

# NORTHWESTERN Banker

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## FDIC Delegates Regional Authority

In a major move to speed action on applications, the Federal Deposit Insurance Corporation has adopted regulations, effective January 1, 1971, delegating authority to act under specified conditions to the director of its Division of Bank Supervision and the Corporation's 14 regional directors. Operating instructions implementing these delegations of authority, available to the public at the various Regional offices of the Corporation and at its Washington office, have been furnished by the director of the Division of Bank Supervision to each regional director.

The director of the Division of Bank Supervision, and through him the regional directors, will be authorized to approve applications in a wide range of cases which do not involve substantial changes in the overall competitive situation.

Included in the delegations are:

1. Applications for establishment of teller's window, drive-in, or like facilities as adjuncts to a main office or a branch office;

2. Relocations of branches or main offices;

3. Operation of temporary banking facilities;

4. Issuance of subordinated capital debt;

5. Reduction or retirement of capital;

6. Applications for trust powers;

7. Extensions of time to perform acts required by prior Corporation action;

8. Certain administrative actions relating to bank service corporations, the Bank Protection Act, and the Securities Exchange Act of 1934;

9. Minor or nominal deviations (10% or less if dollar requirements are involved) from prior Corporation requirements.

The Corporation's board of directors created a task force three months ago with the mission of drawing up delegations which would accelerate the processing of applications and free its members and other key Washington office personnel from many day-to-day operating details, allowing them more time for major policy determinations and matters which

will continue to require board consideration.

## Fed Plans Regulation Of Holding Companies

The Federal Reserve Board and its 12 member banks are preparing for what will be the largest regulatory chore in its history—administration of the one-bank holding company act, signed into law on December 31, 1970.

The law, which took immediate effect, gives the Board until about June 29 to complete the first official tally of one-bank companies and set forth the regulatory procedures it will use to screen new acquisitions and determine the suitability of old ones.

Actual preparation for the job has been under way at the board for several months. Included in the task is the drafting of a registration statement, the hiring of more staff and the issuance of a number of procedural guidelines for companies to follow when making application to the Board for changes in their corporate structures.

Where Congress laid down the general principles in section 4C8

(Continued on back page)

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## IOWA NEWS

**BURLINGTON:** Cecil Orr, v.p., and Florence Boden, head of the new account dept., have retired from the Farmers & Merchants B&T Co. Mr. Orr joined the bank in 1948 as mgr. of the installment loan dept. He had started his banking career in Middletown in 1929 and had been cash. at both Security Svgs. Bank, Marshalltown, and Dallas Co. State Bank, Adel.

Mrs. Boden began working at the bank in 1924 and had been head of the bookkeeping dept. for many years before heading the new accounts dept.

**CEDAR RAPIDS:** The Comp. of the Currency has approved a branch for the Merchants Natl. Bank to be located at 2767 16th Ave., S.W.

**CENTERVILLE:** Mrs. Lorene Halden has been promoted from a.c. to v.p. of the Centerville Natl. Bank, and Mrs. Bernice Graver has been promoted from a.c. and aud. to a.v.p. Mrs. Halden has been with the bank for 14 years and Mrs. Craver for 11 years.

**DES MOINES:** Donald L. Martin has been promoted to a.c. and John H. Reed to aud. at the Plaza State Bank.

**DES MOINES:** David G. Wright, pres. of Northwest Des Moines Natl. Bank, has announced plans to open an office of the bank in the Uptown Shopping

Center at 42nd and University. The new office will be opened in early spring at 1133 42nd St. William H. Withey, a.v.p., has been named mgr.

**DUBUQUE:** The Comp. of the Currency has approved a new branch office for the First Natl. Bank of Dubuque at Jackson and White at 22nd.

**GOWRIE:** The First State Bank of Gowrie has increased its capital stock from \$125,000 to \$150,000. The new capital structure will consist of \$150,000 capital stock, \$150,000 surplus, and over \$100,000 in undivided profits and reserves.

**NEWTON:** At Newton Natl. Bank, Don Sabann, ag rep., has been elected v.p.; Elwood Van Zee, installment loan off., has been elected a.c.; and Mary Lou Van Zee, head teller, was elected a.c.

