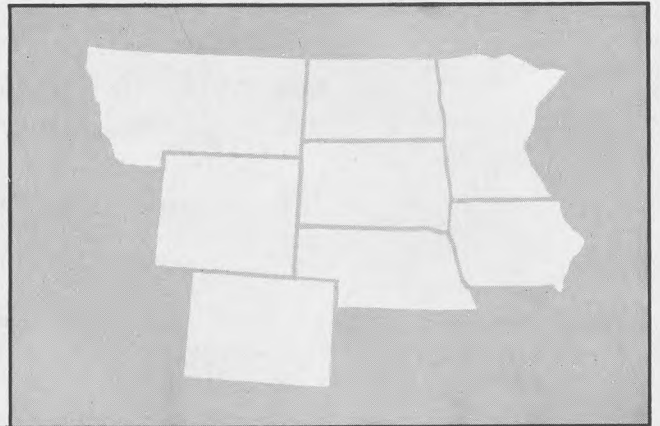


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1034

Des Moines, Iowa

May 22, 1967

S&L Supervisor Opposes Mobile Unit App

Donald Duncan, supervisor of Iowa state savings and loan associations, has joined the opposition to an application of United Federal Savings and Loan Association of Des Moines to operate a mobile unit into 11 Iowa communities.

Testifying before the Federal Home Loan Bank Board in Washington, D.C., Mr. Duncan reported that his department has received no complaints that adequate financing was unavailable in the towns to which United Federal would like to send a mobile unit - Pella, Sigourney, Albia, Centerville, Osceola, Winterset, Guthrie Center, Jefferson, Humboldt, Grundy Center and Belle Plaine.

"The mobile unit would give United Federal a competitive advantage that would cause erosion of state savings and loan associations which are not authorized to operate mobile units," Mr. Duncan said.

Dr. Wilbur R. Maki, professor of economics at Iowa State University, Ames, supported Mr. Duncan by stating before the Federal Home Loan Board that the outflow of funds from smaller Iowa communities to the large cities is injurious to the communities.

John Chrystal, state superintendent of banking, said that banks' loans on homes and real estate had

increased 13% in 1966 and savings deposits had risen 4.3% in 1966. The mobile unit, he said, would be injurious to both state and national banks, which cannot operate mobile units or branches under Iowa law.

Also testifying against the application was Frank A. Augustine, president of the First Federal Savings and Loan Association of Creston. His association serves Winterset and Osceola.

Iowa savings and loan associations, banks and citizens from the communities affected and nearby cities are continuing to testify. They include representatives from Chariton, Osceola, Oskaloosa, Centerville, Knoxville, Albia, Pella, Newton, Sigourney, Waterloo, Marshalltown, Grundy Center, Humboldt, Jefferson, Harlan, Carroll, Guthrie Center and Rock Rapids.

Attack Credit Life

The Nation's credit industry has been accused of reaping kick-back profits by overcharging for required loan life insurance.

Senator Philip A. Hart, Michigan Democrat, made the charges in announcing that his antitrust and monopoly subcommittee is currently holding hearings on what he said was a multimillion-dollar racket. His target was insurance

programs required by lenders that would pay off the loan in the event of the borrower's death or disability.

"The investigation thus far has turned up claims that consumers are paying \$175-million too much a year for credit life and credit accident and health insurance," he said in a statement.

Travel Agents Sue Comptroller

BOSTON: In a key test of another of former Comptroller of the Currency James J. Saxon's authorizations for national banks to add new services, 42 Massachusetts travel agents have filed suit against South Shore National Bank, Quincy.

Backed by the American Society of Travel Agents, which said it has provided "assistance" to the plaintiffs, the suit alleges that the Comptroller's ruling permitting national banks to operate travel agencies is a violation of the National Bank Act.

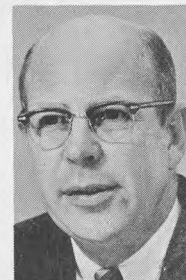
The suit was filed less than an hour after Massachusetts Gov. John A. Volpe signed into law a one-paragraph amendment to the state's banking code which reads:

"No bank shall engage in the business of operating a travel agency."

