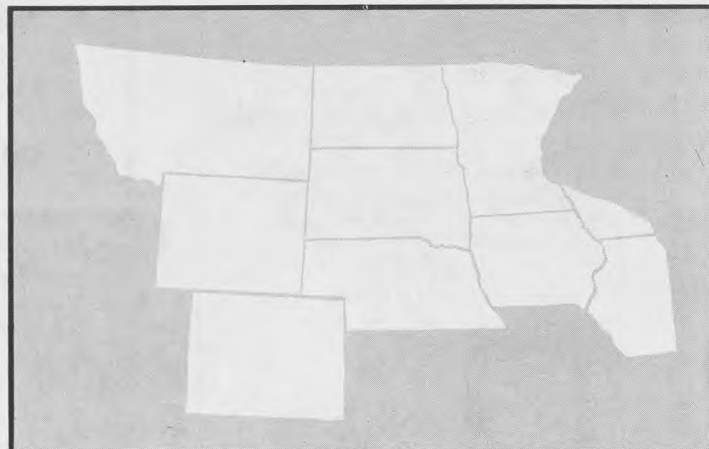


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March 24, 1969

Independents View Holding Company Threat; Prime Rate Up as Convention Opens

By MALCOLM FREELAND *Publisher*

"The one-bank holding company situation poses real dangers to the banks operating in the small and medium sized communities around the country."

This was the comment made by Wright Patman (D., Tex.), chairman of the House Banking and Currency Committee, before the 39th annual convention of the Independent Bankers Association of America in Las Vegas.

Rep. Patman has introduced HR 6778, which he hopes "will lead the banking industry back into banking." His bill would control the one-bank holding companies and place them under the direct jurisdiction of the Bank Holding Company Act of 1956. Hearings on the bill will open April 1.

Rep. Patman says, "To date we have had a lot of mumble jumble from the Treasury Department on the one-bank holding company issue." He blames

much of the trouble on Dr. Charls Walker, under-Secretary of the Treasury, who was formerly executive vice president of the American Bankers Association. He believes that "Dr. Walker's activities on the holding company legislation have been disgraceful and President Nixon should remove him immediately from further work on the bill."

* * *

News of the increase in the prime rate to 7½% broke on Monday morning (March 17) at the start of the IBA convention. As of Tuesday afternoon, the IBA had not taken an official position on the move, except to say that it was against inflation. Rep. Patman told the *Northwestern Banker* that the rate increase is devastating and will work a hardship on the majority of Americans. He expressed the hope that President Nixon will challenge

the Federal Reserve on the matter.

IBA President T. H. Milner, Jr., president, First National Bank, Athens, Georgia, attacked recent administrative decisions on mobile banking and loan production offices and authorized purchases of stock in subsidiary corporations. He was particularly concerned about "tender offer" acquisitions of banks. He warned delegates to re-evaluate their relationships with shareholders and build a better understanding with them so that they may be forewarned of a "tender offer" takeover.

President Milner reported that the Rolling Bank Cases clearly violated the branch banking laws of Georgia, Florida and the United States. The lower Federal Court in the Georgia case and the Fifth Circuit Court of Appeals in both cases ruled that the banks and the Comptroller authorizing the operations were in violation of the law. The cases are now before the Supreme Court of the United States. Congressman Patman agreed with President
(Continued on Page 4)

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IOWA NEWS

DALLAS CENTER: Roger Winterhof has been elected assistant cashier of the Brenton State Bank. He joined the bank in March, 1968.

DES MOINES: Dick W. Kuehl has been appointed commercial loan officer at the Iowa-Des Moines National Bank. He has been employed with the First National City Bank of New York for the past 10 years and joined Iowa-Des Moines on March 17.

DES MOINES: The Iowa Senate on March 18 passed a bill increasing the state's legal lending limit to individuals from 7% to 9%. The bill was sent to the House, where it was still being debated at the



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time of this publication (March 20). Several amendments to the bill, including provisions to reduce the lending limit set by the bill from 9% to 8%, to set a 9% limit on "all" loans and a truth-in-lending provision regarding credit life insurance, were being considered in the House.