**SIBLEY:** Several promotions have been announced at the First Natl. Bank. C. L. Ramsey, formerly pres., has been made co-chairman along with the previous chmn., E. W. Maser. Leo E. Carlson, Jr., formerly exec. v.p. & cash., is now pres., and Wilma Hatting, who was a.c., has succeeded to Mr. Carlson's former positions.

Marvin Simonson, mgr. of the Arnolds Park office, has been promoted from a.c. to v.p., and Robert M. Ronnefeld, formerly a.c., has been promoted to v.p.

## NEBRASKA NEWS

**ALMA:** Vest McKee, 86, died recently here. She retired as v.p. of the Harlan County Bank in 1961, after 61 years of service to the bank.

**BENNINGTON:** H. E. Roe has been promoted from pres. to chmn. & c.e.o. at the Bank of Bennington, Jerry E. Roe from exec. v.p. to pres., and Clayton L. Struthers from cash. to v.p. & cash. The capital stock of the bank has been increased from \$50,000 to \$75,000.

**CAIRO:** Robert C. Larson has been elected pres. of the State Bank of

Cairo, succeeding the late Wayne S. Sorenson. Mr. Larson has been exec. v.p.

**CAMPBELL:** W. H. Vankirk recently retired as an active off. of the Campbell State Bank. He will retain the title of v.p. and remain on the board.

**GRAND ISLAND:** The First Natl. Bank recently installed a new information system that will provide the caller with a three-minute capsule of market news direct from the USDA. Cooperating in the project are the bank, the USDA, Nixon Feeds, and the Nebr. Livestock Feeders.

**GUIDE ROCK:** Funeral services were held recently for Clarence M. Taylor, 83, chmn. for the last 15 years and board member since 1931 of the Guide Rock State Bank.

**IRVINGTON:** An application has been filed with the dept. of banking for a charter for a proposed Irvington State Bank, to be located at 90th & Military, Omaha. Hearing on the application has been set for 9 a.m., Feb. 16.

**KEARNEY:** Two Nebr. bankers have been appointed to the Board of Trustees for State Colleges. They are Robert Walker, pres., Platte Valley State Bank, and Dick Hahn, Jr., exec. v.p., Carson Natl. Bank, Auburn.

**LINCOLN:** The former Havelock Natl. Bank has become the Havelock Bank following state banking dept. approval of a request to convert to a state-chartered institution.

**LINCOLN:** The organizers of the proposed Lincoln Bank East have filed a petition in Lancaster District Court seeking a reversal of a state banking dept. order denying their application for a charter for the bank to be located at 70th and O.

**MINDEN:** Dale Wells has been promoted from v.p. to exec. v.p. and Homer E. Pierce has been named a director & v.p. at First Natl. Bank. The bank has also increased its capital stock from \$50,000 to \$100,000.

**OMAHA:** An application has been filed with the state dept. of banking for a charter for the proposed Omaha State Bank to be located at 12100 West Center Road. A hearing has been scheduled for 9 a.m., March 9, 1971.

## MINNESOTA NEWS

**BEMIDJI:** John W. Baer has been named a member of the board & cash.



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Armstrong



Leo  
Kane



Bob  
Scott

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at Security State Bank. He succeeds V.P. Charles Noren as cash. Mr. Noren will continue as v.p. Mr. Baer joined the bank four years ago and became a.c. in Jan., 1968.

**COON RAPIDS:** The First State Bank of Coon Rapids has been sold to the Northland Co., St. Paul, whose principal stockholder is Edward Hamm. The purchase was from the estate of Ralph R. Kriesel, the major stockholder. J. J. Green, pres., will continue to manage the bank, and David Collins, Dr. Louis J. Filiatrault, and George Jensen will continue as directors.

**EDINA:** James R. Clancy has been elected installment loan off. at Edina State Bank. He was formerly with American Natl. B&T, St. Paul.

**FREEBORN:** Arleigh Miller has been elected pres. of the First State Bank, and his son, John, has been elected v.p. R. S. Doherty, formerly chmn., was elected consultant, and C. S. Shelgren, formerly pres., was elected chmn. Arleigh Miller entered banking in 1937. He is also pres. of the First State Bank, Iola, Wisc.

**MADISON:** Dr. R. M. McLaughlin has been elected v.p. at Peoples State Bank, Mrs. Marge Ries has been elected to the board, and Mrs. Rose Fritz has been named an a.c.

**MINNEAPOLIS:** Funeral services were held recently for Arthur Kemp, retired v.p. of the First Natl. Bank and one-time pres. of the Cord Motor Co., who died recently in Winter Park, Fla.

