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Plans Tax-Exempt Credit Union System

Legislation that would create the National Credit Union Bank, a central bank for credit unions, has been introduced in Congress by House Banking Committee Chairman Wright Patman (D., Tex.).

The bill (H.R. 18424) is designed to provide an institution which will give credit union members greater access to consumer credit.

To improve the capability of credit unions to provide consumer loans and to facilitate the flow of credit, the National Credit Union Bank would be empowered to:

1. Make loans to its member credit unions for liquidity purposes.
2. Discount notes of its member credit unions.
3. Provide a national interlending service for its members.
4. Sell its own certificates of indebtedness in the open market to secure additional funds for its operations.
5. Lend assistance in the rehabilitation and stabilization of credit unions needing such help.

6. Help in the orderly and expeditious liquidation of solvent credit unions.



Rep. Wright Patman

7. Cooperate and assist credit unions, credit union organizations, the National Credit Union Administration and various state supervisory and regulatory bodies in the operational improvement and financial stability of credit unions generally.

Under the bill, the National Credit Union Bank would be established with a principal office in Washington and with branch offices throughout the country as the bank officials deem necessary.

The permanent board would consist of a president to be appointed by the President, with the advice and consent of the Senate, for a six-year term; one elected member from each Federal

credit union region for a six-year term on a staggered basis; with the Treasury Secretary and the administrator of the National Credit Union Administration as ex-officio members.

The bank would be capitalized through the sale of shares at a par value of \$100, with the initial stock subscription by a credit union eligible for membership equal to one percent of its assets. Newly chartered credit unions would pay \$25 upon chartering, with a minimum requirement for purchase of one full share by the end of its first year of operation.

The bill also provides that the Treasury would advance up to \$500,000 for initial organizational and operational expenses of the bank, to be repaid within one year. The bank would also be authorized to borrow from Treasury up to \$500 million at any one time at interest rates to be determined by the Treasury Secretary for needs beyond its immediate capabilities.

The bank would be authorized to loan to shareholder credit unions, to accept deposits for members, or to invest in a member credit union's shares to establish an interlending system among credit unions, to pay dividends,

(Continued on Page 4)

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While in Caracas, four days of gracious living in the fabulous Macuto-Sheraton Hotel, with its miles of white sand beaches 20 miles from town; followed by three days in the luxurious Hotel Tamanaco, located 3,000 feet above the City of Caracas and only 10 minutes walk to the center of the city and its attractive shopping area.

Convention dates:
October 11 through October 14

Tour does not include reservations in Miami.

Tour Costs:
Minneapolis, Chicago, Miami

Round Trip —

from Minneapolis: \$515. per person — two to room;

from Chicago: \$485. per person — two to room;

from Miami: \$360. per person — two to room.

Reservations should be made now to insure best accommodations and sent with a deposit of \$50 per person payable to Sedard World Travel Service. (Balance of cost is due on or before September 3.)

Mail reservation and deposit to:
Otto H. Preus, Vice President
Marquette National Bank
Minneapolis, Minnesota 55440

IOWA NEWS

DES MOINES: Central National Bank & Trust Co. has advanced Dale C. Smith from vice president to senior vice president. He will assume administrative assignments. Richard L. Smith, vice president, will head the correspondent bank department, and Eddie Wolf moves from assistant vice president to vice president.

LONE TREE: Controlling interest in the Lone Tree Savings Bank was purchased recently from 22 stockholders by the Lone Tree Service Company. Donald M. Kout is executive vice president and cashier of the Farmers & Merchants Savings Bank of Lone Tree and president of Lone Tree Service Company. The latter firm has filed applications with supervisory authorities for permission to merge the two banks.

MAQUOKETA: Mrs. Lyle Hute and Mrs. Milton Watters have been promoted to assistant cashiers at the Maquoketa State Bank.

MINGO: Edward J. Gannon, president of the Mingo Trust & Savings Bank, died July 12 after a short illness. Mr. Gannon had been a director since January, 1952 and president since January, 1958. To date, the board has not filled the vacancy.

OSCEOLA: A hearing was held last Thursday at the state banking department on the application of Al Wissink for a charter for a new state bank to be located in Osceola. Mr. Wissink is president of the Andrew Savings Bank at Andrew and the First State Bank at Diagonal. A decision on the application is anticipated about mid-August.

