

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1976 No. 20)

Actions of the Board; Applications and Reports

Received During the Week Ending May 15, 1976

ACTIONS OF THE BOARD

Statement by Vice Chairman Stephen S. Gardner before the Subcommittee on Financial Institutions of the Senate Committee on Banking, Housing and Urban Affairs, commenting on the recommendations to the Congress of the Advisory Commission on Intergovernmental Relations, which Committee Print No. 1 seeks to implement.

Conflict of interest for Board members, response to questionnaire sent to Chairman Ribicoff, Senate Committee on Government Operations.

Reserve requirements, modification of procedures for transitional relief from increases in reserve requirements occasioned by a merger involving a member bank or from a bank joining the Federal Reserve for the first time.

Regulation B amendments, the Board announced adoption of several amendments to its Regulation B -- Equal Credit Opportunity -- that went into effect last October 28.

Regulation Q, pooling of funds, notice of extension of comment period from May 10 to July 9.

Regulation Z, Truth in Lending, the Board proposed several modifications to its rules for identifying transactions charged to consumers using open-end charge accounts (such as charges on a credit card billing statement).

The Board amended its Rules Regarding Delegation of Authority, to delegate to the Director of Division of Banking Supervision and Regulation the authority to withdraw or cancel by order the transfer agent registration of a member State bank or a subsidiary thereof, a bank holding company, or a subsidiary of a bank holding company that is a "bank" as defined in section 3(a)(6) of Securities Exchange Act.

ACTIONS OF THE BOARD-Continued

- 1/ Bancapital Financial Corporation, Austin, Texas, extension of time to May 18, 1977, within which to divest of indirect ownership of the shares of Texas General Life Insurance Company, Austin, Texas.
 - 1/ Beaver Bancshares, Inc., Beaver, Oklahoma, extension of time to June 17, 1976, within which to consummate the acquisition of The Bank of Beaver, Beaver, Oklahoma.
 - 1/ Inland Heritage Corporation, Wauwatosa, Wisconsin, extension of time to August 14, 1976, within which to commence de novo activities through its subsidiary, Inland Insurance Agency, Inc.
 - 1/ Southeast Banking Corporation, Miami, Florida, extension of time to August 13, 1976, within which to engage de novo through a subsidiary known as Southeast Credit Insurance Agency.
 - 1/ Deregistration under Regulation G for A.F. Staley Manufacturing Co., Decatur, Illinois.
 - 1/ Hanover Bank, Wilmington, North Carolina, proposed merger with The Planters National Bank and Trust Company, Rocky Mount, North Carolina; report to the Comptroller of the Currency on competitive factors.
 - 1/ Bank of Rhame, Rhame, North Dakota, extension of time to open paying and receiving station.
 - 1/ United Jersey Bank, Hackensack, New Jersey, extension of time within which to establish a branch at the corner of Lake Street and East Avenue, Upper Saddle River, New Jersey.
 - 1/ Chemung Canal Trust Company, Elmira, New York, extension of time within which to establish a branch at the intersection of College Avenue and McCanns Boulevard, Elmira, New York.
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- 1/ Application processed on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

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

Approved

- 2/ Pacific Security Depository Trust Company, San Francisco, California.

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

Approved

- 2/ Clear Lake Bank and Trust Company, Clear Lake, Iowa.
Branch to be established at 21 North 4th Street, Clear Lake.
- 2/ Citizens Fidelity Bank & Trust Company, Louisville, Kentucky. Branch to be established at the intersection of Lindsay Avenue and Brownsboro Road, Louisville, Jefferson County.
- 2/ Walker Bank & Trust Company, Salt Lake City, Utah.
Branch to be established in the vicinity of 7800 South 1700 West, West Jordan, Salt Lake County.
- 2/ Continental Bank and Trust Company, Salt Lake City, Utah.
Branch to be established at 509 East 400 South, Salt Lake City.

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To Establish an Overseas Branch of a Member Bank
Pursuant to Section 25 of the Federal Reserve Act

Approved

First National Bank of Chicago, Chicago, Illinois:
branch - George Town, Grand Cayman, Cayman Islands.

