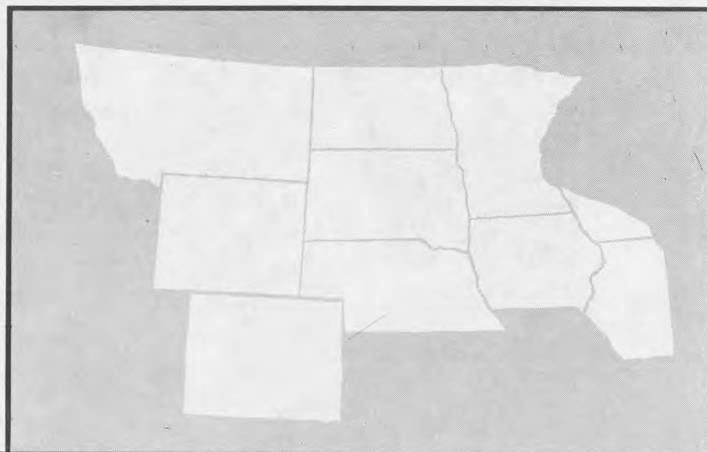


NORTHWESTERN Banker

Oldest Financial Journal Serving
The Central and Western States



No. 1136

Des Moines, Iowa

December 23, 1968

Protection Proposals Pose Cost Burden

"The cost burden which will be placed on the smaller banks by the proposed regulations under the Bank Protection Act of 1968 is oppressive, and changes in the proposals should be made."

This is the comment made by Charles R. McNeill, director of the Washington office of the American Bankers Association. He has asked the Board of Governors of the Federal Reserve System for changes in their proposals, and similar recommendations have been made to the Comptroller of the Currency and the Federal Deposit Insurance Corporation.

Mr. McNeill feels that the regulatory authorities have not followed the intent of Congress in their proposals to implement the Bank Protection Act of 1968. He notes that "instead of taking into consideration the many diverse factors relating to the circumstances of individual institutions, the authorities have proposed regulations which apply across the board uniformly to all banks, and which maximize the security requirements rather than prescribing minimum

standards as contemplated by Congress.

The A.B.A. official was also critical of the provision which gives the board 120 days or longer in which to decide whether a bank should be exempted from installing one or more prescribed security devices.

In short, the proposed rules of the regulatory agencies would require banks and S&L's to designate a security officer and develop a written security program spelling out in detail the security procedures for each office of an institution. They also would require banks and S&L's to install lights, door locks, surveillance systems and robbery and burglary alarms and to submit annual certification of their compliance as well as reports whenever a robbery, burglary or larceny is attempted.

Officials assigned with drafting the final regulations are understood to be favorably inclined toward the major complaint of banking and S&L interests that security requirements should not be as stiff for institutions least likely to be hit by robberies and bur-

glaries. Their major problem in accommodating this objection, however, is understood to be arriving at language that will be equitable and in compliance with the statute's mandate.

A spokesman for the Federal Reserve Board said revisions would be published before the January 6 deadline set by Congress in the Bank Protection Act of 1968.

Credit Unions May Offer Safety Deposit Boxes

Federal credit unions would be given authority for the first time to offer safety deposit boxes to their shareholders under newly proposed regulations issued by the Bureau of Federal Credit Unions.

Comptroller Restricts One-Bank Holding Companies

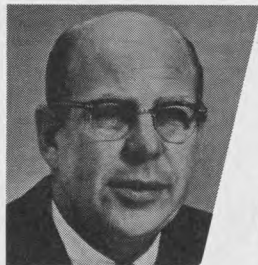
National banks seeking to establish one-bank holding companies no longer are free to enter any business field they desire but must restrict their purchases to financially related companies.

Comptroller of the Currency
(Continued on Page 4)

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IOWA NEWS

CENTERVILLE: The Centerville National Bank has announced a major expansion program. The building just east and adjacent to the bank will be completely remodeled and become a part of the bank. The new facility will provide space for added safety deposit boxes, expanded small loan department and private conference room.