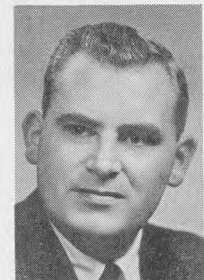


KEEP US IN MIND
WE'RE EASY TO FIND

283-2421



HOMER JENSEN



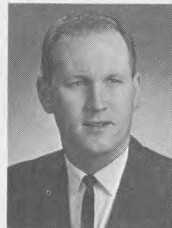
GORDON DODGE

Member Federal Deposit Insurance Corp.

Member Federal Reserve System



JOHN DIEFENDORF and GENE HAGEN
Represent



**The Bank for Personal
Service in Sioux City**



SECURITY NATIONAL BANK

Sixth and Pierce Sioux City, Iowa Member FDIC



**CHRISTY
ARMSTRONG**



**LEO
KANE**



**LEO
SCHLUETER**

'WE HAVE WHAT YOU WANT

in a correspondent bank'

**american trust
and savings bank**

9TH AND MAIN, DUBUQUE, IOWA

MEMBER: FDIC • FRB

IOWA NEWS

GROUP MEETINGS continue in Iowa this week as follows: Group 5, Council Bluffs, May 23; Group 6, Jefferson, May 24; Group 8, Anamosa, May 25, and Group 10, Centerville, May 26. See May issue of *Northwestern Banker* magazine for detailed programs.

ARLINGTON: Funeral services were held last Monday for Hoyt R. Young, former president of the Iowa Bankers Association. He lived in Wichita Falls, Texas, but continued as a director of the

Arlington State Bank, and attended nearly every Iowa convention over the past 40 years. He had formerly been associated with the City National Bank in Wichita Falls.

ATLANTIC: Work will start on a new drive-in bank building for the Whitney Loan and Trust Co. on or about July 1. A group headed by Dale Ball, president, First National Bank, Council Bluffs, recently purchased a majority of the stock in the Whitney Corporation of Iowa, which in turn owns control of the Whitney Bank.

CLINTON: Open house will be held by the Iowa State Savings Bank, May 24-26 in observance of a new addition and remodeling program.

DES MOINES: DeLuxe Check Printers will start production in its new plant at 2700 Bell Avenue (Des Moines) in early June. Open house will be held several weeks later. The plant will serve the firm's customers in the Iowa area.

ELDORA: First National Bank's new building is nearing completion and an open house will be held on or about July 1.



*We're here to help
you get what you want*

**IOWA-DES MOINES
NATIONAL BANK**

Bob Bueneke

Member Federal Deposit Insurance Corporation

NORA SPRINGS: James R. Smith has joined the First State Bank as managing officer. He was formerly cashier of the Panora State Bank. The bank is owned by a group headed by M. J. Klaus, president, First Security Bank and Trust Co., Charles City.

STRAWBERRY POINT: Joel McClure has joined the Union Trust and Savings Bank. A former Iowan, Mr. McClure has been with the Security First National Bank, Los Angeles.

NEBRASKA NEWS

ARLINGTON: Funeral services were held for Harry McClellan, Sr., 84, last week. He was a former president and chairman of the Arlington State Bank.

CREIGHTON: Joe Radosti has been elected cashier of the American National Bank to replace the late D. A. Van Deveer.

LINCOLN: National Bank of Commerce has announced lowering the rate on consumer-type CD's to 4½% for 90 days.

OGALLALA: Pete Hansen has been advanced from assistant cashier to cashier of the Keith County Bank. Mel Adams, who was president and cashier, continues as president.

SOUTH SIOUX CITY: W. P. Bernard, executive vice president, Nebraska State Bank, has resigned. No replacement has been announced.

TALMAGE: Charles E. Wood, 98, who was associated with the Bank of Talmage for 75 years, died last week. He had retired as president in 1945 but continued as a director.

MINNESOTA NEWS

BALATON: Fred A. Timm has retired from the Farmers and Merchants State Bank, and his son-in-law, V. G. (Bob) Schaffer, succeeds him as president and managing officer.

