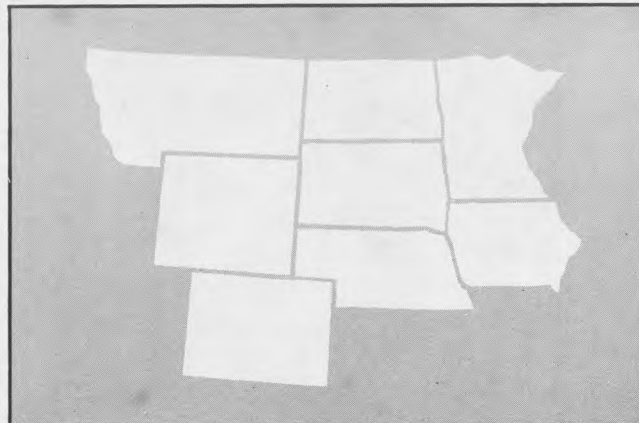


NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1093

Des Moines, Iowa

April 22, 1968

Suits Filed to Halt Mobile Branching

Two lawsuits have been filed in federal court against the Federal Home Loan Bank Board, Washington, D.C., and one has been filed against United Federal Savings and Loan Association of Des Moines, Iowa, to prevent United Federal from operating a mobile branch unit on a regular schedule in Jefferson, Winterset and Osceola, Iowa.

The federal board last month granted United Federal permission to send a mobile unit to the three Iowa towns, following the savings and loan association's application to operate in 11 Iowa towns. During a two-week hearing in Washington last May, some 30 Iowa savings and loan associations, banks and individuals from communities affected vigorously opposed United Federal's application.

In a suit filed in the U. S. District Court, Southern District, Des Moines, against the board, ten savings and loan associations, banks and individuals alleged that the board has exceeded the authority given it by Congress in allowing mobile units to operate.

The plaintiffs are Central

Savings and Loan Association, Chariton; Clarke County State Bank, Osceola; Farmers and Merchants State Bank, Winterset; Union State Bank, Winterset; Home State Bank, Jefferson; Jefferson State Bank, Jefferson; R. H. Werner, director of First Federal Savings and Loan Association, Creston; Insurance Plan Savings and Loan Association, Mt. Pleasant; State Federal Savings and Loan Association, Des Moines; and Gerald W. Clause.

The board, the suit alleged, has only the authority to follow the "best practices" of the savings and loan industry and mobile units are not a best practice of the industry. It stated that the board also has only the right to establish local savings and loan associations and that mobile units are not "local."

The suit also said that United Federal, in its application, asked for 11 locations and declared it could not operate economically with fewer than five or six. By granting but three locations, the board is alleged to have exceeded its

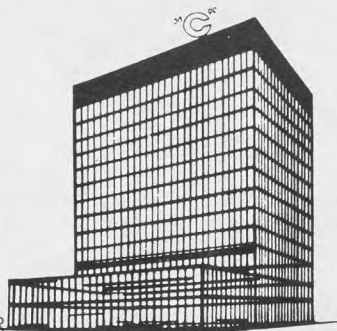
authority. The suit asks the court to declare the board regulation allowing mobile facilities invalid.

Another suit filed in the Northern District, U. S. District Court, Fort Dodge, by the First Federal Savings and Loan Association of Carroll, Iowa, made allegations against the board similar to the Southern District suit.

A third suit, filed in the Southern District Court by the same plaintiffs as the first suit, asked for a declaratory judgment against United Federal and an injunction to prevent the association from putting a mobile unit on the road. In addition, it asked that United Federal be enjoined from carrying out its proposed merger with the Ottumwa Federal Savings and Loan Association of Ottumwa, Iowa, alleging it would violate anti-trust laws. The action asserted that the use of the mobile facility and the merger would prevent other savings and loan associations from forming and expanding in their nearby territories.

The Iowa Bankers Associ-

(Continued on Page 4)



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IOWA NEWS

OELWEIN: Churchill T. Williams, president of the Oelwein State Bank, has been named chairman of the American Legion's National Finance Commission.