NEBRASKA NEWS

ELSIE: Dwaine C. Hendricks has been named cashier of the Commercial State Bank.

GIBBON: Ronald E. Bycroft, president of the Exchange Bank, announced last week he has sold controlling interest in the bank to

Stephen A. Adams Company of Minneapolis, Minn. Mr. Bycroft will continue as a member of the board.

OMAHA: Within the next two weeks, the new L-Street viaduct will be open and carrying livestock to the Omaha market. Leading livestock officials will be on hand for the ribbon-cutting.

OMAHA: First West Side Bank has advanced H. Robert Schuett to assistant cashier. He joined the bank in August, 1968.

RAVENNA: The appointment of Donald E. Harms as a vice president of The Ravenna Bank, effective July 20, was announced last week by James H. Oliver, president of the bank. Mr. Harms resigned recently as president of the Elm Creek State Bank and vice president of the Exchange Bank at Gibbon. Mr. Oliver recently was elected executive vice president and director of Overland National Bank in Grand Island. He will retain his ownership of The Ravenna Bank.

NORTH DAKOTA NEWS

MINOT: Appointment of two bank officers at First Western Bank in Minot was announced by John H. Hoeven, president.

Fred Visina moves up from loan officer to vice president, and H. Charles Boyd-Snee of Bismarck was named cashier. Mr. Boyd-Snee has been an examiner for North Dakota.

SOUTH DAKOTA NEWS

OLDHAM: Harmon Kopperud, president and chairman of American State Bank of Oldham, accepted the resignation of Mrs. Mavis Leonhardt as cashier, and Mrs. Arlyn Smith, who joined the bank in June, 1965, was named new cashier. At the annual board meeting, Francis Malone was elected executive vice president, and Harlan Micklebost, manager of the Ramona office, was advanced from assistant cashier to vice president and manager.

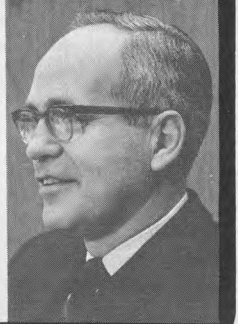
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MINNESOTA NEWS

MINNEAPOLIS: Marquette National Bank will move from its present facilities to the Investors Building at Eighth St. and Marquette Ave. in October.

Marquette President Carl Pohlad said the temporary move to quarters recently vacated by Minneapolis Gas Company is necessary to make way for the demolition of the present building at 7th St. and Marquette, which will be replaced by the IDS Center Complex.

Mr. Pohlad also announced that the Investors Building, the second largest office building in downtown Minneapolis, will be renamed the Marquette Bank Building. He said Marquette will occupy all first three levels of the building, following an extensive remodeling of the 39,000 square foot area.

When the IDS Center is completed in 1972, Marquette will move back into a specially designed 18-story banking center in the area it now occupies.

IDS Properties officials said the Marquette Bank Building will be linked to the Marquette building in the planned IDS Center by a pedestrian skyway over Marquette Ave. and an underground tunnel. A series of arcades emanating from the skyway will offer pedestrian access to the Roanoke and Baker Buildings.

MINNEAPOLIS: George H. Gould and G. W. Bosholm have been named senior vice presidents of Farmers and Mechanics Savings Bank.

MINNEAPOLIS: Five new assistant vice presidents were named by Northwestern National Bank: Gary L. Lundeen and Thomas D. Linhares in the commercial department and Kenneth O. Carlson, George T. Eggen and Richard G. Plufka in trust.

PELICAN RAPIDS: Richard Beveridge of Minneapolis has joined the Sherin and Meland Insurance Agency at the J. P. Wallace State Bank.

COLORADO NEWS

DENVER: Denver U. S. National Bank has opened a facility in Nassau, the Bahamas. It is the bank's first International branch.

DENVER: First National Bank has promoted four officers. Paul Troyer was advanced from assistant vice president to vice president. Charles B. Bringle, John C. Root and Rodney Federal Reserve Bank of St. Louis

discover security

FOR DEPENDABLE CORRESPONDENT BANKING

SNB security national bank

SIoux CITY, IOWA 51101

C. Thomas were named assistant vice presidents.

DENVER: North Denver Bank has named John D. Rankin vice president and senior commercial lending officer, according to Leo Van Dittie, chairman of the board. He served for over 11 years as vice president, cashier and director of the Broomfield Bank.

