities of the two South Dakota Banking institutions.

COLORADO NEWS

COLORADO SPRINGS: H. Chase Stone, president of the First National Bank, has been flown to New York City to undergo medical tests. Mr. Stone, 66, who is also an executive of the Broadmoor Hotel and El Pomar Foundation, had earlier undergone tests in Penrose Hospital in Colorado Springs.

DENVER: The First National Bank of Denver will host a two-day national meetings of users of General Electric banking computer systems at the Brown Palace Hotel beginning Tuesday, October 18.

WYOMING NEWS

GLENROCK: Glenrock directors of the First National Bank of Glenrock and R. D. Simpson, a former officer of the bank, have purchased the entire interests of Mayne Miller, Elbert Howe and John J. O'Neill. Mr. Simpson has been named to the board of directors as has Ed Olin. The bank will be under the active management of Mr. Simpson who will also serve as president. Leonard Miller will continue as chairman of the board.

MONTANA NEWS

BILLINGS: Frank N. Sauer, former president, First National Bank and Trust Company, Billings, died a week ago Sunday.

HELENA: F. M. Gannon, executive vice president, Union Bank and Trust, Helena, has been elected president of the Montana Chamber of Commerce.

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