MIDDLE RIVER: L. A. Pogatchnik

Always the First to Serve You!

First National Bank of Omaha

16 TH & FARNAM - OMAHA, NEBRASKA

Member Federal Deposit Insurance Corporation



1st LINCOLN ...First in Transit Service

FIRST NATIONAL BANK & TRUST COMPANY OF LINCOLN
12th & N Street • LINCOLN, NEBRASKA • Member: F.D.I.C.



and associates of Kilkenny have purchased the Middle River State Bank. George Fricker, vice president and cashier, will retire after 47 years in banking. Mr. Pogatchnik will be executive vice president.

REDWOOD FALLS: The Comptroller has approved the conversion of the Citizens State Bank to the 1st Northwestern National Bank.

ROCHESTER: Robert S. Brenham, president, Northwestern National Bank, will resign July 1 to become senior vice president of the Northwestern Bancorporation.

SOUTH DAKOTA NEWS

HURON: The April 25 comparative statement issued by the Department of Banking and Finance showed total deposits in state-chartered South Dakota banks to be \$503,737,984 compared to \$488,877,970 a year ago. Loans were \$270,516,115 compared to \$232,379,130, representing 48.7% of assets. Time deposits continued to grow, amounting to \$229,936,809 compared to \$202,864,970 a year ago.

MOBRIDGE: Open house will be held by the Citizens Bank in its new building on Friday June 2, starting at 3 P.M.

RAPID CITY: A complete on-the-spot report of the 75th anniversary convention will be featured in the June *Northwestern Banker*. The convention concluded here on Saturday.

NORTH DAKOTA NEWS

KILLDEER: J. O. Severtson has retired as vice president of the Bank of Killdeer and has bought a home in the Los Angeles area.

NORTHWOOD: The new building for the Northwood State Bank is nearing completion and moving time is expected in July.

Set Public Fund Rate

The Alabama Legislature has passed a bill setting the rate on

Corresponsible
banking

National Bank
& Trust Company

Kansas City, Missouri • MEMBER F.D.I.C.

time deposits of state funds at 75% of the rate on Treasury bills.

The measure, which passed after three attempts and which represents a compromise between the Alabama Bankers Association and the Wallace Administration, sets the rate at 75% of the bill rate average for the four weeks preceding the deposit contract date.

Legislation on the rate on state funds is pending in the Iowa legislature, as well as in several other states in the mid-west.

Bank Crimes Increase

A downward trend in bank robberies during the first half of 1966 reversed itself during the second half of the year for a slight increase in such holdups for the full year.

The increase again points up the need for all banks to constantly analyze losses and develop the most effective means to combat them.

Bandit attacks against banks

totaled 865 last year which was 17 more than in 1965. However, these robberies accounted for a loss of \$3.7 million as opposed to \$3.9 million in the previous year.

On the other hand, burglary losses increased greatly in 1966, almost double the previous year.

CECIL MEANS

WE'RE
HERE TO
HELP YOU

...SOUTH
---O MAHA
...S STOCKYARDS NATIONAL BANK

Member F.D.I.C.

BEFORE YOU SELL YOUR BANK STOCK CONTACT
BANK INVESTORS

A DIVISION OF
IOWA REALTY COMPANY
3617 Beaver - Des Moines, Ia. - 515 279-3613

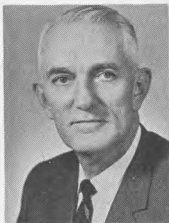
William C. Knapp, Pres. R.C. Newlin, Exec. V. Pres.

CHILES & COMPANY

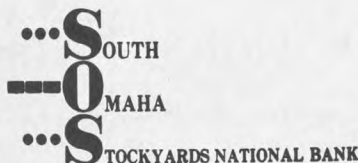
Member, Midwest Stock Exchange

MUNICIPAL AND CORPORATE BONDS
LISTED, UNLISTED AND LOCAL STOCKS
412 Farm Credit Building, Omaha, Nebraska 68102
Phone 346-6677

CECIL MEANS



WE'RE
HERE TO
HELP YOU



Member F.D.I.C.

