

ANNOUNCEMENT BY

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

MB

Applications and Reports Received or Acted on

and All Other Actions of the Board

H.2
1975 No. 40

During the Week Ending October 4, 1975

District

To Become a Member of the Federal Reserve System
Pursuant to Section 9 of the Federal Reserve Act

Approved

7 *SBT Bank, Chicago, Illinois

* * * * *

To Establish a Domestic Branch Pursuant to
Section 9 of the Federal Reserve Act

Received

2 Manufacturers Hanover Trust Company, New York, New York.

Branch to be established at 100 Duffy Avenue, Hicksville
(Unincorporated area), Nassau County.

2 The Bank of New York-Southern Tier, Endicott, New York.

Branch to be established at 91 Court Street, Binghamton,
Broome County.

2 Manufacturers Hanover Trust Company-Genesee Region, Ontario,
New York. Branches to be established at the following
locations:

A. To be established in the immediate neighborhood of
Culver Road and Ridge Road East, Town of Irondequoit,
Monroe County

B. To be established in the immediate neighborhood of
Ridge Road (Route 104) and Hard Road, Town of Webster,
Monroe County.

C. To be established at West Genesee Street and Route 173,
Town of Camillus, Onondaga County.

*Application processed by the Reserve Bank on behalf of the Board of
Governors under delegated authority.

Manufacturers Hanover Trust Company-Genesee Region
Cont'd

- D. To be established at Erie Boulevard and Kinne Road, Town of Dewitt, Onondaga County.
- E. To be established at Brewerton Road and Circle Drive, Town of Cicero, Onondaga County.
- 7 Cheboygan Bank, Cheboygan, Michigan. Branch to be established at 12972 South Straits Highway, Wolverine.
- 7 The Detroit Bank-Livonia, Livonia, Michigan. Branch to be established at the Northeast corner of the intersection of Middlebelt and Plymouth roads, Livonia.
- Approved
- 5 *Union Bank and Trust Company, Bowling Green, Virginia. Branch to be established on U. S. Highway 301, in the Town of Port Royal, Caroline County.
- 5 *United Citizens Bank, Winston-Salem, North Carolina. Branch to be established at 3618 Reynolda Road, Winston-Salem, Forsyth County.
- 12 *United California Bank, Los Angeles, California. Branch to be established in the vicinity of the intersection of Mooney Boulevard and Caldwell Avenue in the city of Visalia, Tulare County.

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*Application processed by the Reserve Bank on behalf of the Board of Governors under delegated authority.

International Investments and Other Actions Approved
Pursuant to Sections 25 and 25(a) of the Federal
Reserve Act and Sections 4(c)9 and 4(c)13 of the
Bank Holding Company Act of 1956, as amended

- 2 Chase Manhattan Overseas Banking Corporation, New York,
New York: investment - 100 per cent of a nominee
company, Hong Kong.
- 2 The Northern Trust International Banking Corporation,
New York, New York: investment - additional in
Banque Rivaud, France, to maintain 5 per cent interest.
- 2 Morgan Guaranty International Finance Corporation,
New York, New York: investment - up to 4.59 per cent
interest in Algemene Bank Nederland, Amsterdam, The
Netherlands.
- 2 Chase Manhattan Overseas Banking Corporation, New York,
New York: investment - additional in Chase Manhattan
Investment Company (Thailand) Ltd., Bangkok.
- 2 First National City Overseas Investment Corporation,
New York, New York: investment - additional in Commercial
Credit Corporation (Thailand) Ltd., Bangkok.
- 4 Mellon International Finance Corporation, Pittsburgh,
Pennsylvania: issuance of final permit.
- 4 Mellon International Finance Corporation, Pittsburgh,
Pennsylvania: investment - 100 per cent of Mellon
National Overseas Development Corporation, George Town,
Cayman Islands.
- 4 Mellon International Finance Corporation, Pittsburgh,
Pennsylvania: investment - 25 per cent of Banco Bazano
Simonsen de Investimento, S.A., Brazil.
- 12 Security Pacific Corporation, Los Angeles, California:
investment - 100 per cent of an international leasing
company, Delaware.
- 12 United California Overseas Investment Corporation, Los
Angeles, California: investment - 100 per cent of a
de novo Canadian finance company.

