

NORTHWESTERN Banker Newsletter

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ABA Approves Its Insurance Firm

FORMAL approval to set up a captive insurance company was given by the board of directors of the American Bankers Association at their recent meeting. The announcement was made by ABA President Mark W. Olson, president of Security State Bank of Fergus Falls, Minn. He stated, "The needs of bankers are not being met. The ABA captive is an idea whose time has come."

The ABA announcement said the captive insurer, named American Bankers Professional and Fidelity Insurance Co. Ltd., is based in Bermuda. The primary insurer will be The Progressive Companies of Beachwood, Oh., which will be responsible for all underwriting decisions based on guidelines designed by the ABA firm's board of directors. That board will consist of nine directors with Ron Gossett, president and CEO of FMB-Lumberman's Bank, Muskegon, Mich., as chairman. He was chairman of the ABA Task Force that conducted the feasibility study and is former chairman of the ABA Security and Risk Management Division.

ABA said only its members will be eligible for coverage, which will consist initially of Directors and Officers Liability up to \$2 million and Bankers Blanket Bond coverage of up to \$3 million. Progressive will

analyze each applicant bank's financial condition, business practices and internal operations. After reviewing all those details, Progressive will quote a premium amount to qualified banks.

ABA gave these further details:

Banks may enroll in the program under a two-step process. First, an application must be returned by March 15 to Progressive, which will review the application and provide a quote for the first year's premium. Under the second step, a bank has 45 days after receiving its quote in which to return an executed Reserve Premium Account Agreement.

Banks joining the program during the initial enrollment period will be required to set up in their own institutions a separate Reserve Premium Account equal to their first year's premium for D&O and Bond coverage. The banks retain the use of the interest earned on the account, but the reserve funds are subject to a "call" by the company if needed. Participants will be required to maintain the Reserve Premium Accounts during their participation in the company's program.

Banks joining the program after the initial enrollment period will be required to establish the separate Reserve Premium Account, pay regular premiums and make an additional payment equal to 50 percent

of their first-year's premium for insurance coverage. Banks meeting the two-step initial-enrollment-period requirements will not have to pay the 50 percent late-enrollment fee.

Special provisions are in place for banks that have current policies and coverage, permitting them to establish the separate Reserve Premium Account during the initial enrollment period based on their initial quote and allowing them to avoid the 50 percent late-enrollment fee.

The new ABA company, which reportedly will reinsure 75% of the coverage as is done in most companies, was designed to serve primarily the banks of \$300 million or less in assets, according to a Progressive spokesman. Member banks had been encouraging ABA for some time to form such a company to serve their needs because the Blanket Bond and D&O market had literally dried up among traditional insurers.

In the interim, however, a consortium of midwest states that had serious insurance problems that couldn't wait, got together and formed BancInsure, headquartered in Oklahoma City and serving banks in Oklahoma, Minnesota, North Dakota, South Dakota and Wisconsin. That company went into full scale operation during 1986, so Progressive will have to compete with that firm for any business in those states.

In addition, the Iowa Bankers As-

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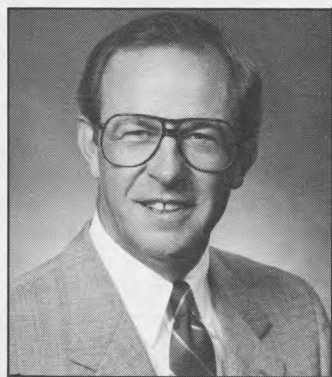


Dorothea Wolfe

sociation's subsidiary IBIS (Iowa Bankers Insurance and Services, Inc.) has been serving the D&O and Bond needs of its member banks. Just recently, IBIS made an agreement with Kansas Bankers Surety Co., a Topeka-based insurer with 75 years of experience, to represent KBS exclusively in Iowa.

Robert Harris, executive vice president of the Oklahoma Bankers Association, said BancInsure expects another five state associations to join it within the first quarter of 1987.

The new ABA insurer expects to start up operations by February 1, 1987. All ABA member banks will receive a package of information soon from ABA with details of the new program. □



Terry Martin

MNB Correspondent Banker

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Iowa News

ANITA: Larry L. Hassler has been appointed president of Anita State Bank. He is moving to Anita from Kemmerer, Wyo., where he has been president of First Wyoming Bank, N.A., a member of First Wyoming Bancorporation.

