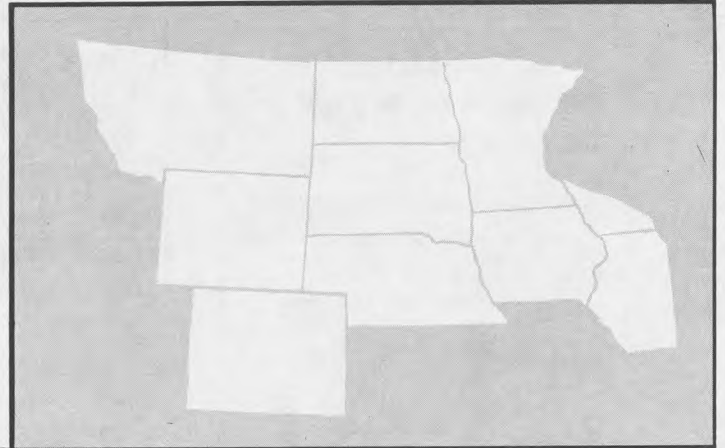


NORTHWESTERN Banker

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The Central and Western States



No. 1132

Des Moines, Iowa

December 2, 1968

Question Government Disclosure Policy

"The 90th Congress—with all of its enthusiasm for disclosure—conducted more of its meetings behind closed committee doors than any Congress in the past 15 years."

This was the statement made by Willis W. Alexander, president of the American Bankers Association, at the recent ABA Credit Card Conference in Chicago. Mr. Alexander explained that he did not intend to be negative or unduly critical—but wondered if realism and truth are the order of the day, shouldn't they be pervasive in government? He went on to say:

"At the heart of much of this legislation is the belief that more complete and accurate disclosure of information is necessary in our present society. In broad terms this is a worthy objective; certainly, it would be difficult to quarrel with it in principle. So far as banking is concerned, disclosure is far from a new concept. Actually, one of the earliest examples of legislation designed to promote mandatory disclosure applied to

commercial banks, in the form of call reports. Moreover, this type of disclosure has been supplemented by bank examination, which is simply another way of revealing information, albeit to regulatory officials. Within the past several years, additional disclosure statutes have been applied to banks, including provisions for reporting to stockholders, for disclosing changes in the ownership or control of bank stock and, of course, most recently we have seen the adoption of truth-in-lending legislation.

"As I noted, I have no desire to quarrel with the principle of disclosure since the underlying objective is valid, namely to provide the individual with the knowledge needed to make an intelligent decision on a particular matter.

"I do object, however, to the paradox of selective imposition of this principle. If the principle is good, how well does government adhere to it?"

"Indeed, isn't it curious that the same time that the banking industry was being asked to

disclose essential financial facts to borrowers—under regulations which propose even to set forth the size of type which must be used—the House Appropriations Committee during the 90th Congress held 322 meetings, according to the Wall Street Journal, and dealt with \$144 billion in budget requests—and every one of these meetings was held in secret? The Journal went on to say:

That is not only an affront to the public whose pocketbook is intimately involved in the committee's deliberations. It is also in violation of the Legislative Reorganization Act of 1946 which requires this committee's hearings to be open to the public unless the committee specifically votes otherwise. It has not voted otherwise; it just closes its doors and meets.

"If consumers—the general public—are expected to be able to make intelligent decisions as to their personal finances because of disclosure, is it not also reasonable that in order to act as intelligent citizens they must be aware of how the

(Continued on Page 4)



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IOWA NEWS

AINSWORTH: J. D. Rabenold, president of the Ainsworth State Bank, has died at the age of 68. Mr. Rabenold was one of the original organizers of the Ainsworth State Bank in 1945 and had been a member of the bank's board of directors since that time.

CLEVES: President and manager of the Peoples Savings Bank, Ralph Aikes, recently celebrated his 50th year in banking. Mr. Aikes began his banking career in 1918 as an assistant cashier in the Cleves bank and has been active in banking since that time.