DAVENPORT: Marlin M. Volz, Jr., has been elected an assistant trust officer at the Davenport Bank and Trust Company. He joined the bank's trust department in June.

DES MOINES: H. Dale Bright has joined the Highland Park State Bank as vice president in charge of public relations. He has been a director of the bank since it was founded in 1952 and was formerly vice president and treasurer of Western Tool and Stamping Company.

DES MOINES: Richard C. Lee, pres-

ident of the Capital City State Bank, has been elected chairman of the board and chief executive officer, succeeding Raymond G. Miller, who will retire January 1, 1969. Warren Ferguson, who has been executive vice president at the bank for the last three years, has been elected to succeed Mr. Lee as president.

DES MOINES: The following men have been elected new officers of the Des Moines Clearing House: Richard C. Lee, president, Capital City State Bank—president; Robert J. Sterling, president, Bankers Trust Company—vice president; Calvin W. Aurand, president, Iowa-Des Moines National Bank—second vice president; S.G. Barnard, vice president and cashier, Bankers Trust Company—secretary.

FORT MADISON: Keith E. Cowden of Lincoln, Nebr., has been named a trust officer at the Fort Madison Bank and Trust Company, effective January 2. He was formerly with the trust department of the National Bank of Commerce Trust and Savings Association in Lincoln.

GOWRIE: L. Gene Banken has been named vice president of the First State Bank of Gowrie, succeeding Clarence A. Rowe, who plans to retire after the first of the year. Mr. Banken is presently vice president of the Blue Earth State Bank, Blue Earth, Minn.

NEBRASKA NEWS

DAVID CITY: The David City Bank recently held an open house to celebrate its fifth anniversary in the bank's present David City location. It was incorrectly reported in the December 2 Bulletin that the bank had celebrated its 50th anniversary.

MILLARD: Application to exercise trust powers has been approved for the Bank of Millard by the Federal Deposit Insurance Corporation.

OMAHA: Five men have been promoted at the U. S. National Bank. They are: Howard W. Nielsen, representative in the correspondent bank division, to vice president; Everett P. Brown and Jesse J. Zimmerman, both correspondent bank representatives, to assistant vice presidents; Richard D. Shearer, manager of the bank's credit department, to assistant vice president; Richard W. Boettcher, manager of the purchasing and supply department, to assistant cashier.

OMAHA: The Omaha National Bank has promoted four officers. Thomas N. Moore and Robert E. Johnson have been promoted from vice presidents to senior vice presidents. Eugene Seaman, business development officer, has been promoted to second vice president, and John H. Mitten has been promoted from investment officer to second vice president.

OMAHA: First Mid America Inc., has named Lawrence A. Carlson manager of its Omaha headquarters office. Mr. Carlson has been with the company since 1961.

SUPERIOR: Paul E. Schmeling, chairman of the board of the Security National Bank, died December 11.

MINNESOTA NEWS

ARGYLE: Captain Peter A. Carlson has returned to the Argyle State Bank, where he will be cashier. Captain Carlson has been serving as a pilot in the Air Force, most recently stationed at McChord Air Force Base in Tacoma, Wash.



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DULUTH: Walter L. Fredrickson, vice president in charge of business development for First American National Bank, has retired after reaching retirement age. Mr. Fredrickson has been in banking and finance for more than 40 years. He joined First American National in 1947.

MINNEAPOLIS: Hans L. Kopp has been elected an assistant vice president in the international banking department of First National Bank. He was formerly manager of international operations for American Express International Banking Corporation, New York.

MINNEAPOLIS: Chester C. Lind, president of First American National Bank of Duluth, and H. F. Chamberlain, president of Valley National Bank of LeSueur, have been appointed members of the Minnesota Bankers Association's Council of Administration. Mr. Lind succeeds Richard I. Anderson president of Grand Marais State Bank, and Mr. Chamberlain replaces Richard B. Jude, former president of the First National Bank of Mankato.