BURLINGTON: Douglas S. Grinde, president and chairman of Hawkeye Bank & Trust Co., heads a group of the bank's directors who are assembling capital and a proposal to purchase the bank from Hawkeye Bancorporation. If the plan is completed, the resulting bank would be operated as a locally-owned institution.

DAVENPORT: James R. Peterson has been named vice president of commercial loans at Davenport Bank and Trust Company. He joined the bank in 1983 as a correspondent banking officer.

DES MOINES: Hawkeye Bank & Trust of Des Moines and Hawkeye Capital Bank & Trust will merge January 1 under the Hawkeye Bank & Trust name, utilizing all six current locations of the two banks. Headquarters will be in the Hawkeye Capital Building at East 5th & Locust. Mike Earley, president of both banks, will continue in that position. Hawkeye B&T, headquartered at 24th & University, is observing its 75th anniversary this month. The two banks had combined assets in mid-December of \$154.7 million and deposits of \$138.7 million.

ROLFE: Directors, officers and staff of Rolfe State Bank will honor Chairman Robert J. Dixon at an open house in the bank December 22 from 9:00 a.m. to 3:00 p.m. in recognition of his 50 years of service to banking in Iowa.

SIOUX CITY: Norwest Corporation announced December 16 that Norwest Bank Sioux City and Toy National Bank of Sioux City have

signed a letter of intent for Norwest to acquire substantially all of the \$145 million in assets and liabilities of Toy, including all customer deposits. The sale is subject to stockholder and regulatory approval. Norwest of Sioux City has \$130 million assets. George F. Milligan, Norwest Corporation's regional president in Des Moines, said Norwest plans to operate Toy's two detached offices, as well as its own facility at the Stockyards, in addition to Norwest's main bank in downtown Sioux City. The transaction does not include Toy National's main office building, which Toy plans to convert to other office use.

Nebraska News

The Nebraska Bankers Association's Lending Committee will hold its 1987 Lending Conference Jan. 27-28 at the Kearney Holiday Inn. This year's conference, "...The Competitive Edge," will cover both new developments in the lending field and issues dealing with the management of the current loans on books. Conference speakers include: G. Michael Moebes, president, G.M. Moebes & Associates, Lincolnwood, Ill.; William Brandt, NBA general counsel; Del Anderson, field manager, Office of the Comptroller of the Currency, Grand Island; Doug Heskett, field examiner, FDIC, Grand Island, and Michael S. Morrow, senior vice president, Sheshunoff & Company, Inc., Austin, Tex. A presentation on "Economic Development Financing" will be given by the following panel members: Burnham Yates, mediator, Lincoln; Kathy Curry, business finance specialist, small business division, DED, Lincoln; Fred Niehaus, director, the National Development Council, Highlands Ranch, Colo.; Dennis Velleck, executive director, NIFA, Lincoln; Kirk Jamison, state director, FmHA, Lincoln and Senator Don Wesley. Advance registration fee is \$105 per banker. Registration after Jan. 20 will be \$125 per registrant. Fee includes all conference materials, continental breakfast, lunch and the evening reception.

NORFOLK: Clark Froehlich has been elected as vice president of the Bank of Norfolk. Prior to joining the bank, he was employed at Norwest Bank and also served as a bank examiner for the State Department of Banking.

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ORD: Greg Stine has announced that regulatory approval has been received to merge Mid-Nebraska Bancshares, Inc., Ord, and Broken Bow Enterprises, Inc., Broken Bow, as well as to acquire Grant Bancshares, Inc., Grant, effective November 25 and merge them into the newly-formed First United Bancshares, Inc., a multi-bank holding company headquartered in Ord. This MBHC would own directly or indirectly Nebraska State Bank, Ord, McDonald State Bank, North Platte, and Peoples State Bank, Wolbach, all of which have been part of Mid-Nebraska Bancshares, plus Broken Bow State Bank and Farmers National Bank of Grant. Total

assets of the new MBHC would exceed \$150 million. Dale Stine, chairman at North Platte, Ord and Wolbach, is chairman of First United Bancshares; his son, Greg Stine, is president and treasurer, and Phil Jossi, formerly president of Farmers National, now will join the holding company as vice president for development and expansion.