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To Merge Pursuant to Section 18(c) of
the Federal Deposit Insurance Act

Approved

7

*SBT Bank, Chicago, Illinois for prior approval to
merge with Sears Bank and Trust Company, Chicago,
Illinois.

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*Application processed by the Reserve Bank on behalf of the Board of
Governors under delegated authority.

To Form a Bank Holding Company Pursuant to Section
3(a)(1) of the Bank Holding Company Act of 1956

Received

- 7 WESTBANCO, INC., Westville, Illinois, for approval to
acquire 80 per cent or more of the voting shares of The
First National Bank of Westville, Westville, Illinois.
- 10 Abilene Company, Abilene, Kansas, for approval to acquire
80 per cent or more of the voting shares of The Abilene
National Bank, Abilene, Kansas.
- 10 Henderson State Company, Henderson, Nebraska, for approval
to acquire 95 per cent of the voting shares of Henderson
State Bank, Henderson, Nebraska.
- 12 Unicorp, Inc., Anchorage, Alaska, for approval to acquire
99.4 per cent of the voting shares of United Bank
Alaska, Anchorage, Alaska, a proposed new bank.

Approved

- 7 The Hill-Dodge Limited, Warsaw, Illinois, for approval
to acquire 93.33 per cent of the voting shares of The
Hill-Dodge Banking Company, Warsaw, Illinois.
- 7 Midland Bancorp, Inc., Chicago, Illinois, for approval
to acquire 100 per cent of the voting shares (less
directors' qualifying shares) of the successor by merger
to Sears Bank and Trust Company, Chicago, Illinois.

Returned

- 2 Banco Popular de Puerto Rico, San Juan (Hato Rey), Puerto
Rico, for approval to acquire 49 per cent or more of the
voting shares of Pan American National Bank, Union City,
New Jersey.
- 2 Inversiones Internacionales, Inc., San Juan (Hato Rey),
Puerto Rico, for approval to acquire 49 per cent or more
of the voting shares of Pan American National Bank,
Union City, New Jersey.
- 2 Popular Realty Corporation, San Juan (Hato Rey), Puerto
Rico, for approval to acquire 49 per cent or more of the
voting shares of Pan American National Bank, Union City,
New Jersey.

To Expand a Bank Holding Company Pursuant to Section
3(a)(3) of the Bank Holding Company Act of 1956

Received

- 7 Century Financial Corporation of Michigan, Saginaw, Michigan, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Second National Bank of Bay City, Bay City, Michigan, a proposed new bank.
- 7 Great Lakes Financial Corporation, Grand Rapids, Michigan, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of First National Bank and Trust Company, Petoskey, Michigan.
- 12 The Sumitomo Bank, Limited, Osaka, Japan, for approval to acquire 13.7344 per cent of the voting shares of Central Pacific Bank, Honolulu, Hawaii.

Approved

- 7 Old Kent Financial Corporation, Grand Rapids, Michigan, for approval to acquire 100 per cent of the voting shares of Old Kent Bank of Grandville, Grandville, Michigan, a proposed new bank.
- 7 Old Kent Financial Corporation, Grand Rapids, Michigan, for approval to acquire 100 per cent of the voting shares of Old Kent Bank of Wyoming, Wyoming, Michigan, a proposed new bank.
- 11 Texas Commerce Bancshares, Inc., Houston, Texas, for approval to acquire 2,100 shares of the voting shares of First National Bank of Stafford, Stafford, Texas.

Denied

- 6 Third National Corporation, Nashville, Tennessee, for approval to acquire 50 per cent or more of the voting shares of Bank of Huntingdon, Huntingdon, Tennessee.

To Expand a Bank Holding Company Pursuant to Section
4(c)(8) of the Bank Holding Company Act of 1956

