

FDIC Uses New Approach in Iowa P&A

A UNIQUE approach to assist a new bank that is purchasing a failed institution was used for the first time by FDIC on June 27 in the takeover of a failed Iowa bank. As reported in the *Weekly Newsletter* last week, the Commercial State Bank of Pocahontas, Ia., was declared insolvent on that date. Carroll County Bancshares, Inc., which owns the \$60 million asset Carroll County State Bank in Carroll, paid an \$11,000 premium to the FDIC to take over the approximately \$42 million in deposits by the newly-formed Citizens State Bank.

Under its usual procedure in such cases, FDIC would have injected cash into the new bank equivalent to the assets withheld by FDIC. This generally has been a major share of the loan portfolio, consisting of bad loans that got the failed bank in trouble. This injection of cash and other assets was enough to equal the total liabilities assumed. In many instances, in today's midwest economy, this has meant the new bank has a large amount of cash, limited loan demand, and much lower rates today for return on Fed Funds, T-Bills or other investments.

In the Pocahontas failure, an FDIC official explained, Commercial State Bank had only a limited num-

ber of loans FDIC could pass along, so the new note option idea was presented to the buyers. Using this method, FDIC retained *all* loans, then gave the new Citizens State Bank a one year note for \$33 million bearing 7.5% interest. In this way, the new bank immediately gained earning assets to give it income. It may draw down on the note at any time in increments of \$1 million or more, and the note terminates and becomes payable to the bank in one year. This gives the new bank the option of drawing down on the note to meet local loan demand as it develops, or to purchase any loans it wishes to take from FDIC.

FDIC is adding a further option to its handling of failed banks. A bank purchasing a failed institution may purchase whatever substandard loans it selects at 90% of their loan value. The FDIC official stated that if the purchasing bank feels that discounting the loan by 10% will make it a workable loan, then it can be incorporated into the purchasing bank's portfolio. If a bank should buy *all* the substandard loans from the FDIC, the discount drops the price to 85% of value. He said it was too early to determine if this approach has enough interest to buyers. □

CSBS Audit Conference

The banking departments of North Dakota, Minnesota, Montana and South Dakota, in conjunction with the Conference of State Bank Supervisors (CSBS) will present a computer audit and control conference for bankers Aug. 18-21 at the Minneapolis Marriott Hotel, Bloomington. It is designed to provide bankers with the knowledge they need to effectively manage, audit and control their bank's electronic data processing function.

Iowa News

The Iowa Bankers Association has re-scheduled its semi-annual Bank Directors Seminar to next December 4 at Holiday Inn Gateway in Ames. The seminar had been scheduled originally for July 22-24 in Storm Lake, Des Moines and Cedar Rapids.

BRITT: Phillip D. Kennedy has been elected president of First State Bank of Britt. He has nine years of banking experience, joining the bank after serving as senior vice president of the First Interstate Bank of Esterville.

DES MOINES: Sharon C. Johnson has been elected vice president, human resources and Darrell E. Hughes, vice president, commercial



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loans at Hawkeye Bank. Ms. Johnson most recently served as employment supervisor for Employers Mutual Companies. Mr. Hughes joins the bank from First Interstate Bank of Urbandale where he was assistant vice president.

DUBUQUE: James T. Hamilton II has been named executive vice president and operations officer of American Trust & Savings Bank. He was executive vice president, Union National Bank, Wichita, Kan.

IOWA CITY: Duane L. Swartzendruber has joined First National Bank as second vice president. He previously was manager of the Iowa City office of MidAmerica Savings Bank.

WEST BURLINGTON: Raymond D. Hartley has been elected vice president and CEO at West Burlington Savings Bank. He has

moved from Corydon where he was vice president and cashier of Citizens State Bank. He worked at the Corydon Bank since 1973 and prior to that was with Bankers Trust Company, Des Moines.

Nebraska News

The petition drive calling for a repeal of Initiative 300 and placing it on the ballot in November has failed, falling short of the 54,000 signatures needed. It was reported in the July 7 *NORTHWESTERN BANKER Newsletter* that the Nebraska Supreme Court had ruled that Initiative 300 was not unconstitutional.

