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March 9, 1970

Plan To Move ABA Office To Washington

The Administrative Committee of the American Bankers Association has approved a consolidation of the Association's New York and Washington offices.

The committee acted on a recommendation that a search be initiated in the Washington area for a location suitable for the activities now housed at 90 Park Avenue in New York, as well as at 815 Connecticut Avenue, N.W., Washington. The action is subject to final review and ratification by the Association's Executive Council which meets April 20-21.

The Association's staff in New York numbers 275. Major activities administered there are a number of educational programs for the banking industry, research and development projects, and publications.

"The recommendation approved by the Administrative Committee is the result of a six-month study of the advantages and disadvantages of conducting certain of our activities in New York," said ABA President Nat Rogers. "The advantages and benefits of consolidating our offices at a location in the Washington area were found to be persuasive."

No timetable was projected

for the move. Mr. Rogers expressed the hope that, subject to the Executive Council's review in April, a recommendation for a specific location in Washington could be readied before the Association's annual convention next October. It is expected that the move will be phased over a year or so.

The ABA's membership includes 13,600 banks, accounting for 98% of all commercial banks in the U.S. The Association conducts an extensive program of education and training for bank officers and employees, the major part of which is operated through 380 chapters of AIB located throughout the nation. The research and development activities of the Association cover many aspects of banking; among current major projects is a study of the nation's future requirements for technological improvement in the money and payments system.

Comptroller Warning On Bond Transactions...

The Comptroller of the Currency has warned national banks they are breaking the law if they engage in securities transactions

designed to show a higher asset value on their books than the true market value.

The Comptroller's letter repeats a similar warning put out by all Federal banking agencies in June, 1968.

Comptroller William B. Camp said the agency "has seen increasing evidence of these bond transactions being promoted by a small number of bond dealers and/or salesmen."

Ban Unsolicited Cards...

The Senate Banking and Currency Committee has voted to ban all unsolicited credit cards within the year.

The move, a direct blow to commercial banks, was the toughest the banking committee could have come up with without actually eliminating the use of cards by some issuers.

Its main provision, adopted as an amendment to a bill that had been under consideration for several months, would require that all unsolicited credit cards be phased out six months after the legislation was enacted.

In addition to banks, oil companies, retailers and credit card chains, such as Diner's Club and American Express, would be affected.

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IOWA NEWS

ASHTON: Grand opening at the new banking facilities for the Ashton State Bank was held February 24. Formal opening for the public will be announced soon.

AURELIA: John W. Christensen was advanced from vice president to president at Farmers National Bank. Arthur Ohlson has advanced from president to chairman. Chester E. Sjoberg continues as vice president. E. L. Brummer is assistant vice president. Donald N. Wieland is cashier.

DES MOINES: Senator Dean Arbuckle, (Rep.) Jefferson, has filed a bill designed to raise the interest ceiling on installment loans from 12% to 18% on loans up to \$1,000; to 15% on loans from \$1,000 to \$5,000, and 13% on loans between \$5,000 and \$12,000. Passage of the bill would aid banks offering bank credit card plans.

DES MOINES: The bank income tax bill, which has passed the House and cleared the Senate committee, is scheduled to come before the

Senate for action early this week. Questionable reporting by Des Moines' only daily newspaper has confused the issue in the minds of the public and some members of the legislature.

The Senate may allow banks to deduct all the federal income taxes they pay before figuring their Iowa taxes. The House refused that amendment and voted to allow banks to deduct only one-half their federal payments, which is the rule for other corporations.

As an alternative, the Senate may be asked to abandon the income tax and to boost the present tax paid by banks from five mills to seven mills on their stock, surplus and undivided profits.

DUBUQUE: Hawkeye Bancorporation of Red Oak has filed a petition in District Court here seeking to force a local investment company to fulfill its agreement to submit to its shareholders a plan to sell its controlling interest in the Key City Bank and Trust Co.

In its petition, Hawkeye said that on November 24, the board of directors of Iowa National Investment Co. contracted to sell 182,709 shares of common stock of the Key City Bank, which represents 80% of the bank's total stock, and to submit the plan to its shareholders and recommend their approval of the sale.