Received

- 2 **Marine Midland Banks, Inc., Buffalo, New York, notification of intent to engage in de novo activities (originating, making, acquiring, and servicing, for its own account or for the account of others, loans and other extensions of credit, either unsecured or principally secured by mortgages on residential or commercial properties or leasehold interests therein) at 9595 Wilshire Boulevard, Suite 501, Beverly Hills, California, through its subsidiary, The Meairs Company. 9-29-75
- 4 **Centran Corporation, Cleveland, Ohio, notification of intent to engage in de novo activities (the servicing of loans and other extensions of credit for any person) through its wholly-owned subsidiary, Major Finance Corporation and its subsidiaries, Major Finance Service Company, Major Insurance Agency, Inc., and Major Insurance Agency of Silver Spring, Inc., located at Montgomery Center Building, Suite 408, 8630 Fenton Street, Silver Spring, Maryland; Major Finance Corporation of Silver Spring, 8404 Georgia Avenue, Silver Spring, Maryland; Major Acceptance Corporation and Major Mortgage Corporation, at 929 West Broad Street, Falls Church, Virginia; Major Finance Corporation of Alexandria, 622 North Washington Street, Alexandria, Virginia; and Major Finance Corporation of Arlington, 2419 Columbia Pike, Arlington, Virginia, and its office at 1108 West Broad Street, Falls Church, Virginia. 9-30-75
- 5 Southern Bancorporation, Inc., Greenville, South Carolina, for approval to acquire the assets of F. & I. Finance Company, Inc., Tyler, Texas.
- 10 **D. H. Baldwin Company, Cincinnati, Ohio, notification of intent to engage in de novo activities (leasing personal property or acting as agent, broker, or adviser in leasing such property, provided the lease serves as the functional equivalent of an extension of credit of lessee; the leased property is acquired specifically for the leasing transaction or was acquired specifically for an earlier such transaction; the lease is on a non-operating basis; at the inception of the initial lease the effect of the transaction will yield a return that will compensate 9-29-75

**4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

Received Continued

the lessor for not less than the lessor's full investment in the property plus estimated total cost of financing the property over the term of the lease, which term shall not be more than 40 years; and at lease expiration all interest in the property shall be liquidated as soon as practicable but in no event later than 2 years from such expiration and lessor shall have no interest in the property beyond 50 years after its acquisition) at 200 East Randolph Drive, Chicago, Illinois, through a partnership to be known as FMC-Baldwin Leasing Company.

- 10 **Guaranty Loan and Investment Corporation of Tulsa, Inc., 9-30-75
Tulsa, Oklahoma, notification of intent to engage in de novo activities (leasing personal property and equipment which serve as the functional equivalent of an extension of credit to the lessee of the property, where the property to be leased is acquired specifically for the leasing transaction under consideration or was acquired specifically for an earlier leasing transaction; where the lease is on a non-operating basis and, where at the inception of the lease the effect of the transaction will yield a return that will compensate the lessor for not less than the lessor's full investment in the property plus the total cost of financing the property over the terms of the lease) in Oklahoma City, Oklahoma, through a subsidiary, Western Trust & Savings Company.
- 10 **Guaranty Loan and Investment Corporation of Tulsa, Inc., 9-30-75
Tulsa, Oklahoma, notification of intent to engage in de novo activities (leasing personal property and equipment which serve as the functional equivalent of an extension of credit to the lessee of the property; where the property to be leased is acquired specifically for the leasing transactions under consideration or was acquired specifically for an earlier leasing transaction; where the lease is on a non-operating basis and, where at the inception of the lease the effect of the transaction will yield a return that will compensate the lessor for not less than the lessor's full investment in the property plus the total cost of financing the property over the terms of the lease) in Tulsa, Oklahoma, through a subsidiary, Western Trust & Savings Company.

**4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

Received Continued

- 10 Henderson State Company, Henderson, Nebraska, for approval to retain the assets of Thieszen Insurance Agency, Henderson, Nebraska.

Delayed

- 10 **First Tulsa Bancorporation, Inc., Tulsa, Oklahoma, notification of intent to engage in de novo activities (operating as an industrial loan company, including offering passbook savings accounts and thrift certificates and making and servicing commercial, industrial and consumer loans and other extensions of credit; leasing of personal property; factoring accounts receivable and discounting loans, receivables, acceptances and other commercial paper and credit instruments) in Tulsa, Oklahoma, through a subsidiary, Financial Loan and Investment Company. 9-30-75