HUMBOLDT: Donald M. Roberts, formerly president of the Mills County State Bank, has been named vice president of the First National Bank here, effective April 1.

SIoux CITY: Edward K. Leahy has joined the farm credit department of the Security National Bank as assistant cashier. He has been employed for the past four years as a farm and business mortgage loan field man for the John Hancock Mutual Life Insurance Company.

TOLEDO: The State Bank of Toledo has increased its capital stock from \$120,000 to \$240,000 by a 100% stock dividend.

VINTON: Kenneth B. Kramer, partner in Kramer's Men's Store here, has been named farm representative at the State Bank of Vinton.

NEBRASKA NEWS

LINCOLN: The Nebraska Legislature's Banking, Commerce and Insurance Committee has killed a bill, LB 710, to reduce the maximum interest rates on installment loans.

MONROE: The Harris family interest in the Bank of Monroe has

been sold by the Harris estate to Robert L. Hayter, Dale Stine, H. Dan Huff and K. W. Peterson. Mr. Stine is now president of the bank. He is also president of the North Loups Valley Bank. Mr. Hayter is now executive vice president; Kenneth R. Dalton, M.D., is vice president; Janice Ziegler is cashier, and Jean Carstenson is assistant cashier. Mr. Huff is president of Security State Bank at Oxford, and Mr. Peterson, of Sargent, is president of Farmers State Bank in Kilgore.

OCONTO: Eileen Walters has joined the staff of the Farmers Bank as assistant cashier.

OMAHA: John M. Shonsey has resigned as executive vice president and director of The Omaha National Bank to become more active in management of West Omaha National Bank, of which he is chairman of the board. Mr. Shonsey helped organize the West Omaha National in 1964 and is principal stockholder.

OMAHA: First National Bank's annual "Chuck Wagon Roundup" starts at 10 a.m. Thursday, March 27, at Ak-Sar-Ben Field with a welcome by Don Ostrand, vice president in charge of the correspondent bank department, and Mervin F. Aegerter, second vice president in the same department. Dr. Abe Epp and Jim Greer of the University of Nebraska College of Agriculture will take parts of a cattle feeder seeking a loan from his banker.

After the Chuck Wagon luncheon, Dr. R. A. Long, director of research and development at Ankony Angus in Rhinebeck, N. Y., will discuss "The New Emphasis on Cutability in Livestock Selection and How It's Affecting Our Industry."

Merv Aegerter will present contest awards and a program wrap-up to conclude the day.

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OMAHA: John D. Eustice, president of Eustice Processing Company and a director of the Stockyards National Bank, died at his home recently following a heart attack.

OMAHA: John J. Bohrer, a past president of the Nebraska Investment Bankers Association, has announced the formation of Continental Securities Company, a new investment firm, with offices in Pacific Plaza at 73rd and Pacific Streets. Mr. Bohrer is president of the new firm.

WALLACE: Mrs. Marie Wolden, president of the Farmers State Bank, has announced the sale of controlling interest in the bank to Kenneth H. Niedan, executive vice president and managing officer of the Hershey State Bank, Hershey, Nebr., and E. Dean Niedan, vice president of the McDonald State Bank, North Platte, Nebr., and president of the Hershey State Bank. The Neidans will join the bank's board of directors in April. Mr. Carl Wolden and Mrs. Marie Wolden will continue to operate the bank for an interim period.

MINNESOTA NEWS

FARIBAULT: Application has been filed with the State Department of Commerce for a proposed state bank, the Rice County State Bank, to be located here. Incorporators named in the application are: John A. Perra of Hope, Minn., and Thomas C. Dillon of Faribault. Proposed capital is \$250,000. No date has been set for hearing on the application.