OMAHA: David C. Koenigsman and John R. Miller have been appointed presidents of Norwest Bank Nebraska, N.A. Mr. Koenigsman will manage the bank location at 24th and L in addition to the Livestock Exchange and 45th and Center Street. Mr. Miller will man-

age the banking location at Regency. Mr. Koenigsman was most recently manager of business banking and sales finance. Mr. Miller was most recently vice president of corporate banking at 20th and Farnam Street.

Illinois News

CHICAGO: David A. Venard has been promoted to senior vice president, finance of Parkway Bank and Trust Co./First State Bank of Chicago. He has been with the bank since 1984, most recently serving as vice president of finance.

EVANSTON: First Illinois Corporation has completed the acquisition of First Burlington Corporation and its two banks, LaGrange Bank & Trust Company and First Burlington Bank, Willowbrook. First Illinois now has 12 banking offices in the Chicago metropolitan area and total assets of \$1.3 billion.

GALESBURG: First Illini Bancorp, Inc. and Community Bank and Trust Company, Canton, have announced an agreement in principle for First Illini to acquire Community Bank and Trust Company. The acquisition is subject to regulatory approval and Community Banc-

It's easier to talk Iowa banking with people who live it — people like Donald H. Jordahl and the correspondent staff at Bankers Trust.

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DB700

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CONSUMER LENDER: Competitor! Two plus years in aggressive consumer finance company attacking the market. Well trained and goal directed.

DB701

\$18K

PRESIDENT: Tested professional who has proven skills in two \$15m banks with excellent results. Highly community active seeking stable environment.

DB702

\$33K

TRUST DEPARTMENT HEAD: Currently running growing metro department. JD, seven plus years in trust particularly good with older professional clientele.

DB703

\$42K

COMMERCIAL LENDER: Credit analysis training from large bank. Seeks more in-depth involvement than last year 1 1/2 has provided. Taken charge of and added to \$8m portfolio in metro setting.

DB704

\$25K

AG LENDER: Talented lender with two years in \$22m department working cash flows, FHA's and farm calls. Understands customer but can say no.

DB705

\$21K

OPERATIONS HEAD: Heavy operations, asset and liability management plus accounting report experience. Ten plus years of banking as a successful manager at the bank and holding company level.

DB706

\$42K

CHIEF EXECUTIVE OFFICER: Dynamic take charge leader who knows how to handle the #1 spot. Currently running a \$5m bank with 1 + ROA and minimal classified. Family oriented professional who would add to any community.

DB707

\$58K

CASHIER: Trained for three years as a bank examiner then added last two in \$25m institution. Detail person, documentation skills are A-1.

DB708

\$23K

INSTALLMENT HEAD: Supervises three plus lenders. Worked with GSL's, floorplanning, personal loans plus. New business developer who leads by example.

DB709

\$28K

(CONTINUED)

PARTIAL LISTING OF AVAILABLE BANKING CANDIDATES — FINANCIAL AND EDP

- SENIOR COMMERCIAL LENDER:** Built and shaped a \$20m portfolio in competitive metro area. Relishes challenge, problem solving and working with the hard to win customer. Eight plus years and MBA.
DB710 \$48K
- REAL ESTATE LOAN OFFICER:** Experience + + + in diverse markets, heavy computer knowledge. Reorganized department in \$80m bank and turned it into profit center. Looking to further extensive skills in both residential and commercial.
DB711 \$37K
- SENIOR AG LENDER:** Headed up farm loan department in \$180m + bank. Super image and sales skills, good commercial and real estate loan knowledge as well. Seeking opportunity not \$'s.
DB712 \$34K
- PRESIDENT:** Workout is a speciality. Has cured a serious problem situation while maintaining profits and without sacrificing good customers in \$40m + bank.
DB713 \$48K
- BANK AUDITOR:** Three plus years in holding company environment involved in both staff and in charge work. Hard worker, doesn't mind travel or small communities.
DB714 \$21K
- RURAL COMMERCIAL LENDER:** Eight plus years in \$70m environment handling varied commercial loans from mom and pop to large corporate lines. Credit analysis skills have kept things clean. Good people person.
DB715 \$32K
- TRUST OFFICER/JD:** Estate planning, financial planning and technical talents. Community active as well as involved in statewide banking organizations.
DB716 \$24K
- MORTGAGE LENDER:** Started department from scratch. Familiar with FHA, VA, FHLMC and FNMA approvals. Managed six while generating \$7m + in new loans. Innovative lender who can close that important loan.
DB717 \$70K
- RETAIL BANKER:** Upscale marketer with in-depth new business skills developing real estate, consumer and small commercial clients. Has prospered in aggressive marketplace provided over last five years by \$260m institution.
DB718 \$26K
- SENIOR AG LENDER:** Detail-oriented professional with top-notch ag loan and personnel management skills. Seeks #2 spot in \$40-\$80m bank that offers growth. Very qualified in all areas of ag credit including larger lines.
DB719 \$32K