GLENWOOD: The application of Colorado CNB Bankshares, Inc. for an exchange of stock with the shareholders of the Bank of Glenwood and the Glenwood Bank Building Corp. has been approved by the Federal Reserve Board. The Bank of Glenwood with more than \$6 million in deposits was formed in 1963. The bank is currently engaged in a \$500,000 building project in downtown Glenwood. The new facilities, due to be completed in October, will double the bank's space.

New NABW President

Miss Ruth A. Bryant, assistant vice president, Federal Reserve Bank of St. Louis, Memphis Branch, Memphis, Tenn., will be installed as president of the National Association of Bank-Women Inc., at ceremonies during their forthcoming 48th Convention at the Mayflower Hotel, Washington, D. C.

More than 1,000 members of the professional association of women bank officers will attend the convention. The banking industry has been a leader in promotion of qualified women personnel to managerial positions.

IOWA-NEBRASKA BANK DIRECTORY

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CONVENTIONS

August 2-14—Bank Administration Institute, 18th Annual Session, School for Bank Administration, Univ. of Wisconsin, Madison.

August 9-11—North Dakota Bankers Assn., Tri-State Conference, sponsored by Minnesota, North Dakota and South Dakota Assns., Deadwood, S. D.

August 9-21—Consumer Bankers Assn., 19th Annual Session, School of Consumer Banking, Univ. of Virginia, Charlottesville.

August 17-28—ABA National Trust School, 11th Session, Northwestern U., Evanston, Ill.

August 31-Sept. 11—Illinois Bankers Assn., Illinois Bankers School, Southern Illinois Univ., Carbondale.

September 16-17—Illinois Bankers Assn., Ag Credit Conference, Univ. of Illinois, Urbana.

September 20-24—Bank PRMA 55th Annual Convention, International Hotel, Las Vegas.

September 20-24—NABW, 48th Annual Convention, Mayflower Hotel, Washington, D. C.

October 9-10—Assn. of Registered Bank Holding Companies, Directors Meeting, Doral Hotel, Miami Beach.

October 10—Foundation for Full Service Banks, Annual Bankers Meeting, Americana Hotel, Bal Harbour, Florida.

October 10-14—ABA 96th Annual Convention, Miami Beach.

October 18-21—Iowa Bankers Assn., 84th Annual Convention, Hotel Fort Des Moines, Des Moines.

October 20-23—Bank Administration Institute, Short Course in EDP Auditing, Park Ridge, Ill.

November 1-4—Bank Administration Institute, 46th Annual Convention, Washington Hilton Hotel, Washington, D. C.

ILLINOIS NEWS

CHICAGO: Howard C. Szensy and associates have purchased 13,406 shares out of 40,000 outstanding in the Steel City National Bank from Howard McKee Corporation and seven others, according to the Comptroller of the Currency.

CHICAGO: Robert Mayo goes to work this week as new president of the Federal Reserve Bank of Chicago.

PEORIA: Steven R. Koch has advanced from executive vice president to president of the Jefferson Trust and Savings Bank, succeeding Stanley M. Vermeil, who has been named chairman of the board.

SCHAUMBURG: An application for a permit to organize has been filed by a group of applicants proposing to establish a new Illinois state bank to be known as Heritage Bank of Schaumburg. Total capitalization would be \$750,000 (Capital \$300,000; Surplus \$300,000, and Reserve \$150,000. Stock would consist of 30,000 shares at \$10. Organizers are Donald O'Toole of Flossmor; Walter Ehrmann of Olympia Fields; Alfred J. O'Malley of Chicago; James Lesparre of Midlothian, and Donald Forst of Chicago.

Credit Unions...

(Continued from Page 1)

to purchase notes and other receivables from members and to execute numerous other functions related to its objectives.

Other provisions provide for audits of the bank by independent accountants; a fiscal year audit report to the Comptroller General; a full report to the President and

Congress at the close of each fiscal year, and exemption from taxation except for real and tangible personal property.

The bill also provides that stock subscriptions to the bank would constitute part of the regular reserve of Federal credit unions.

Chairman Patman said one of the major benefits of the bank would be its ability to assist the liquidation of solvent credit unions—those forced to liquidate because of plant closings, military base closings, loss of field membership or similar situations.

WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.

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WANTED

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WANT TO BUY

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