This marked a later development in a dispute between Hawkeye and Iowa National. The Iowa National board of directors has dismissed the

Key City Bank president, John J. Marget, charging him with a conflict of interest.

Mr. Marget has sent out letters to the 1,100 stockholders of Iowa National offering to buy up to 600 shares of stock, which would give him controlling interest in the company.

Mr. Marget offered 86 cents a share and told stockholders stock sales in 1969 averaged 75 cents a share. The stock was \$1 a share when issued in 1966.

Mr. Marget said Hawkeye member banks had offered to loan him the \$516,000 necessary to buy the 600,000 shares of Iowa National stock.

OSCEOLA: Application for a new state chartered bank to be known as the Osceola State Bank has been filed with the State Department of Banking.

Persons filing the application included A. B. Wissink of Maquoketa, Lloyd Querrey and Dale Stephenson of Osceola, and Bennett Webster and Milton Riepe of Des Moines.

PRAIRIE CITY: National Boulevard Bank, Chicago, has filed a \$98,404 judgment against 12 defendants including the president and cashier of the now-defunct State Bank of Prairie City.

The Chicago bank is also seeking \$50,000 in exemplary damages from nine of the defendants, charging that it had been the victim of a "conspiracy" which led to the closing of the Prairie City bank recently.

NEBRASKA NEWS

BELLEVUE: The State Banking Department has denied an application by Southroads Bank of Bellevue to conduct a banking business on the lower level of the Southroads Shopping Center. Original application was made September 18, 1969.

OMAHA: Russell Kendall has been elected chairman of Packers National Bank, replacing Tim J. Spencer. Mr. Kendall was with Packers as an officer until 1943 at which time he joined Nixon Feeds. He has been on the bank's board since 1943. John E.

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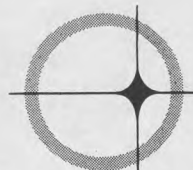
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Knight continues as president and chief executive officer.

OMAHA: After 54 years in the First National Building, Charles E. Walters have moved to 3402 North 63rd Street. New phone number is 402-553-6400, according to J. Mason Henry, president.

STANTON: The Comptroller has announced Leon Langemeier has sold 280 shares of stock in the First National Bank to Kermit Wagner. Mr. Langemeier is president.

MONTANA NEWS

HELENA: Grand opening of the new drive-in complex for Union Bank and Trust Co. will be held today (March 9). The drive-in features a pneumatic tube system, which is a non-TV system. Visual contact is maintained between the teller and customer by line-of-sight observation.

NORTH DAKOTA NEWS

ELLENDALE: Shareholders of The First National Bank have sold 460 shares (out of 500) to Franklin G. Larson, according to the Comptroller.

MINNESOTA NEWS

AUSTIN: Stephen Adams, president of Adams and Associates, Eden Prairie, has purchased controlling interest in the Sterling State Bank from Medical Communications and Electronics, Inc. of Austin.

Mr. Adams will become board chairman of the bank succeeding Richard H. Plunkett of Austin. Charles Tritz moves up from acting vice president to president, succeeding Hugh V. Plunkett, also of Austin.

MINNEAPOLIS: Karl D. Stotesbery has been elected president of the Columbia Heights State Bank, succeeding Edward L. Stotesbery, who becomes chairman of the board.

Arthur L. Gluck, formerly chairman, Federal Reserve Bank of St. Louis

will continue as a director. Karl was formerly executive vice president.

MINNEAPOLIS: John P. Knutson has advanced from executive vice president to president of Midland National Bank. He succeeds William R. Chapman, who moves to chairman of the board and chief executive officer. William J. Wallman moves from trust officer to vice president and trust officer.

ORTONVILLE: Funeral services were held recently for Al Neuman, 65, who retired recently as president of Tri County State Bank.

SOUTH ST. PAUL: R. Lloyd Smith, retired president, Stock Yards National Bank, died February 27 at age 70. He served as president from 1943 to 1964.

COLORADO NEWS

DENVER: Purchase of the Villa National Bank, 2400 Alameda, has been announced by the Denver U. S. Bancorporation, Inc.

Selling the bank was the Central States, Southeast and Southwest Areas Pension Fund of the Teamsters Union, which took over the bank's ownership in March, 1967 from a group headed by former Governor Steve McNichols.