Minnesota News

AUSTIN: Robert E. Brodin has been elected president, chief executive officer and a director of First Bank Austin effective Jan. 1, 1987. He succeeds Thomas E. Brown who has accepted a position with Farm Credit Services. Mr. Bodin most recently served as president and CEO of First Bank West Billings, Billings, Mont.

STILLWATER: Norwest Bank Stillwater has named Lorraine Weber vice president and consumer banking manager. She has been with the bank for almost 35 years, serving most recently at the main bank as consumer banking supervisor.

Wisconsin News

GREEN VALLEY: A definitive agreement calling for the acquisition of the State Bank of Green Valley by First Interstate Corporation of Wisconsin has been signed. The affiliation is subject to approvals by State Bank of Green Valley shareholders and certain regulatory approvals. As of Sept. 30, 1986, the State Bank of Green Valley had total assets of \$25.2 million. First Interstate Corporation of Wisconsin recorded \$1.276 billion in total assets as of Sept. 30, 1986.

South Dakota News

SIOUX FALLS: Norwest Bank South Dakota, N.A. and Norwest Investment Services, Inc. announced the promotion of Bill Lindquist to vice president/manager, af-

filiate sales offices. He most recently served as assistant vice president with Norwest Investment Services.

Colorado News

DENVER: United Bank of Denver has named Peter J. Biglin and Nelson B. Saunders, Jr. to vice presidents. Mr. Biglin, who joined the bank in 1984, manages corporate operations. Mr. Saunders, manager of asset management services' financial and automation service, joined the bank in 1982.

NOTICE OF PUBLIC SALE BY SECURED PARTY

Notice is hereby given that, by virtue of the default of ASCO, Inc. and the payment of certain indebtedness which exceeds \$1,193,000.00, 7,784 shares of common stock of Rock Rapids State Bank, Rock Rapids, Iowa ("Bank") (the "bank shares") will be sold by First National Bank in Sioux City ("Secured Party") at a public sale on January 21, 1987, at 10:00 A.M. at the offices of First National Bank in Sioux City, 5th and Pierce Streets, Sioux City, Iowa 51101, all subject to the provisions hereof. ASCO has stated that the bank shares represent all but 216 of the outstanding shares of Bank.

Any shares sold pursuant to this notice will be sold in a single block only to a single purchaser. The Secured Party reserves the right to bid and to become the purchaser at the sale and to credit against the purchase price any and all liabilities due it from ASCO. The Secured Party reserves the right to reject any bid and will not be obligated to make any sales pursuant to this notice.

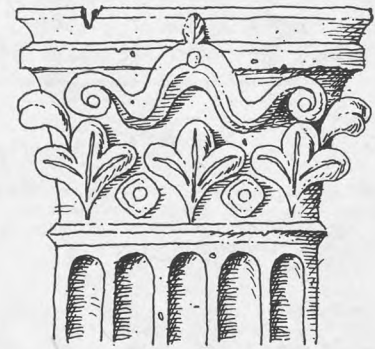
The purchase (if other than the Secured Party) will be required to provide an investment letter stating that the bank shares are being acquired for the purchaser's own account and not with a view to resale or distribution. The purchaser must also establish to the satisfaction of the Secured Party that purchaser is knowledgeable and experienced in banking, business, and financial affairs and is capable of evaluating the merits and risk of its proposed purchase. Purchaser must comply with conditions or requirements which may be imposed by state of federal banking regulatory authorities.

This notice does not constitute an offer to sell or solicit an offer to buy the bank's shares in any state to any person to whom it is unlawful to make such offer to solicitation in such state.

There are additional terms and conditions of the sale. For a copy of such additional terms and conditions and information concerning Bank, please contact Gary W. Stevenson, Vice President, First National Bank in Sioux City, Iowa, (712) 277-0618 at the address stated above.