- 2/ Application processed by the Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

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

Bamerical International Financial Corporation, San Francisco, California: investment - to acquire 40 per cent of a de novo finance company in Kuwait.

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

Approved

Manufacturers Hanover Trust Company, New York, New York, for prior approval to merge with Manufacturers Hanover Trust Company/Mid-Hudson, Monroe, New York, and Manufacturers Hanover Trust Company/Suffolk, National Association, Bay Shore, New York.

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

Approved

2/ Adair Insurance Agency, Inc., Adair, Iowa, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Exchange State Bank, Adair, Iowa.

Sumner County Bancshares, Inc., Wellington, Kansas, for approval to acquire 90.13 per cent of the voting shares of The National Bank of Commerce of Wellington, Wellington, Kansas.

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

ACTIONS OF THE BOARD-Continued

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

Approved

CleveTrust Corporation, Cleveland, Ohio, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Savings Deposit Bank Company, Medina, Ohio.

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

Approved

- 2/ Adair Insurance Agency, Inc., Adair, Iowa, for permission to engage in general insurance agency activities through the acquisition of a general insurance agency in the town of Adair, Iowa, a community with a population of less than 5,000.

Central Mortgage Bancshares, Inc., Warrensburg, Missouri, for approval to acquire all of the voting shares of Cenco Insurance Company, Phoenix, Arizona.

Sumner County Bancshares, Inc., Wellington, Kansas, for approval to continue to engage in the sale as agent of credit life and credit accident and health insurance directly related to extensions of credit by Bank on Bank's premises.

Reactivated

- 3/ North Shore Capital Corporation, Wilmette, Illinois, notification of intent to engage in de novo activities (acting as agent, broker, or adviser only in the leasing of real and personal property and equipment where at the inception 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 plus the estimated cost of financing the property over the term of the lease; and acquiring, for the account of others only, loans and other extensions

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

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

of credit primarily to finance the acquisition of personal property and equipment; such loans would include, but not be limited to, the financing of time sales contracts, conditional sales agreements, installment purchase loans, and secured term loans; and as agent, broker, or adviser only servicing the aforesaid leases and loans) at 1737 West Howard Street, Chicago, Illinois, through its subsidiary, NSCC Leasing Corp. (5/10/76)

Permitted

- 3/ Industrial National Corporation, Providence, Rhode Island, notification of intent to engage in de novo activities (origination, sales, and servicing of residential mortgages) at 300 Duncan Street, Clearwater, Florida and 1443 West Schaumburg, Schaumburg, Illinois, through its subsidiary, Mortgage Associates, Inc. (5/14/76)
- 3/ Chemical New York Corporation, New York, New York, notification of intent to engage in de novo activities (provide real estate financing particularly through short term land development and construction mortgage loans, acting as adviser, counselor, and servicing agent for all the real estate lending business of its nonbanking affiliates) at 115 Broad Hollow Road, Melville, New York, through its subsidiary, Chemical Realty Corporation (5/3/76)
- 3/ Manufacturers Hanover Corporation, New York, New York, notification of intent to engage in de novo activities (all facets of a mortgage banking business including, without limitation, making or acquiring, for its own account or for the account of others, loans and other extensions of credit and servicing loans and other extensions of credit; acting as investment adviser and manager to a real estate investment trust; providing bookkeeping or data processing services for Manufacturers Hanover Corporation, its subsidiaries and affiliates, and storing and processing other banking, financial, or related economic data such as performing payroll, accounts receivable or billing services) at 8111 Gatehouse Road, Falls Church, Virginia, through its subsidiary, Citizens Mortgage Corporation and its subsidiary, Royal Oak Mortgage Company (5/10/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

