

NORTHWESTERN Banker Newsletter

Vol. 5 No. 24

Des Moines, Iowa

October 11, 1976

ABA Elects W. Liddon McPeters

"Show Biz '76" might have been a suitable title for the American Bankers Association's annual convention held in the nation's capitol last week. In keeping with America's Bicentennial, it was termed "Banking's Spirit of '76."

More than 11,000 delegates registered for the gala event that featured a wide variety of business meetings and social functions. Activities were so diversified that there was something for everyone.

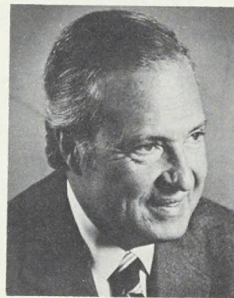
ABA President J. Rex Duwe, president, Farmers State Bank, Lucas, Kansas, pleaded for unification among bankers. He warned delegates that they would have to "close ranks" to meet legislative challenges in 1977. Paul Harvey, noted news commentator, added to President Duwe's message by telling bankers "What's Right with America."

Delegates left the Duwe/Harvey session only to find that one of their favorite cabinet members, Earl Butz, had resigned as secretary of agriculture because of an ethnic "joke" told in private conversation following the Republican convention in Kansas City.

High Court Decision

Meanwhile, the Supreme Court declined to hear appeals by Continental Bank and First Na-

tional Bank, Chicago, on customer banking communication terminals. The two Chicago banks were joined by the Comptroller in the action. As a result, the banks will be required to disconnect the machines



W. Liddon McPeters

that they already had set up before and during the dispute over their legality.

ABA President Duwe called the court action discriminatory against banks. Charles O. Maddox, president of the Independent Bankers of America, was not upset by the high court's ruling. He said IBAA prefers electronic banking to come about through proper study and action by the National Commission on Electronic Funds Transfer. The commission's initial report is scheduled to be delivered during the next session of Congress. It is clear that legislative remedies will be required - but unification of

banks, sought by ABA President Duwe, is almost certain to be lacking in the area of EFT.

Speakers like Beryl Sprinkel, executive vice president and economist of Harris Bank, Chicago, told delegates that the prime rate would likely be 7½% by late 1977 - and Charles F. Haywood, economist, reported an ABA study showing that payment of interest on demand deposits would be an economic disaster. Discussions among bankers at social functions did not necessarily coincide with discussion from the podium. Most were interested in current happenings, such as the resignation of Secretary Butz, the Ford/Carter campaign, and football scores from the past weekend.

W. Liddon McPeters, president of the \$35 million Security Bank of Corinth, Miss., was elected president of ABA for 1976-77, and A. A. "Bud" Milligan, president of the \$131 million Bank of A. Levy, Oxnard, Calif., was named president-elect.

Exhibitors seemed to grow in numbers while social functions sponsored by city banks were on the decline. In numerous instances, private dinner parties for preferred customers took precedent over massive receptions.

A complete, on-the-spot news and picture report will be made in the November magazine issue of Northwestern Banker.

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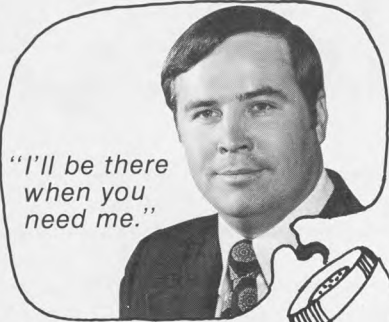
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Iowa News

DANVILLE: John Brayton has joined the Danville State Savings Bank. He previously was with NCR Corp. in Davenport.

DEEP RIVER: Funeral services were held recently for Paul S. Light, vice president and manager of the Deep River office of the Gibson Savings Bank, who died suddenly of a heart attack. He also was a bank director and had been with the bank since 1937. Richard Geiger has been named vice president and office manager to succeed Mr. Light.