MINNEAPOLIS: The Minnesota Bankers Association will hold its

POSITION WANTED

Bank Officer - age 34, married, desires bank officer position with opportunity. Several years varied bank and insurance experience, including installment lending. College background. Preferably Minnesota city of at least 8,000 population. Write File EDN, in care of the NORTHWESTERN BANKER, 300 East 13th Street, Des Moines, Iowa 50309.

first series of Regional Staff Training and Public Relations meetings at the Inn Towne Motel, Mankato, March 25; at the Rainbow Inn, Grand Rapids, March 26; at the Germaine Hotel, St. Cloud, March 27. Bank officers and staff members from MBA member banks are urged to attend.

MINNEAPOLIS: Included among recent officer promotions at the First National Bank of Minneapolis were: Paul D. Schliesman, vice president and controller; John R. Hall and John T. Weingart, vice presidents; Donald G. Wachholz, assistant vice president, and Allen G. Highum, assistant cashier, both in correspondent banking.

VIRGINIA: Jean P. Bennett, formerly cashier of the Grafton National Bank, Grafton, N. D., has been named cashier of the State Bank of Virginia. He replaces Donald E. Westfield, who has joined the Northwestern National Bank of Bloomington-Richfield.

WADENA: J. M. Browne has been elected president of the Wadena State Bank, succeeding his father, W. J. Browne, who advanced to chairman, E. E. Jarensen, cashier, has been promoted to vice president, succeeding the new bank president.

WADENA: Martin Ehlen has been elected chairman of the First National Bank board. Alan Pettit has been advanced to executive vice president; Merle Larson to vice president; Anton Peterson to cashier and William Jacobson to assistant cashier.

ILLINOIS NEWS

Meeting of Group 3 of the Illinois Bankers Association will be held

Wednesday, March 26, at Pheasant Run in St. Charles.

CAPRON: Application has been filed with the Comptroller of the Currency to change the location of the Capron State Bank here from the corner of 4th and Main Street to the corner of 6th and Main Street.

MOMENCE: Application of the Parish Bank and Trust Company to establish a branch at 103 East Ohio Street here has been approved by the Comptroller of the Currency.

COLORADO NEWS

DENVER: John Edmiston and Haskell H. Croy have been promoted to assistant vice presidents at the Central Bank and Trust Company. William R. Weber and Eugene Jaeger have been named assistant cashiers.

DENVER: Three officers have been promoted at the Colorado National Bank. They are Carl P. Donner, II, national accounts loan officer, named assistant vice president; Richard B. Loth, international division loan officer, named assistant vice president; William R. Moore, trust department investment officer, named trust officer.

LAKEWOOD: James W. Gunter has been elected assistant vice president and Mrs. Hilda Mays assistant cashier at the Lakewood Colorado National Bank.

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SOUTH DAKOTA NEWS

FAIRVIEW: Lloyd R. Swenson, formerly vice president of the Fairview State Bank, has been named president, succeeding O. L. Greguson. Aili Swenson has been elected vice president, and Dennis R. Swenson has been named cashier.

YANKTON: James I. Deam, president of American State Bank, and his associates have purchased capital stock of the bank from S. Dean Evans, Sr., Salina, Kans.; Mrs. Russell Knudson, Yankton, and the Shannon family of Yankton. Mrs. William Shannon is a granddaughter of the late N. P. Oelman, founder of the bank. Mr. Deam also announced the election of Dexter H. Gunderson of Irene, S.D., to the board. He is a well-known businessman and farmer of the area and is Speaker of the South Dakota House of Representatives. Elected chairman of the board was John M. Shonsey, Nebraska banker and livestock operator.

NORTH DAKOTA NEWS

SHARON: W. F. Smith, former assistant vice president in the commercial loan department of the First National Bank, Aberdeen, S.D., has taken over active management of the First State Bank, which he purchased last January.

Convention ...

(Continued from Page 1)

Milner by saying that "everyone

knows that the Comptroller of the Currency thinks that anything that moves ought to be approved." He said that some of Comptroller William Camp's activities make some of the high rollers in Las Vegas look like pikers.

B. Meyer Harris, chairman and president of The Yellowstone Bank, Laurel, Montana, was elected new IBA president to succeed Mr. Milner. More than 2,000 bankers and their wives were registered for the convention.

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