CORNING: Floyd F. Whitmore, president of the Okey-Vernon National Bank, has been named to



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the Federal Reserve Bank of Chicago's board of directors, succeeding Harry W. Schaller, president of the Citizens First National Bank, Storm Lake, Iowa.

CORRECTIONVILLE: Wm. Knaack, charter member of the board of directors of the Corn Belt State Bank, has died at the age of 91. C. L. Hatfield, bank cashier, has been named to the board to replace Mr. Knaack.

GRINNELL: Max Vande Lune of Prairie City has joined the staff of the Poweshiek County National Bank as an executive assistant.

HUMBOLDT: G. Robert Bristol, assistant vice president of the First National Bank here, has been promoted to assistant vice president and cashier, succeeding W. G. Stewart, who resigned. Mr. Bristol has been an employee of the bank since 1948.

KEOTA: John E. Klein, local farmer, and L. J. Powell, Jr., of the Powell Funeral Homes have been appointed to the board of directors of the Farmers Savings Bank. They replace A. C. McCampbell and H. W. Statler, who both died recently after 43 and 25 years, respectively, on the board.

MARION: The First National Bank recently completed an issue of \$300,000 capital notes. The bank also split its stock 10 for 1 and

issued 4,000 new shares at \$50 per share.

PELLA: The Marion County State Bank here is undergoing an expansion program to triple its original size. The new addition is expected to be completed by December 15.

SPENCER: William A. Kramer, installment loan officer at the First National Bank at Clinton, has been named an executive in the installment loan department of the Clay County National Bank. Kent Winker, vice president at the bank, is assuming additional duties in the bank's commercial loan department.

WAUKON: E. Richard Lomen has been promoted from cashier to executive vice president at the Waukon State Bank. Merlin F. Kruger has been promoted from assistant cashier to assistant vice president and Richard Prestemon from assistant vice president to cashier. James R. Campbell, who joined the bank in November, has been named assistant cashier.

WELLSBURG: Bernard Harms has been elected a director at the Peoples Savings Bank, succeeding the late Simon M. Snittjer. Mr. Harms is assistant cashier at the bank.

WEST UNION: G. W. Grimes, president of the First National Bank, has been named to the board of trustees of Upper Iowa College.



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NEBRASKA NEWS

AUBURN: Application for a bank charter for the Nemaha County Bank to be located at 1122 J Street here has been denied by the director of the Nebraska Department of Banking.

DAKOTA CITY: An application for a bank charter for the proposed Sookota State Bank here has been denied.

DECATUR: Mrs. Mary Anne High-tree has been named cashier and B. R. LeMaster has been promoted to vice president at the Citizens State Bank.

DAVID CITY: The David City Bank recently held an open house to observe its 50th anniversary.

FRANKLIN: The Franklin State Bank has filed an application with the State Department of Banking to change its location from 102 Fifteenth Avenue to 1502 M Street here.

LINCOLN: Don Anderson joins the Master Charge division of National Bank of Commerce today. He resigned as assistant cashier in the correspondent department, Commerce Trust Company, Kansas City.

LINCOLN: Edward A. Becker, formerly senior vice president at the Continental National Bank has died at the age of 77. At his retirement in 1959, he had been associated with the bank for 45 years. (Continental National has been merged into First National Bank and Trust Company.)

LINCOLN: Wes Mills and Ross Wilcox have been named assistant cashiers at the Union Bank and Trust Company. Glenn Rehling has been named assistant cashier and agency manager.

NELSON: The Commercial Bank of Nelson has been purchased by Mr. and Mrs. Lee Clabaugh of Nelson from the Wehrman family. Mr. Clabaugh, who has been associated with the bank for 22 years, will assume the position of president and cashier at the bank.

vice president at the North Side Bank, has announced that the bank will double its size with a 6,000-square-foot addition, which will cost more than \$350,000. Completion of the one-story brick addition, which will include a walk-up window, three drive-in windows and a community room, is scheduled for next fall.