SIOUX CITY: Funeral services were held recently for Raymond T. Garrett, 69, former assistant cashier and manager of the personal loan department at the Toy National Bank, and Lewis P. Bolton, 65, a department manager at the Toy National for 38 years.

TRAER: Fred Lineberry has been named farm representative at the Farmers Savings Bank. He was formerly a manager for the J. I. Case Company. Larry Hassman, formerly of Plainfield, Iowa, has been named assistant cashier.

WILLIAMSBURG: O. E. (Oz) Jones, former president of Farmers Trust and Savings Bank, recently fell and broke his hip and is in room 112 at the Marengo Hospital.

NEBRASKA NEWS

FREMONT: An extensive rebuilding

program is underway at the First State Bank. Approximately 1,000 square feet will be added to the size of the present banking area. Other improvements will include expanded bank lobby area and loan offices, complete interior and exterior remodeling and two new drive-in teller windows.

NEBRASKA CITY: Mark Fullriede, executive vice president of the Farmers Bank, has received a new car from Mrs. Ruth Catron, president of the bank, recognizing his 50 years of service with the Farmers Bank. He also has been named to the Nebraska Bankers Association's 50-year club.

NORTH PLATTE: J. M. Downing of Manhattan, Kan., has joined the staff of the McDonald State Bank as a temporary loan officer.

OGALLALA: The Nebraska Group of the National Association of Bank Women will hold its annual state meeting here April 25-27.

OMAHA: D. W. Ryan, director and vice president of the First National Bank of Omaha, has been appointed to the advisory board of the Consumer Credit Division of the Omaha Credit Bureau.

MINNESOTA NEWS

GARY: Gordon Nelson, cashier of the Gary State Bank, has purchased the controlling interest in that bank from L. J. Peterson and the heirs of the late A. A. Habedank of Ada. Mr. Nelson, who has been manager of the bank for the past seven years, will become president and cashier. Mr. Peterson will continue to serve as chairman of the board of directors.

MINNEAPOLIS: Gerald Petrillo of Valley Stream, N. Y., has been

named a vice president and director of Dain, Kalman and Quail, Inc. He will represent the firm on the floor of the New York Stock Exchange.

MINNEAPOLIS: Three new directors have been elected by the Northwest International Bank. Named to the board were Sewall D. Andrews, Jr., vice president of General Mills, Inc.; John R. Fitzgibbon, executive vice president of the Iowa-Des Moines National Bank, Des Moines; and John A. McHugh, senior vice president of the Northwestern National Bank of Minneapolis.

MINNEAPOLIS: Vic Sandvig of the Northwestern National Bank has been named president of the Minneapolis Chapter, American Institute of Banking. Bob Torvik, First Bloomington-Lake National Bank, succeeds to the chapter's first vice presidency, and Rod Larson of the Farmers and Mechanics Savings Bank was elected second vice president. Donald Jerpbak of the National City Bank will serve as treasurer.

MORA: John G. Hensel has been named managing officer of the Kanabec State Bank. He was formerly deputy regional administrator of national banks, 13th national bank region.

ST. PAUL: Construction has begun on the First National Bank of St. Paul's new \$7½ million building, which will occupy the north two-thirds of the block on which the bank now stands.

NORTH DAKOTA NEWS

ALAMO: Construction has begun on the new Alamo station of the American State Bank of Williston. Completion is scheduled for June 1. J. Oliver Sovig of Alamo has been named manager of the new station.

FARGO: David G. Gordon has been named trust officer of the Fargo National Bank's new trust department. He was formerly employed as trust officer at the Merchants National Bank of Fargo.

JAMESTOWN: The Jamestown Installment Loan Conference will be held April 25-26, 1968. Registration may be made with Myron Klaut, vice president of the Jamestown National Bank.

RAY: John Hval of Williston has been appointed assistant vice



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COLORADO NEWS

HOLYOKE: Private funeral services for a long-time Colorado banker, W. E. Heginbotham, were held here recently. Mr. Heginbotham, 89, died following a respiratory illness. He was president of the First National Bank of Holyoke for many years prior to his death.