FOR FURTHER INFORMATION ON THESE CANDIDATES
CONTACT KURT ROSENCRANTS



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shares of Canton, Inc. shareholder approval, and is expected to be completed by early 1987.

LOMBARD: Steven F. Gersch has been named vice president, corporate banking at Bank of Yorktown. He was previously assistant vice president, commercial loans at Colonial Bank & Trust Company of Chicago.

Minnesota News

MINNEAPOLIS: James M. Lyon, assistant vice president, has been named vice president for banking supervision and regulation at The Federal Reserve Bank of Minneapolis.

MINNEAPOLIS: Marquette Bank Minneapolis has named Curtis F. Johnson as vice president and manager of the bank's international banking department. He has more than 10 years banking experience.

MINNEAPOLIS: Three have been appointed to vice presidents at Northwest Bank: John Weingart, individual trust services, and Deborah Maschoff, and Susan Clausen, Northwest Capital Resources. Mr. Weingart had been a vice president with

First Bank Minneapolis. Ms. Maschoff served most recently as national accounts division manager. Ms. Clausen had been serving as manager of complex plan administration.

MINNEAPOLIS: Keith Fenhaus has been named senior vice president, finance and planning for the financial services division of First Bank System, Inc. He most recently was vice president, treasurer and controller for FBS Mortgage Corporation.

North Dakota News

North Dakota Bankers Association officials and the state office of the Farmers Home Administration are planning a series of eight meetings across the state to provide bankers with information about FmHA's loan programs and personally discuss their questions. The dates and locations are as follows:

- July 29 - Norwest Bank Bismarck
- July 31 - Hospitality Inn, Dickinson
- Aug. 5 - MDU Building, Williston
- Aug. 6 - First American B&T, Minot
- Aug. 7 - ArtClare Motel, Devil's Lake
- Aug. 12 - Westward Ho, Grand Forks
- Aug. 13 - Doublewood Inn, Fargo
- Aug. 14 - Gladstone Inn, Jamestown

Wyoming News

CASPER: E. Rube Rider has been promoted to senior vice president of lending at Mountain Plaza National Bank. He has served as vice president since 1983.

Colorado News

DENVER: The board of Colorado National Bank-South has promoted Nancy A. Nicholson to vice president. She has been with the bank since 1970.

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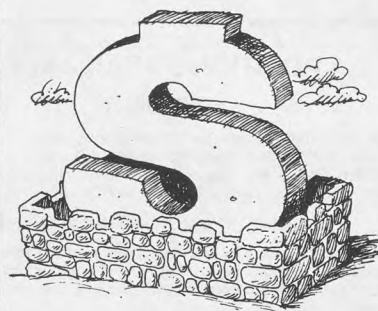
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LENDING OFFICER

\$55M midwest bank seeking experienced lender for ag-commercial loans. Must be self starter with good documentation and information gathering skills. Could be #2 man in 12-18 months. Please send resume to File No. WGD c/o Northwestern Banker.