**MINNEAPOLIS:** The Marquette Natl. Bank will hold a Correspondent Bank Management Symposium at the Downtown Hotel Radisson on Feb. 3. Registration will be at 1 p.m., the business session at 1:30, a cocktail hour at 5:30, and dinner and entertainment at 6:30. For the ladies there will be a tour of the General Mills Betty Crocker Kitchen from 3:00 to 4:00.

## COLORADO NEWS

**AURORA:** The Comp. of the Currency has disapproved two applications for national bank charters in Aurora. Both disapprovals were dated Dec. 16 in the report received last week. Rich

L. Eason was the agent on one application. Joseph G. Hodges was agent on the other.

**DENVER:** Robin B. Bailey has been elected pres. & c.e.o. of Jefferson County Bank. Samuel T. Jones, Jr., was named chmn. Mr. Bailey heads J.B.H. Corp., which recently purchased about 93% of the bank's stock.

## WYOMING NEWS

**NEWCASTLE:** Donn J. Ross has been elected cash. of First State Bank to fill the vacancy created by the resignation of Don Howell, who has joined an auto agency here. Mr. Ross has been a.v.p. at Cheyenne Natl. Bank, where he served the past 10 years.

## ILLINOIS NEWS

**CHICAGO:** At Pioneer Trust & Svgs Bank, Russell T. Cramer has been promoted from exec. v.p. & director to pres. & c.e.o., and John F. Connaughton, Jr., has been promoted from senior v.p. & controller to exec. v.p. Other promotions include: Thomas N. James to v.p. of operations, Derold A. Olsen to v.p.-personnel, Wayne V. Ecklund, to a.v.p. & controller, and Thomas A. Rosenquist and Munn W. Heyborn to a.v.p.'s.

**CHICAGO:** Urban F. Meyers, formerly exec. v.p., has been elected pres. of The Lawndale Trust & Savings Bank. Ernest J. Schmitz has been promoted from cash. to cash. & v.p.

**MONTGOMERY:** Roland W. Blaha, state commissioner of banks and trusts, has announced the issuance

of a permit to organize to a group of applicants proposing to establish the Bank of Montgomery to be located at Douglas & Montgomery Roads in Montgomery, Kane County. Total capitalization of the bank would be \$600,000, consisting of capital stock \$240,000, surplus \$240,000, and reserve of \$120,000. The organizers are: Lowell E. Geffinger, Winnetka; Robert H. Goehlen, G. William Richards, and E. Jay Lease, Aurora; Henry Luckhardt, Westmont; Lawrence R. Vogel, Villa Park, and William B. Courtney, Hinsdale.

## NATIONAL NEWS

**KANSAS CITY:** Commerce Bank has advanced C.W. Battey, Jr., from exec. v.p. to pres., succeeding P. V. Miller, Jr., who has been named vice chmn. of the board. Murray Wilson was named senior v.p. & head of the trust dept.



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## Prime Rate Goes to 6%

Two further reductions in the prime rate were made within four days of each other—actually on successive working days. First National City Bank cut its prime rate to 6¼% from 6½% on Friday, January 15. A number of banks followed suit. Before the effect of this could be completely observed, the Morgan Guaranty Trust Company dropped the prime rate to 6% on Monday, January 18, and this generally has been followed by banks throughout the country.

In a companion move, the Federal Reserve Board on January 18 reduced its discount rate from 5¼% to 5%.

The prime rate had gone down to 6½% on January 6. The latest drop marks the eighth time the prime rate has dropped since reaching a record peak of 8½% on June 9, 1969.

## Holding Companies...

(Continued from Page 1)

of the act, the Fed will have to make them specific.

It can do this in two ways. It can build up a history of interpretations on a case-by-case basis, or it can permissible activities.

Because listing activities is faster and more efficient, some banking observers expect it to be the route the Fed will follow. The Fed itself is giving no assurance, however, and a Board spokesman says it "has decided nothing yet in this regard."

If the Board does go ahead with guidelines, the usual government rule-making procedure it would probably follow, would be to propose rules for a comment period, say of 30 days, then grant an oral hearing

to interested parties. The problem of standing for non-banking concerns, which arose over an insurance agency application last year, probably would have little bearing on holding company applications, which will be almost exclusively concerned with non-bank firms.

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