EARLING: Farmers Trust & Savings Bank has increased its capital

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stock from \$120,000 to \$240,000.

ELDON: James E. Elsensohn has joined the First National Bank as executive vice president and chief executive officer. He previously was with the Union Bank and Trust Co. in Ottumwa for five years.

FREDERICKSBURG: David L. Morris has joined the First State Bank as executive vice president. He had been with the Brenton Bank and Trust Company, Urbandale, as vice president for the past five years.

IOWA CITY: Iowa State Bank & Trust Co. has received permission to establish an office in Coralville.

ROCK VALLEY: Lester State Bank has received permission to move its charter to Rock Valley and establish an office in Lester, and to change the name of the bank to Peoples Bank and Trust.

Nebraska News

The executive council of the Nebraska Bankers Association, at its meeting September 21, authorized NBA President James Black to appoint a task force to begin development of a five-year plan for the association. The goal would be to develop positive, helpful programs.

The council also endorsed an amendment to the state constitu-

tion appearing on the November ballot which would raise the salary of state senators from \$400 to \$675 per month. The council also authorized formation of a committee to raise funds to support this amendment.

Other council action included rejection of the NBA legislative committee's recommendation to make loans at detached facilities, and instructions to the staff to begin a study on the possible formation of a captive insurance company that would be owned by Nebraska banks to provide blanket bond coverage.

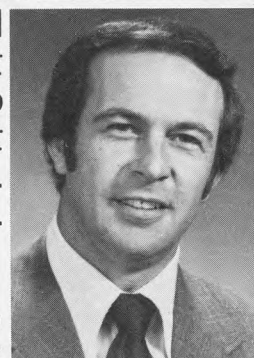
The council action will be reviewed in greater detail in the November Northwestern Banker magazine.

LINCOLN: United Bancshares of Nebraska has been granted permission by the Federal Reserve Board to establish a one bank holding company, with its principal asset being First Westroads Bank of Omaha. The company will now become affiliated with NBC Co. of Lincoln, and nine other similarly held banks throughout the state.

Minnesota News

The following banks have increased their capital stock by sale of new stock: Avon State Bank, from \$125,000 to \$200,000; Citizens State Bank of Big Lake, from \$150,000 to \$200,000; State Bank of Chandler, from \$70,000 to

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\$95,000; Merchants & Miners State Bank of Hibbing, from \$550,000 to \$600,000; Northwestern State Bank of Northfield, from \$400,000 to \$500,000; and Farmers State Bank of Raymond, from \$50,000 to \$100,000.

MOORHEAD: American State Bank has changed its name to American Bank and Trust Company of Moorhead upon being granted permission to exercise trust powers.

Illinois News

NORTHBROOK: A permit to organize has been issued to the Charter Bank of Techny at the southeast corner of Willow and Shermer Roads. The state bank's total capitalization of \$1,250,000 will consist of \$500,000 in both capital and surplus and \$250,000 in reserve. The 50,000 shares of stock will have a par value of \$10 each. Organizers are Larry L. McGregor, Northbrook; Allan E. Bulley, Jr., Kenilworth; Louis W. Biegler, S. N. Tideman, Jr., and Eugene E. White, all of Northfield.

PEKIN: First National Bank will hold an open house for the public to see its new building on Saturday,

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South Dakota News

The South Dakota Bankers Association will hold its Instalment Credit Conference at the Howard Johnson's Motor Lodge in Sioux Falls October 21-22. Registration begins at noon followed by the program at 1 p.m. Topics of discussion will include: changing the way America buys cars, AIB, banking for people, indirect leasing, compliance with consumer laws, and women in banking. Adjournment will be 11:30 a.m. Oct. 22.

North Dakota News

The North Dakota Bankers Association's (NDBA) 1976 Fall Group Meetings begin this week. The schedule is: northeast—Tuesday, Oct. 12, American Legion Club, Grafton; northwest—Wednesday, Oct. 13, Four Bears Motor

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Lodge, New Town; southwest—Thursday, Oct. 14, Mandan Community Center, and southeast—Friday, Oct. 15, Valley City Country Club.