The bank had been organized as the 17th Street National Bank at 17th and Lawrence Streets in 1963. It moved to the Villa Italia Shopping Center in 1966 and into its own building at the center in August, 1967.

LOVELAND: Jack Devereaux has purchased the control of Home State Bank here. Mr. Devereaux is currently

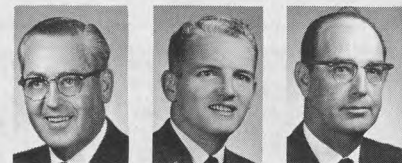
president and a director of the Rocky Mountain Bank and Trust Co. of Fort Collins. He will join the Loveland bank about April 1. Mr. Devereaux is a former president of the First State Bank of Newcastle.

PUEBLO: John Bertholf has been named president of Midtown National Bank here. Harry Hoth succeeds William A. Brummett, Jr., as chairman. Mr. Brummett was founder of the bank and has served as honorary chairman of the board since March 1, 1965, when the bank first opened. Mr. Hoth has been president since 1965, and has been active in development of bank assets, which now total \$3.3 million. Mr. Bertholf has been executive vice president since November, 1967.

WYOMING NEWS

NEWCASTLE: Don Jording, executive vice president of the Stock Growers National Bank, Wheatland, has resigned to accept a similar position with the First State Bank, Newcastle.

SHERIDAN: Bank of Commerce has named three women as assistant cashiers. They are: Rose Marie Madia, Jean Moffat and Mrs. Margaret Stickney, according to Homer A. Scott. Mr. Scott became president as of January 1, replacing Vernon Griffith, retired.



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ILLINOIS NEWS

Group meetings continue in Illinois this week. Dates and locations are: Group 4, March 10, Vagabond Inn, Rochelle; Group 3, March 11, Pheasant Run, St. Charles, and Group 2, Olympia Fields Country Club, Olympia Fields.

BELLEVILLE: Belleville National Savings Bank advanced M. A. Frischkorn and A. Clay Williams to vice presidents.

CHICAGO: Pioneer Trust & Savings Bank has named James A. Yester as a vice president.

CHICAGO: Sears Bank and Trust Co. has elected Richard M. Pollack as vice president and controller.

CHICAGO: Alford H. Scott, vice president in the bond department, Northern Trust Company, retired recently after 25 years of employment with the bank. He spent his entire career at the bank in the bond department.

CHICAGO: Three Illinois banks have withdrawn from membership in the Federal Reserve System—Farmers State Bank of Camp Point, The State

Bank of Hammond and First State Bank of Shannon.

CREST HILL: Heritage Bank has been approved for FDIC insurance. Total capital is \$750,000. John W. D'Arcy is the applicant.

JOHNSON CITY: A new state charter has been granted the Bank of Johnson City. Capitalization is \$450,000. Officers are: O. M. Hudgens, president; James Culver, vice president; John Hutchison, acting executive operating officer, and Luther Hyden, secretary. Announcement was made by Roland W. Blaha, commissioner of banks and trust companies.

PARIS: Roland W. Blaha, commissioner of banks and trust companies, has approved a charter for The Edgar County Bank and Trust Co. Total capitalization is \$500,000. Officers are: Edward E. Curtis, chairman; Robert E. Melcher, president; Fred Mercer, vice president, and Harley J. Duncan, cashier.

SOUTH DAKOTA NEWS

EDGEMONT: Verle Anderson was promoted from assistant vice president to vice president and also elected a director of Southern Hills

Bank. He joined the staff in April, 1967. Elected cashier was Mrs. Geraldine Beard, who has been assistant cashier the past two years.

FLANDREAU: Morris Hasvold was elected chairman of the Farmers State Bank to replace Leo Pottratz, who was killed several weeks ago in an auto accident.

LEMMON: Gordon Hersrud, president of Hersrud Implement Company, was elected a director of the Bank of Lemmon. Daniel Baumgarten, Selmer Hagen and Mrs. Roy Tennant were elected assistant cashiers.

MOBRIDGE: Directors of the Citizens Bank promoted John Badgley and Rollie Rosedahl to assistant vice presidents. Bernie Webb has joined the staff as assistant cashier.

WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.
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To Our Illinois Banking Friends...

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