

ANNOUNCEMENT BY

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1976 No. 23)

Actions of the Board; Applications and Reports

Received During the Week Ending June 5, 1976

ACTIONS OF THE BOARD

Report on bill, S. 2304, letters to Congressional Committees in response to request for Board's views regarding proposals to modify S. 2304, the "penalties bill".

Notice of Adoption of Revised Form, FR Form U-1, "Statement of Purpose of Stock-Secured Extension of Credit by a Bank," effective September 1, 1976.

Letter to Senator Jesse Helms in response to request for the Board's views on a paper by Professor Gerald Dunne on gold clause contracts.

Lamasco Bank, Evansville, Indiana, proposed merger with The Citizens National Bank of Evansville, Evansville, Indiana; report to the Comptroller of the Currency on competitive factors.

1/ Termination of Registration under Regulation G for Agricultural Production Credit Association, Harlan, Iowa.

1/ First Marine Bank, Inc., Riviera Beach, Florida, extension of time to September 29, 1976, within which to acquire First Marine Bank of Boca Raton, Boca Raton, Florida, and First Marine National Bank, Palm Springs, Florida.

1/ Melcap, Incorporated, Melrose Park, Illinois, extension of time to July 3, 1976, within which to become a bank holding company through the acquisition of Melrose Park National Bank, Melrose Park, Illinois.

1/ SYB Corporation, Oklahoma City, Oklahoma, extension of time to July 7, 1976, within which to consummate acquisition of the Stock Yards Bank, Oklahoma City, Oklahoma.

1/ Traer Shares, Incorporated, Traer, Iowa, extension of time to October 7, 1976, within which to become a bank holding company through the acquisition of 80 per cent of the voting shares of Farmers Savings Bank, Traer, Iowa.

1/ Application processed on behalf of the Board of Governors under delegated authority.

Note: The H.2 release is now published in the Federal Register. It will continue to be sent, upon request, to anyone desiring a copy.

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

Boston Overseas Financial Corporation, Boston, Massachusetts: to continue to hold the shares of Servicios Comerciales e Industriales, Guatemala City, Guatemala, after the latter issues debt obligations.

International Bank of Detroit, Detroit, Michigan; investment - additional in Guaranty Trust Company of Canada, Toronto, Canada, to maintain its current 10 per cent interest.

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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/ Commercial Bankshares Corp., Adrian, Michigan, for approval to acquire 100 per cent of the voting shares of the successor by consolidation to The Commercial Savings Bank, Adrian, Michigan.

2/ First Altus Bancorp, Inc., Altus, Oklahoma, for approval to acquire 100 per cent of the voting shares of The First National Bank in Altus, Altus, Oklahoma.

Rossiter and Matney Insurance Agency, Inc., Walthill, Nebraska, for approval to acquire 93.2 per cent or more of the voting shares of The First National Bank of Walthill, Walthill, Nebraska.

Withdrawn

Maryville Bancshares, Inc., Kansas City, Missouri, for approval to acquire 94 per cent or more of the voting shares of Citizens State Bank of Maryville, Missouri, Maryville, Missouri.

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

ACTIONS OF THE BOARD-Continued

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

Approved

Rossiter and Matney Insurance Agency, Inc., Walthill, Nebraska, for permission to retain its general insurance agency activities which presently are conducted upon the premises of The First National Bank of Walthill, Walthill, Nebraska, in a community that has a population not exceeding 5,000 people.

Permitted

- 3/ F.N.B. Corporation, Sharon, Pennsylvania, notification of intent to relocate de novo activities (consumer lending including the making of loans to individuals and the purchasing of installment sale contracts) from 3702 Lee Road, Shaker Heights, Ohio to 5236 Warrensville Center Road, Maple Heights, Ohio, through its wholly-owned subsidiary, Citizens Budget Co., Youngstown, Ohio (6/5/76)
- 3/ Dominion Bankshares Corporation, Roanoke, Virginia, notification of intent to relocate de novo activities (mortgage banking activities by originating residential, commercial, and industrial mortgage loans for its own account but principally for sale to others, servicing such loans for others; and writing credit life, credit accident and health and mortgage redemption insurance in connection with such mortgage loans) from The Coliseum Mall Shopping Center, 1800 West Mercury Boulevard, Hampton, Virginia to 11009 Warwick Boulevard, Suite 212, Newport News, Virginia, through its subsidiary, Metropolitan Mortgage Fund, Inc. (6/3/76)
- 3/ Union Trust Bancorp, Baltimore, Maryland, notification of intent to engage in de novo activities (making installment loans to individuals for personal, family, or household purposes, purchasing sales finance contracts executed in connection with the sale of personal, family, or household goods or services, making second mortgage loans secured in whole or part by mortgage or other lien on real estate; acting as agent in the sale of credit life and credit accident and health insurance directly related to its extensions of credit; acting as agent in the sale of insurance protecting collateral

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

held against its extensions of credit; and acting as agent in the sale of single-premium payment accidental death insurance sold as a convenience to borrowers at the time credit is extended where premium income from such sales does not constitute a significant portion of the Bank Holding Company System's total premium income) at 209 South Main Street, Lexington, North Carolina, through two subsidiaries, Landmark Finance Corporation of North Carolina and Landmark Mortgage Corporation (wholly-owned subsidiaries of Landmark Financial Services, Inc.) (6/5/76)

3/ American Bancorporation, Inc., Kansas City, Missouri, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit including issuing letters of credit and accepting drafts such as would be made, for example, by a finance company) at 9920 Holmes Road, Kansas City, Missouri, through a subsidiary, American Finance Company of Kansas City, Inc. (6/2/76)