The meetings begin at 3 p.m. with the welcome from the group president. Social hour is at 6:15 p.m. followed by dinner at 7 p.m. Topics of discussion will include the association's advertising program, bank robbery, kidnapping and extortion, and current banking reg-

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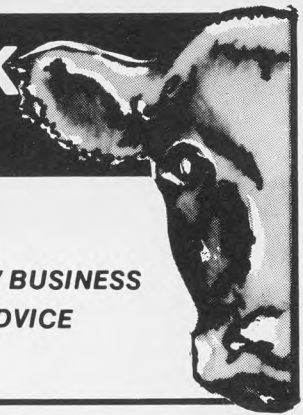
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ulations and laws and legislative report. New group officers will be elected. Carlyle P. Austinson, president of NDBA and executive vice president, Northwood State Bank, will speak.

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- Title of publication — Northwestern Banker Newsletter.
- Date of filing — September 27, 1976.
- Frequency of issue — Weekly.
- Location of known office of publication (Not printers) — 306 - 15th Street, Des Moines, Iowa 50309.
- Location of the headquarters or general business offices of the publishers (Not printers) — 306 - 15th Street, Des Moines, Iowa 50309.
- Names and complete addresses of publisher, editor and managing editor — Publisher — Malcolm K. Freeland, 306 - 15th Street, Des Moines, Iowa 50309. Editor — Ben Haller, Jr., 306 - 15th Street, Des Moines, Iowa 50309.
- Owner (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding 1 percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a partnership or other unincorporated firm, its name and address, as well as that of each individual must be given.) Malcolm K. Freeland, President, 306 - 15th Street, Des Moines, Iowa 50309. Ben Haller, Jr., Vice President, 306 - 15th Street, Des Moines, Iowa 50309. Northwestern Banker, 306 - 15th Street, Des Moines, Iowa 50309.
- Known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities: Malcolm K. Freeland, President, 306 - 15th Street, Des Moines, Iowa 50309. Ben Haller, Jr., Vice President, 306 - 15th Street, Des Moines, Iowa 50309.
- For completion by nonprofit organizations authorized to mail at specific rates (Section 132.122, PSM). The purpose, function, and nonprofit status of this organization and the exempt status for Federal income tax purposes have not changed during preceding 12 months.
- Extent and nature of circulation:

	Average No. copies each issue during preceding 12 months	Actual Number of copies of Single issue nearest to filing date
A. Total No. copies printed (Net Press Run)	4,932	5,056
B. Paid circulation		
1. Sales through dealers and carriers, street vendors and counter sales	NONE	NONE
2. Mail subscriptions	4,615	4,638
C. Total paid circulation	4,615	4,638
D. Free distribution by mail, carrier or other means—sample, complimentary, and other free copies	217	318
E. Total distribution (Sum of C and D)	4,832	4,956
F. Copies not distributed		
1. Office use, left-over, unaccounted, spoiled after printing	100	100
2. Returns from news agents	NONE	NONE
G. Total (Sum of E, F1 and 2—should equal net press run shown in A)	4,932	5,056

11. I certify that the statements made by me above are correct and complete.

BEN HALLER, JR.
Editor

12. For completion by publishers mailing at the regular rates (Section 132.121, Postal Service Manual). 39 U.S.C. 3626 provides in pertinent part: "No person who would have been entitled to mail matter under former section 4359 of this title shall mail such matter at the rates provided under this subsection unless he files annually with the Postal Service a written request for permission to mail matter at such rates."

In accordance with the provisions of this statute, I hereby request permission to mail the publication named in Item 1 at the phased postage rates presently authorized by 39 U.S.C. 3626.

Ben Haller, Jr., Editor

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