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\$65mm midwest bank seeks aggressive self starter for \$10mm comm'l portfolio. Leads to Senior Management. Send resume to File No. WHL c/o Northwestern Banker. (PA)

\$12M eastern Iowa bank near Iowa City has an opening for individual with experience in **LOANS AND OPERATIONS**. Send resume and salary requirements to File No. WHN c/o Northwestern Banker. (PA)

SENIOR LENDING OFFICER. S.W. Wisconsin. Seeking individual to direct and manage all lending functions. Portfolio includes commercial, consumer, agricultural and real estate credits. Sr. management position. Salary and benefits commensurate with experience. Send resume to File No. WHP c/o Northwestern Banker. (PA)

AG LOAN OFFICER \$50MM bank in eastern South Dakota needs Ag Loan Officer with at least three years experience. Excellent career opportunities in this four bank group. Send resume to File No. WHR c/o Northwestern Banker. (PA)

\$65mm midwest bank seeks aggressive self starter for \$10mm comm'l portfolio. Leads to Senior Management. Send resume to File No. WHL c/o Northwestern Banker. (PA)

CREDIT ANALYST/LOAN OFFICER

Profitable \$90MM bank, located in community of 350,000, part of billion dollar midwest bank holding company, is looking for experienced commercial credit analyst/credit review individual interested in some lending operations. Job will be approximately 75% analysis/review, 25% lending. Send resume with current salary to File No. WHS c/o Northwestern Banker. (PA)

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Growth subsidiary of 1+ ROA bank in college city locale seeks CPA who has worked on directors exams, compliance audits. 2 yr old bank holding co has doubled in last 2 yrs. Successful candidate come from bank or holding co environment over last 2 yrs. \$28K.

SR VP

Independent bank offers oppty + for a proven self-starter. Looking for 3+ yrs of exp in ag, R/E & comm'l. Pos involves mgt, loan clean-up & policy setting as #2 person in the bank. \$40K.

R/E MGR

Well-estab institution seeks 2-4 yrs of R/E lending to oversee \$30m portfolio & supv 6. Long-term potential will lead to sr mgt pos in this city seat town. \$30K.

FOR FURTHER INFORMATION CONTACT KURT ROSENCRANTS



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PRESIDENT, \$40mm bank, town of about 2,000 auto + \$45,000-\$50,000

PRESIDENT, \$60mm bank, population under 10,000 \$60,000-\$65,000

SENIOR LOAN OFFICER, VICE PRESIDENT, \$100mm bank cc + \$50,000

COMMERCIAL LOAN OFFICER, \$100mm + bank, growth area \$30,000-\$35,000

COMMERCIAL VICE PRESIDENT, \$150mm bank \$35,000

#2 OFFICER, \$30mm bank, population of 3,000 \$35,000

COMMERCIAL & REAL ESTATE LENDER, \$50mm + bank \$35,000-\$40,000

HEAD OF LOAN ADMINISTRATION, \$150mm bank \$30,000

COMMERCIAL LENDER, \$100mm bank, 10,000 population \$40,000

VICE PRESIDENT, REAL ESTATE, \$75mm bank, 10,000 population \$35,000

COMMERCIAL/AG LENDER, #2, \$30mm bank, pop under 2,000 \$35,000

AG LENDER, \$100mm bank, 10,000 + population \$35,000-\$40,000

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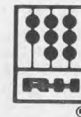
SENIOR LENDER

Put your problem loan skills to work! A \$25mm Minn bank needs a Sr. Lender to manage the lending function. Desire 6+ yrs ag/com'l lending exp, previous workout exp, and willingness to be part of executive mgmt. To \$40K. Job #NW9468.

COMMERCIAL LENDERS

We have multiple com'l lending oppty's available in small suburban bank locations managing to specialized positions in downtown Mpls. To \$30K-\$60K. Job #NW9469.

FOR MORE INFORMATION
CONTACT PAUL GENTZKOW



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PRESIDENT - Agri Bank with problem loans. Should have administrative experience and solid Agri Loan skills. \$40K

OPERATIONS - manage department of 35 for large urban bank. Experience with deposit accounting and account services required. \$38K

AGRI LOAN - community bank with large Ag portfolio. Seven yrs. or more Ag Lending experience needed. \$35K

COMMERCIAL LOAN - large suburban bank with \$100MM loan portfolio. Degree and minimum 3 yrs. comm'l lending experience with six figure credits. \$32K

Additional positions available in Midwestern states.

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