Permitted

- 2 **Citicorp, New York, New York, notification of intent to relocate de novo activities (making consumer installment personal loans, purchasing consumer installment sales finance contracts; and acting as broker for the sale of consumer credit related life/accident and health insurance and consumer credit related property and casualty insurance; if this proposal is effected, Nationwide Financial Corporation of California will offer to sell insurance as follows: (a) group credit life/accident and health insurance to cover the outstanding balances of loans to borrowers in the event of their death, or, to make the contractual monthly payments on the loans in the event of the borrowers' disability; (b) individual physical damage insurance on personal property subject to security agreements (including liability only when such insurance is sold as part of an insurance package on such property) further, in regard to the sale of credit related insurance, Nationwide Financial Corporation of California will not offer insurance counseling) from 248 North Hunter, Stockton, California, to 2218 Pacific Avenue, Stockton, California, through its subsidiary, Nationwide Financial Corporation of California. 10- 2-75
- 7 **Michigan National Corporation, Bloomfield Hills, Michigan, notification of intent to engage in de novo activities (leasing of real property or acting as agent, broker, or adviser in the leasing such property where at the inception 10- 4-75

**4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

Permitted Continued

of the initial lease the expectation is that the effect of the transaction will be to compensate the lessor for not less than the lessor's full investment in the property over the term of the lease) in Farmington Hills and Grand Rapids, Michigan, through its subsidiary, Michigan National Leasing Corporation.

Withdrawn

12 Southern California First National Corporation, San Diego, California, for approval to engage in insurance agency activities through a subsidiary, S. C. National Associates, San Diego, California, hereby becomes moot.

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Other Actions of the Board

Statement by Chairman Arthur F. Burns before the House Committee on the Budget.

Financial Institutions in the Nation's Economy (FINE) study, reply to questionnaire dealing with bank regulations and statutory limitations, bank competition, and multiplicity of bank regulatory agencies.

The Board, together with the other Federal bank regulatory agencies, issued for comment proposed changes in two major reports submitted to them by banks under their supervision, the proposed changes are designed to increase public knowledge of the financial condition and the income of banks; comments will be received through November 1, 1975.

The Board, in order to expedite and facilitate the determination and reporting of the prime rate, has amended its Rules Regarding Delegation of Authority, to delegate to the Secretary of the Board authority to determine this rate from information currently reported to the Board.

Report on bill S. 1267, the Financial Institutions Act of 1975, response to request for Board's comments on certain provisions of that bill relating to reserve requirements, letter to Chairman Proxmire, Senate Committee on Banking, Housing and Urban Affairs.

Continued

Regulations D and Q amendments, change in the definition of savings deposits in Board's Regs. D and Q, to permit corporations, partnerships and other profitmaking organizations to maintain savings accounts at member banks, the amendments, effective November 10, 1975, place a ceiling on business savings deposits of \$150,000.

Promissory notes issued by member banks to State or municipal housing authorities under "Loan to Lender" programs in response to requests, the Board has decided to review its decision regarding the "deposit" status of these obligations.

- ***First Virginia Bank of Tidewater, Norfolk, Virginia, proposed merger with First Virginia Bank of Nansemond, Suffolk, Virginia, report to the Federal Deposit Insurance Corporation on competitive factors.
- ***National City Bank, Cleveland, Ohio, proposed merger with The Bank of Cleveland, Cleveland, Ohio, report to the Comptroller of the Currency on competitive factors.
- ***First Tennessee National Corporation, Memphis, Tennessee, extension of time, to and including December 29, 1975, to acquire all of the voting shares of the successor by merger to Pioneer Bank, Chattanooga, Tennessee, and all of the voting shares of Valley Company, Chattanooga, Tennessee.
- ***Mercantile Bancorporation, Inc., St. Louis, Missouri, extension of time, to and including January 3, 1976, to acquire 90 per cent or more of the voting shares of Bank of Eldon, Eldon, Missouri.
- ***Michigan National Corporation, Bloomfield Hills, Michigan, extension of time until January 18, 1976, within which to acquire First National Bank of East Lansing, East Lansing, Michigan, and First National Bank of Wyoming, Wyoming, Michigan.
- ***Trenton State Bank, Trenton, Michigan, to make an investment in bank premises.
- ***Union Bank and Trust Company, Bowling Green, Virginia, to make an investment in bank premises.

***Processed on behalf of the Board of Governors under delegated authority.

Continued

***United Jersey Bank/Northwest, Dover, New Jersey, extension of time to establish a branch on East Mill Road (Route 24) between Mountain View Avenue and Old Farmers Road, Washington Township, New Jersey.

***Bamerical International Financial Corporation, San Francisco, California, extension of time to October 7, 1976, within which to acquire 50 per cent of the shares of a de novo agricultural and industrial finance company in Columbia.

***Processed on behalf of the Board of Governors under delegated authority.