ST. PAUL: The First National Bank of St. Paul has purchased controlling interest in the Davis Travel Agency, Inc. Norman R. Tuomis of New Brighton was named president and director; William H. O'Neil of Minneapolis, executive vice president and director; Lloyd L. Leider, executive vice president of the First National, was named chairman of the board.

The First National Bank will hold its second profit improvement conference on Tuesday, February 4.

WELLS: Thomas J. Hart, president of the Security State Bank, has

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accepted a similar position with the Farmers State Bank of Flan-dreau, S. D., effective January 1. He will remain on the board of directors at the bank. Vince Hart will assume the duties of president at the bank.

WORTHINGTON: An application has been filed with the State Commerce Department for the proposed Security State Bank to be located on Oxford Street here. Incorporators named in the application are E. W. Maser of LeMars, Iowa, and Leo E. Carlson, Jr., of Sibley, Iowa. Proposed capital for the bank is \$350,000. No date has yet been set for hearing on the application.

COLORADO NEWS

DENVER: The Denver U. S. National Bank has acquired the

\$50 million mortgage loan servicing portfolio of the Service Investment Company of Denver. Under terms of the transaction, Service Investment will become a subsidiary of the Denver U.S. Bancorporation Inc. and will operate a mortgage banking activity for the five affiliated banks in the Denver-based bank holding company.

SOUTHGLENN: Joseph B. Boyd has been named president of the First National Bank of Southglenn. Eugene H. Adams, former president, will continue at the bank as chairman of the board. Mr. Boyd joined the bank in December, 1967, as executive vice president. He was an officer in several Illinois banks before coming to the Denver area.



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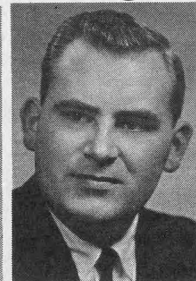
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at the First National Bank. James L. Youtz has joined the bank's auditing staff.

NATIONAL NEWS

ST. LOUIS, MO.: Edwin S. Jones, executive vice president at the First National Bank, has been elected president and a member of the bank's board of directors. He succeeds the late John B. Mitchell, who became president of the bank in 1962 and died at his home here last month. James P. Hickok, chairman of the board, will continue as chief executive officer at the bank.

Holding Companies

(Continued from Page 1)

William B. Camp is now requiring banks applying for one-bank holding companies to agree in advance that no acquisition by the holding company or any subsidiary will be made without his approval. While the language of the stipulation does not say so directly, a spokesman said the policy of the Comptroller's office is to limit acquisitions to financially related organizations.

This move by the Comptroller is viewed by observers in Washington as a step to strengthen his hand when faced with Congressional demands next year for legislation limiting one-bank holding companies. One of the chief criticisms of the one-bank holding company device is that the regulatory agencies have no control over it. The Comptroller has moved to answer this criticism.

ILLINOIS NEWS

HARVARD: Application to change the location of the main office of the First State Bank of Harvard from 32 North Ayer Street to 201-205 West Diggins Street here has been approved by the Federal Deposit Insurance Corporation.

YORKTOWN: Application for Federal Deposit Insurance for the Bank

of Yorktown has been approved. Richard E. Hamlin is bank president.

First of Chicago Executive Changes

CHICAGO: Homer J. Livingston has announced his intention to retire as chairman of the First National Bank of Chicago following the annual stockholders' meeting Feb. 4.

Mr. Livingston said directors intend to elect Gaylord A. Freeman, Jr., now vice chairman, as chairman and chief executive officer as of Feb. 4, and Edward F. Blettner, now president, to the vice chairmanship.

John E. Drick, executive vice president in charge of the bank's commercial banking department, will be nominated for directorship at the annual meeting and will be proposed for the bank's presidency.

Mr. Livingston recently reached 65, the bank's retirement age.

SOUTH DAKOTA NEWS

MILLER: Floyd Curtis, formerly employed by Midwest Supply here, has joined the time pay department

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Cy Kirk and Max Roy, vice presidents of the LaSalle National Bank, Chicago, extend sincere best wishes to all of their customers and friends for a Merry Christmas and a Happy New Year.

“ “ “ “

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