3/ D. H. Baldwin Company, Cincinnati, Ohio, notification of intent to engage in de novo activities (leasing real property or acting as agent, broker, or adviser in leasing such property provided that any such lease is made on a full-payout basis over a period not to exceed 40 years, that the leased property is acquired (or was earlier acquired) specifically for the lease transaction, that the lease is not operating and that all interests of lessor in the leased property is terminated within 50 years from the date of acquisition) at 1801 Gilbert Avenue, Cincinnati, Ohio, through a subsidiary, The Baldwin Company (6/4/76)

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 or mortgages) at 4650 Beltline Road, Addison, Texas, through a subsidiary, Old Reliable Mortgage Co. (6/1/76)

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/ U.S. Bancorp, Portland, Oregon, notification of intent to engage in de novo activities (acting as insurance agent with regard to the following: insurance which is sold as a matter of convenience to purchaser) at 309 S.W. Sixth Avenue, Portland, Oregon, through its subsidiary, Mt. Hood Credit Life Insurance Agency, Inc. (6/3/76)

Withdrawn

- 3/ Peoples Credit Co., Kansas City, Missouri, notification of intent to engage in de novo activities (making and servicing consumer loans such as made by a finance company) on the premises of The Metropolitan Bank, 3400 East Red Bridge Road, Kansas City, Missouri (5/18/76)

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- 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

The Union Commerce Bank, Cleveland, Ohio. Branch to be established in the Great Northern Shopping Center, 5281 Great Northern Boulevard, North Olmstead, Cuyahoga City.

Mountain Empire Bank, Johnson City, Tennessee. Branch to be established at 1006 South Roan Street, Johnson City, to be known as South Roan Street Branch.

Seattle Trust & Savings Bank, Seattle, Washington. Branch to be established in the vicinity of the intersection of N.E. 85th and 124th N.E., East of Kirkland in an unincorporated area of King County.

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

Monona Bancorporation, Blencoe, Iowa, for approval to acquire 90 per cent or more of the voting shares of Blencoe State Bank, Blencoe, Iowa.

ONB Corporation, Owensboro, Kentucky, for approval to acquire 82 per cent of the voting shares of The Owensboro National Bank, Owensboro, Kentucky.

American Bancshares of Mankato, Inc., Mankato, Minnesota, for approval to acquire 82 per cent of the voting shares of American State Bank of Mankato (Incorporated), Mankato, Minnesota.

Trinity Capital Corporation, Los Alamos, New Mexico, for approval to acquire 80 per cent or more of the voting shares of Los Alamos National Bank, Los Alamos, New Mexico.

APPLICATIONS RECEIVED-ContinuedTo Expand a Bank Holding Company Pursuant to Section 3(a)(3) of the Bank Holding Company Act of 1956

Exchange Bancorporation, Inc., Tampa, Florida, for approval to acquire 80 per cent of the voting shares of Security National Bank, Lee County (P.O. Fort Myers), Florida.

Republic of Texas Corporation, Dallas, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of First National Bank in Brownwood, Brownwood, 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/ Industrial National Corporation, Providence, Rhode Island, notification of intent to engage in de novo activities (origination and sale of residential mortgages and servicing of residential mortgage loans) at 3100 South University Boulevard, Jacksonville, Florida, through a subsidiary, Mortgage Associates, Inc. (6/1/76)

3/ First Bank System, Inc., Minneapolis, Minnesota, notification of intent to relocate de novo activities (consumer finance and credit related insurance agency activities) from 1808 South Main Street, Broken Arrow, Oklahoma to 2184 South Garnett Road, Tulsa, Oklahoma, through a subsidiary, FBS Financial of Oklahoma, Inc., a subsidiary of FBS Financial, Inc. (6/2/76)

Fort Sam Houston BankShares, Incorporated, San Antonio, Texas, for approval to acquire the shares of Greenwood Life Insurance Company, San Antonio, Texas. (acting as underwriter for credit life insurance and credit accident and health insurance which is directly related to extensions of credit by the bank holding company system)

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

- 3/ Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit in connection with the financing of personal property and equipment and real property; and the leasing of such real property or the acting as agent, broker, or adviser in the leasing and/or financing of such property provided the lease is to serve as the functional equivalent of an extension of credit to the lessee of the property, the property to be leased is acquired specifically for the leasing transaction under consideration or was acquired specifically for an earlier leasing transaction, the lease is on a non-operating basis and where at the inception of the initial lease the effect of the transaction (and, with respect to governmental entities only, reasonably anticipated future transactions) will yield a return that will compensate the lessor for not less than the lessor's full investment in the property plus the estimated total cost of financing the property over the term of the lease, the servicing of such financings and/or leases of real or personal property) at One Hundred Oceangate, Long Beach, California, through its subsidiary, Security Pacific Leasing Corporation (5/26/76)

Correction:

- 3/ U.S. Bancorp, Portland, Oregon, notification of intent to engage in de novo activities (acting as insurance agent with regard to the following: insurance which is sold as a matter of convenience to purchaser) at 309 S.W. Sixth Street, Portland, Oregon, through its subsidiary, Mt. Hood Credit Life Insurance Agency, Inc. (5/21/76) This activity will be engaged in throughout the State of Oregon (except for the Portland Market)

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

- 3/ Sterling Precision Corporation, West Palm Beach, Florida, notification of intent to acquire the outstanding stock of AEL Enterprises, Inc., Fort Myers, Florida, an automotive replacement parts distributor (6/2/76)

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

None.

PETITIONS FOR RULEMAKING

None.