WYOMING NEWS

GILLETTE: William W. Smith, vice president of the Stockmen's Bank, was honored recently at a dinner at the Sands restaurant, marking his retirement from the bank after 32 years of service.

LANDER: The First National Bank has named Floyd E. Harmon, executive vice president, as BankAmericard specialist to supervise all BankAmericard activities at the bank.

John Holcomb has been appointed an officer trainee in the installment loan department of the First National.

LOVELL: Virgil Christensen and his wife, Naomi, have assumed active management of the Western National Bank. They come from Indianola, Nebr., where they were owners of the Bank of Indianola and have purchased the stock interests of three former directors of the Western National—Bryan Patrick, Tom Fagan and James Crump.

BULLETINS...

CHICAGO: Robert C. Suhr, senior

vice president of Continental Illinois National Bank and Trust Company, has been elected a director of Libbey-Owens-Ford Glass Company, Toledo, Ohio.

NEW YORK: Manufacturers Hanover Trust Company has announced the election of Rt. Hon. Viscount De L'Isle, V. C., as a director. Lord De L'Isle is chairman of Phoenix Assurance Company Ltd., London, and was governor general of Australia from 1961 to 1965.

NEW YORK: E. Joseph Bensler, Jr., has joined First National City Bank as a vice president in the bank's operating division. He is in charge of trust and securities operations which include 17 departments and a staff of more than 900.

Patman Sees May Deadline On Charter Bill

According to Rep. Wright Patman, chairman of the House Banking and Currency Committee, the thrift industry's charter bill must be on the House floor "by at least early May" if it is to pass this year. "Only under such a schedule can we realistically hope to get the bill through both houses of Congress this session," he added.

The charter bill, which grants thrift institutions broader investment powers and makes them more competitive with commercial banks, has been approved by the House Banking and Currency Committee, but has been bottled up in the House Rules Committee for more than three months.



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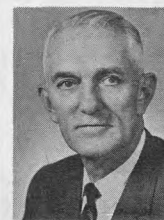
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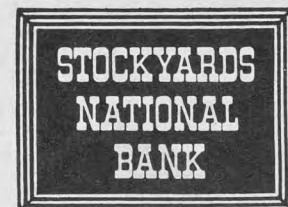
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Branching...

(Continued from Page 1)

ation, though not a plaintiff in the suits, has served as co-ordinating agency for the legal actions taken by the banks involved, Arthur E. Lindquist, Jr., secretary of the association, said. Attorneys for the plaintiffs are Thoma, Schoenthal, Davis, Hockenbergs and Wine, the firm which co-ordinated protestors' testimony at the May Washington hearings.

NATIONAL NEWS

CHICAGO: Six promotions have been announced by the Harris Trust & Savings Bank. P. David Hubbard, Philip R. Keller and Frederick B. Wightman have been named vice presidents. New investment officers are David J. McLaughlin, Stanley Palmer and Thomas A. Wick.

CHICAGO: American National Bank & Trust Company has authorized transfer of \$2.5 million to the surplus account, boosting the bank's total capital and surplus to the \$35 million level.

WASHINGTON, D.C.: The April 21-23 national conference on economic and social problems confronting rural America has been cancelled by the Independent Bankers Association of America because of a reluctance of member bank officers to go to Washington at this time.



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Small town bank - 1.4 adjusted book. Investment about \$485,000. Southern Minnesota. Principals only. Write File MBB, in care of the NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

POSITION WANTED

Iowa banker, age 54, with 27 years experience, 22 years as officer and director of one country bank. Experienced in ag credit, commercial, real estate mortgage and personal loans, and insurance agency. Graduate of School of Banking at Madison, Iowa Ag Credit School at Iowa State. Completed Standard, Pre-Standard A.I.B. courses. Willing to move. Complete details available. Write Box ITD, in care of the

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One Cummins Model 300 perforator cancelling machine. Price \$100. Blair Bank, Blair, Nebraska 68008.

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