- 3/ Centran Corporation, Cleveland, Ohio, notification of intent to engage in de novo activities (the handling of consumer finance loans including loans to individuals secured by mortgages on residential and personal property for a borrower, for a fee, commission or a charge, purchases of installment sales contracts; and selling credit life insurance and health and accident insurance at the request of borrowers in connection with extensions of credit) at Room 528, 1220 S.W. Morrison, Terminal Sales Building, Portland, Oregon, through its wholly-owned subsidiary, Colonial Financial Services, Inc., Birmingham, Alabama (5/10/76)
- 3/ Centran Corporation, Cleveland, Ohio, notification of intent to engage in de novo activities (the making of consumer finance loans (including loans to individuals secured by second mortgages or deeds of trust on residential property), purchasing installment sales contracts; the sale of credit life insurance and health and accident insurance at the request of borrowers in connection with extensions of credit; the sale (as agent) of fire, inland marine and extended coverage insurance on real property, furniture and household goods, and vehicular physical damage insurance on vehicles taken as collateral on loans made or purchased and the servicing of loans and other extensions of credit for any person) at 14333 Jefferson Davis Highway, Woodbridge, Virginia, through its wholly-owned subsidiary, Major Finance Corporation of Alexandria, Alexandria, Virginia (5/10/76)
- 3/ Central Bankshares Corporation, Jonesboro, Georgia, notification of intent to engage in de novo activities (leasing personal property or acting as agent, broker, or adviser in leasing such property including, but not limited to, business machines and equipment, signs and automobiles where the property to be leased is acquired specifically for the leasing transaction which is to serve as the functional equivalent of an extension of credit to the lessee of the property with all interest in the property either liquidated or released upon expiration of the lease) at 141 Forest Parkway, Forest Park, Georgia, 139 N. Main Street, Jonesboro, Georgia, and 6611 Tara Boulevard, Jonesboro, Georgia (5/15/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

- 3/ Citizens and Southern Holding Company, Atlanta, Georgia, notification of intent to engage in de novo activities (leasing personal property and equipment or acting as agent, broker, or adviser in leasing of such property where at the inception of the initial lease the expectation is that the effect of the transaction and reasonably anticipated future transactions with the same lessee as to the same property will be to compensate the lessor for not less than the lessor's full investment in the property) at 2059 Cooledge Road, Tucker, Georgia, through a subsidiary, Citizens and Southern Equipment Leasing, Inc. (5/13/76)
- 3/ National Detroit Corporation, Detroit, Michigan, notification of intent to engage in de novo activities (making, acquiring, and servicing for its own account and for the account of others, mortgage loans and other extensions of credit in connection with the purchase, development, and/or improvement of real property and all activities incidental thereto) at 11048 Warwick Boulevard, Newport News, Virginia, through its subsidiary, NBD Mortgage Company, Birmingham, Michigan (5/10/76)
- 3/ North Shore Capital Corporation, Wilmette, Illinois, notification of intent to engage in de novo activities (acting as agent, broker, or adviser only in the leasing of real and personal property and equipment where at the inception 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 plus the estimated cost of financing the property over the term of the lease; and acquiring, for the account of others only, loans and other extensions of credit primarily to finance the acquisition of personal property and equipment; such loans would include, but not be limited to, the financing of time sales contracts, conditional sales agreements, installment purchase loans, and secured term loans; and as agent, broker, or adviser only servicing the aforesaid leases and loans) at 1737 West Howard Street, Chicago, Illinois, through its subsidiary, NSCC Leasing Corp. (5/11/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD-Continued

- 3/ First Bancorp, Inc., Corsicana, Texas, notification of intent to engage in de novo activities (establish a mortgage loan business; making or acquiring, for its own account or for the account of others, loans and other extensions of credit upon real estate and to provide servicing, warehousing, origination, and marketing of mortgages) at 2100 S. Washington, Kaufman, Texas, through a subsidiary, Old Reliable Mortgage Co., Inc. (5/10/76)
- 3/ First Bancorp, Inc., Corsicana, Texas, notification of intent to engage in de novo activities (establish a mortgage loan business, making or acquiring, for its own account or for the account of others, loans and other extensions of credit upon real estate and to provide servicing, warehousing, origination, and marketing of mortgages) at 101 South Waco Street, Hillsboro, Texas, through a subsidiary, Old Reliable Mortgage Co., Inc. (5/10/76)
- 3/ Security Pacific Corporation, Los Angeles, California, notification of intent to relocate de novo activities (the origination and acquisition of mortgage loans, including development and construction loans on multi-family and commercial properties for its own account or for the sale to others and the servicing of such loans for others) from 9730 S. Wester, Evergreen Park to 5716 W. 95th Street, Oak Lawn, Illinois, through its subsidiary, Security Pacific Mortgage Corporation (5/13/76)

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To Expand a Bank Holding Company Pursuant to Section
4(c)(12) of the Bank Holding Company Act of 1956

Permitted

- 3/ Gamble-Skogmo, Inc., Minneapolis, Minnesota, notification of intent to acquire the common stock and convertible debentures of Zeller's Limited (5/12/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

APPLICATIONS RECEIVED

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

European-American Bank and Trust Company, New York,
New York. Branch to be established at 61-49 188th
Street, Fresh Meadows, Borough of Queens.