OMAHA: Four new assistant cashiers have been elected at the Stockyards National Bank. They are Edward L. Collins, Daniel J. Rishel, Daniel V. Mahoney and Richard J. Hutfless, Jr.

RED CLOUD: The Peoples Webster County Bank recently observed its 75th anniversary.

WOOD RIVER: The Bank of Wood River has completed their remodeling and expansion project. New facilities at the bank include a new vault and over 400 safety deposit boxes.

MINNESOTA NEWS

BOVEY: Bruce Polus has joined the staff of the First National Bank. After becoming familiar with bank operations, he will be in charge of the insurance department.

LITCHFIELD: The Northwestern National Bank recently moved into its new building. A grand opening was held November 26, 27 and 29.

MINNEAPOLIS: The Northwestern National Bank's new Southdale financial planning office has begun operations. The facility, under state banking laws, is not a full service bank, but can take applications for loans and savings and checking accounts and give related financial advice. It is located at 350 E. 38th Street.

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ST. CLOUD: The First American National Bank of St. Cloud will hold an open house for bankers in the bank's new building on December 5 from 4 to 7 p.m.

NORTH DAKOTA NEWS

BISMARCK: The Executive Council of the NDBA will meet December 4 in the State Room of the Holiday Inn here to consider legislative proposals of the NDBA Legislative Committee. Bankers are welcome to attend the meeting and express their views.

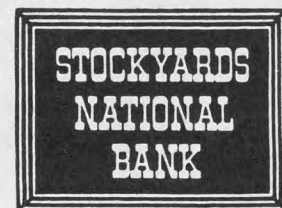
PORTLAND: The First and Farmers Bank of Portland has moved



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into its new building. New facilities of the bank include a drive-in window, night depository and alarm system. An open house was held in the bank's new quarters on November 23.

SOUTH DAKOTA NEWS

BRITTON: Construction is planned to begin this spring on the new building for the Britton office of the First National Bank of Aberdeen. The building will be located just south of the Britton library on the north 100 feet of Main Street.

MONTANA NEWS

GREAT FALLS: The Glacier Chapter of the Bank Administration Institute will hold its quarterly meeting at the Holiday Inn here on December 7.

WYOMING NEWS

TORRINGTON: The First National Bank recently held an open house in appreciation of the many customers, businessmen and friends



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who have supported the bank over the years.

COLORADO NEWS

ASPEN: The first application for a national bank charter in Colorado in more than a year has been filed with the administrator of national banks for the proposed new First National Bank of Aspen. Proposed capitalization for the bank is \$300,000. Heading the group of applicants is George B. McKinley, president of the First National Banks of Grand Junction and Glenwood Springs, and James W. McKinley, vice president of the First National of Grand Junction.

DENVER: F. Dennis Buck, Frank A. Burhorn, James D. Phelps and Mrs. Eileen Klein have been named assistant cashiers at the Central Bank and Trust Company.

DENVER: Sidney L. Brock, Jr., retired senior vice president of the First National Bank of Denver, has become associated with the Continental Investment Company, Denver, as a consultant and advisor.

DENVER: Colorado State Bank, metropolitan Denver's eighth largest, has announced it will build an \$18 million, 26-story office building on the northeast corner of 16th Avenue and Broadway. Demolition of the one-story buildings on the construction site will begin immediately.

DENVER: A. Rowland Boucher, president and chief operating officer of King Resources Company, Denver, has been elected a director of the Security National Bank.

Disclosure Policy...

(Continued from Page 1)

Congress is handling their funds?

"Appropriate it is indeed that our industry, which finds itself in the primary focus of recent disclosure legislation, should in accepting these standards for consumer business relations, express concern that similar standards of full revelation are lacking in the Government's dealing with its public.

"The stakes involved in the continuation of this dual standard are high indeed. The principle of disclosure is entitled to universal applicability in Government as well as in business.

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