SENIOR LENDER for \$35M bank in western Nebraska. Senior Lender with commercial and agricultural lending experience. In charge of \$22M loan portfolio. Send resume and salary requirements to File No. WGB c/o Northwestern Banker. (PA)

Position available in N.E. Nebraska-bank—**SENIOR OFFICER** in a small rural Ag bank. Ag lending experience required; bank operations experience and knowledge of FmHA programs preferred. Send resume to File No. WGC c/o Northwestern Banker. (PA)

LOAN OFFICER. Preferably 2-4 years experience. Opportunity to work with a good, clean bank in a progressive community surrounded by productive agricultural area. Send letter of application and resume to Jim Molloy, First State Bank, Conrad, IA 50621. (PA)

AG LENDER #2 position. 2-5 years ag credit experience with real estate lending experience a +. Send resume and salary requirements to: Galen Reading, V.P./Ag Rep., C/O First Nat'l Bank of Mapleton, (Box 306) Mapleton, MN 56065. (PA)

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SENIOR LOAN ADMINISTRATOR

Frustrated? Med size outstate bank in great MN city desires mgr of the lending function. 7+ yrs com/lending exp., degree, & outstanding people skills needed. This is a great opportunity. To \$50,000 Job #B8738.

AG LENDER

A great step forward! Med SW MN bank desires Sr. Ag lender. 6+ yrs ag lending exp., strong analytical abilities, & assertive marketing skills desired. To \$35,000 Job #B8739.

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COMMERCIAL LOAN OFFICER. Rapid movement to #2 possible. Mainstreet commercial business along with participations and real estate. Benefits, profit sharing Mid \$30's Call Dean
V.P./AG DEPT. MGR. Responsible for ag portfolio at this \$50+ mm bank. Progressive, county-seat town with good growth in last decade. High \$20's Call Bruce
C.L.O./V.P. If you can handle a \$20mm commercial portfolio and have 5+ years in commercial, this \$500+ mm holding company bank offers tremendous upward mobility quickly! Bank is located in recession proof, progressive community To \$50,000 Call Marj
VICE PRESIDENT. If you are CEO material and this is your goal, this highly rated bank near metro city is for you! Knowledge of ag and small commercial \$30's Call Dean
CREDIT REVIEW MGR. Retirement of existing manager opens this spot! Commercial, installment, and real estate portfolio. Loan review background \$40's Call Bruce
CORPORATE TRUST OFFICER. \$370mm lead bank for viable holding co. Experienced employee benefits person with business development skills, salary plus incentive To \$47,000 Call Marj
SR. VICE PRESIDENT. Take charge of loan dept., 50% ag. Supervise five loan officers. Experienced lender \$40,000 Call Dean

Personnel Search

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CEO for \$16 million Iowa Bank located in scenic farming community. Requires Ag lending and overall bank supervision background Salary to \$40,000

SENIOR LENDER for \$60 million Illinois bank. Requires ag and commercial lending experience Salary to \$45,000

OFFICE MANAGER for town of 3,500 Salary to \$40,000

CEO for small Western Iowa bank located in town of 2,000. Requires ag background Salary to \$35,000

TRUST OFFICER with employee benefit experience. JD preferred but not required Salary to \$40,000

BANK AUDITOR for major eastern Iowa bank Salary to \$32,000

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POSITIONS WANTED

EXPERIENCED ag/retail/installment lender in \$35 million bank seeking affiliation with midwest bank. Have 31 years experience in two Iowa banks. References available. Lyle G. Hansen, 55 Settlers Lane, Denison, Ia. 51442. 712/263-4759. (PW)

POSITIONS AVAILABLE

PRESIDENT - Need strong ag banking experience. Degree - capable of supervising a staff of 80 - 3rd tier level management major Greater Omaha bank. To \$80K.

CEO - Need bank management and business development experience. SE Nebraska bank. To \$45K + Bonus.

INVESTMENT REP - Need 2 years or more experience with stocks & bonds, either stock broker or with a bank (correspondent banker). Degree - Omaha. To \$35K + Comm.

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POSITIONS AVAILABLE

LOAN REVIEW - lead bank of major midwestern holding company. Requires degree and minimum of two yrs. loan review experience in large bank environment. \$28K

COMML. LOAN - \$100M suburban affiliate of large multi-bank holding company. Strong technical skills and 3 yrs. or more experience. \$30K

INSTL. LOAN - manage consumer department for \$80MM suburban bank. Ideal candidate will have five yrs. instal. lending background including dealer paper. \$30K

CEO - small rural bank located close to recreational area. Work out situation. Ag credits not the problem. \$38K

AGRI LOAN - primary responsibility for all Ag credits in \$25MM community bank. Assist with commercial loans. \$35K

Additional opportunities available. Resume requested.

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