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

Cullen Bankers, Inc., Houston, Texas, for approval to
acquire 100 per cent of the voting shares (less di-
rector's qualifying shares) of San Felipe National Bank,
Houston, Texas.

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

3/ Citicorp, New York, New York, notification of intent to
engage in de novo activities (consumer personal lending;
preauthorized consumer revolving credit; and acting as
broker for the sale of consumer credit related life/
accident and health insurance and consumer credit re-
lated property and casualty insurance; if these proposals
are effected, the subsidiary will offer to sell insurance
as follows: credit life and accident and health or
individual decreasing or level (in the case of single
payment loans) life insurance to cover the outstanding
balance of consumer credit transactions, singly or
jointly, with their spouses or cosigners in the case of
life coverage, in the event of death, or, to make the
contractual monthly payment on the consumer credit
transactions in the event of the obligator's disability
to the extent permissible under applicable State insurance
laws and regulations; individual casualty insurance on
personal property subject to security agreements and to
include liability coverage, in home or automobile owner
"package" policies where such is the general practice;

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf
of the Board of Governors under delegated authority.

APPLICATIONS RECEIVED-Continued

further, in regard to the sale of credit related insurance, the subsidiary will not act as a general insurance agency) at 3525 North Causeway Boulevard, Metairie, Louisiana, through its subsidiary, Nationwide Financial Services Corporation and its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/10/76)

First Missouri Banks, Inc. (formerly First Banc Group, Inc.), Creve Coeur, Missouri, for approval to acquire the shares of First Missouri Insurance Group, Phoenix, Arizona. (proposes to underwrite, as reinsurer, credit life and disability insurance which is directly related to extensions of credit by the holding company's subsidiary banks)

3/ BankAmerica Corporation, San Francisco, California, notification of intent to relocate de novo activities (making loans and extending credit and providing of services incident to such loans and extensions of credit such as would be made or provided by a finance company including the following specific activities: making of consumer installment loans and purchasing installment sales finance contracts, and making of loans to small businesses; acting as agent or broker for the sale of credit related life/accident and disability insurance and credit property and casualty insurance in connection with extensions of credit by FinanceAmerica Corporation) from 555 Harrison Avenue, Panama City to 2613 West 23rd Street, Panama City, Florida, through its subsidiary, FinanceAmerica Corporation (Florida) (5/6/76)

3/ Washington Bancshares, Inc., Spokane, Washington, notification of intent to engage in activities (making or acquiring, for its own account or for the account of others, loans or other extensions of credit secured by real estate mortgages or deeds of trust and the servicing of such loans, and such other activities as are incidental to the operations of a mortgage company including, but not limited to; acting as agent or broker for the sale of mortgage redemption life and disability insurance and casualty insurance to be issued in connection with making or acquiring such loans and serving as an escrow or closing agent in connection with the closing of real estate transactions financed by it) at One Lake Bellevue, Bellevue, Washington, through its subsidiary, Bancshares Mortgage Company, substantially all of the assets of Bankwest Mortgage Company, Bellevue, Washington (5/3/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

REPORTS RECEIVED

Registration Statement Filed Pursuant To Section 12(g)
of the Securities Exchange Act

The Cortland Savings and Banking Company, Cortland, Ohio.

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Current Report Filed Pursuant To Section 13
of the Securities Exchange Act

Metropolitan Bank, Tampa, Florida
Nassau Trust Company, Glen Cove, New York
The Sylvania Savings Bank Company, Sylvania, Ohio
Union Bank, Los Angeles, California.

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PETITIONS FOR RULEMAKING

None.