Mosler Merger

Mosler Safe Co., has announced that controlling interest in the company has been sold to American-Standard, a leading international producer of plumbing, heating, air-conditioning and industrial equipment. Stock represented by the Mosler family, certain key executives and certain trusts was sold for cash at a price of \$38.50 per share.

As part of the purchase agreement, American-Standard will offer to purchase the shares of all other Mosler shareholders at the same price. It is planned that Mosler will operate as a separate unit of American-Standard and it is expected that John Mosler, chairman of the board, will become a director and an officer of American-Standard.

St. Louis Charge Card

The three largest banks in St. Louis -- Mercantile Trust, First National and Boatmen's National -- have announced plans to develop a compatible credit card plan which all banks in the St. Louis area can offer to individuals and merchants. Although plans are not complete, the sponsoring banks are considering establishment of a joint ser-

"SERVING BANKS AND BANKERS SINCE 1948"

Bankers Service

CORPORATION
BANK STOCK BROKERS
BANK PERSONNEL

1301 R & T BLDG. PHONE 515-244-3113
DES MOINES, IOWA 50309

vice center through which all charge slips would clear. Each of the banks will offer participation in the credit card plan to its area correspondents. It is expected that merchants signed up by any participating bank would be asked to accept cards from customers of all member banks.

Examine Credit Cards

WASHINGTON: Comptroller of the Currency William B. Camp is devoting into the records of each national bank to get some idea of how credit cards are affecting its business.

The Comptroller's office has revealed that within a few weeks bank examination reports will have a new page requesting detailed information on credit card operations.

The move reflects Mr. Camp's growing awareness of the mushrooming bank credit card industry, and the effect it could have on the future stability of the national bank system.

Freedom Share Redemption

No legislation to allow financial institutions to redeem the new high-yield Freedom Shares that went on sale recently is expected to be sought by Treasury until late in this year's session of Congress or early in next year's session.

Until such legislation is enacted, only the Federal Reserve Banks and the Treasury itself have authority to redeem the Freedom Shares, which will yield 4.74% if held to their 4½-year maturity.

Aid To Smaller Cities

To spur economic development in smaller cities, Rep. Joe Evins (D.-Tenn.) has introduced a new tax-incentive bill. It would provide an additional 7% credit (on top of the one that pending legislation would restore) for investment in machinery and equipment in plants in such cities.

Silver Dollar Plan

A move to sell the Treasury's supply of silver dollars to the American Heart Association and the American Cancer Association has again been launched by Rep. Wright Patman (D.-Tex.).

WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.
NORTHWESTERN BANKER
306 15th St., Des Moines, Iowa

\$10.00 IS

The price of a personal, air mail subscription to the Crouse Farm Business Reports. They help keep loan officers and ag representatives ahead of the changing farm picture. Samples available. Write Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

WANTED

Credit and loan individual for over \$2 million growing bank in good Colorado area near the mountains. Insurance and agricultural experience also helpful. Excellent opportunity for right person. All replies treated in strictest confidence. Write File CIX, in care of NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

BANKS WANTED

Hard-working staff of energetic Chicago Loop bank desires to serve more banks in the midwest better than they have ever been served before. This is not a lip-service ad. We'll perform! Call Max Roy in Iowa City at 338-5224. Or phone us direct at La Salle National Bank, 135 South La Salle St., Chicago, Illinois 60690. State 2-5200 (area code 312). Complete trust services. Member of Federal Deposit Insurance Corporation, of course!

“ “ “ ”

Bank Under the Big  "The Bank That Cares"

CENTRAL NATIONAL BANK AND TRUST COMPANY
Member Federal Deposit Insurance Corporation

Kirk Gross Co
BANK PLANNING
Waterloo, Iowa

No. 1034 Northwestern Banker is published five times monthly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscriptions 50¢ per copy, \$6 per year. Second class postage paid at Des Moines, Iowa. Address all mail subscriptions, changes of address (Forms 3579), manuscripts, mail items to above address.