

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1976 No. 25)

Actions of the Board; Applications and Reports

Received During the Week Ending June 19, 1976

ACTIONS OF THE BOARD

Regulation D and Q amendments, intended to provide greater flexibility to banks in adding to their capital structure, amendments will become effective July 26, 1976.

The Board has issued an interpretation regarding the ability of a member bank to include certain automated payments in the account "cash items in process of collection".

Standby letters of credit, letter to Chairman Proxmire, Senate Committee on Banking, Housing and Urban Affairs, in response to request for material regarding standby letters of credit and related instruments issued by commercial banks.

Reserves, the Board has considered the question of de novo member banks and has determined that it is appropriate to extend transitional relief in the form of waiver of penalties for reserve requirement deficiencies to such banks, based on a declining percentage of total required reserves over a 24-month period in accordance with the specified schedule.

Report on bill H.R. 13955, letter to Chairman Rees, Subcommittee on International Trade, Investment, and Monetary Policy, in response to request for Board's comments on an amendment which may be proposed to H.R. 13955.

Trans Texas Bancorporation, Inc., El Paso, Texas, extension of time to November 1, 1976, within which to acquire Chamizal National Bank, El Paso, Texas, and to open the bank for business. 1/

Arkansas Bank & Trust Company, Hot Springs, Arkansas, to make an additional investment in bank premises. 1/

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

ACTIONS OF THE BOARD-Continued

Fifth Third Bank, Cincinnati, Ohio, extension of time to January 8, 1977, within which to establish a branch at Hamilton and Goodman Avenues, North College Hill, Ohio. 1/

Chase Manhattan Overseas Banking Corporation, New York, New York, extension of time within which to complete its additional investment in Chase and Bank of Ireland (International) Ltd., Dublin, Ireland. 1/

Chase Manhattan Bank, N.A., New York, New York, extension of time within which to acquire additional shares of Banco del Comercio, Bogota, Colombia. 1/

First National Bank of Coalport, Coalport, Pennsylvania, proposed merger with United States National Bank in Johnstown, Johnstown, Pennsylvania; report to the Comptroller of the Currency on competitive factors. 1/

Genesee Federal Savings and Loan Association, Town of Irondequoit, New York, proposed merger with The New York Bank for Savings, New York, New York; report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Guaranty Bank, Canby, Oregon, proposed merger with Bank of Oregon, Woodburn, Oregon; report to the Federal Deposit Insurance Corporation on competitive factors. 1/

State Savings Bank of Fenton, Fenton, Michigan, extension of time to July 21, 1976, within which to withdraw from membership in Federal Reserve System.

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

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

Approved

Manufacturers and Traders Trust Company, Buffalo, New
York. Branch to be established at 2400 Seneca Street,
West Seneca. 2/

European-American Bank and Trust Company, New York,
New York. Branch to be established at 61-49 188th
Street, Fresh Meadows, Borough of Queens. 2/

The Onsted State Bank, Onsted, Michigan. Branch to be
established out-of-town at 202 Hyde Road, unincorporated
village of Clark Lake, Columbia Township, Jackson
County. 2/

Harbor Springs State Bank, Harbor Springs, Michigan.
Branch to be established at the northeast corner of the
intersection of Pleasantview Road and M-131, Little
Traverse Township, Emmet County. 2/

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International Investment 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

Citibank, National Association, New York, New York: to
continue to hold the shares of Far East Bank Limited,
Hong Kong, now that the latter holds all the shares of a
nominee company, Far East Bank Nominees Limited, Hong
Kong, without the requisite prior consent of the Board
of Governors.

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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

Fiduciary Investment Company of New Jersey, Newark, New
Jersey, for approval to acquire 50.2 per cent or more of
the voting shares of Security National Bank of New
Jersey, Newark, New Jersey.

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

ACTIONS OF THE BOARD-Continued

Mountain Grove Bancshares, Inc., Mountain Grove, Missouri, for approval to acquire 90.83 per cent of the voting shares of Mountain Grove National Bank, Mountain Grove, Missouri. 2/

Tioga Bank Holding Company, Tioga, North Dakota, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of The Bank of Tioga, Tioga, North Dakota.

El Dorado Bancshares, Inc., Prairie Village, Kansas, for approval to acquire 98 per cent or more of the voting shares of Citizens State Bank of El Dorado, El Dorado, Kansas.

Denied

Nebraska Banco, Inc., Ord, Nebraska, for approval to acquire 100 per cent of the voting shares of Nebraska State Bank, Ord, Nebraska. The section 4(c)(8) application for permission to acquire all of the assets of Pierce Agency, Inc., Ord, Nebraska, hereby becomes moot.

Withdrawn

Pioneer Bancorp, Inc., Northbrook, Illinois, for approval to acquire 99.7 per cent of the voting shares of Pioneer Bank & Trust Company, Chicago, Illinois.

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

Approved

Florida Bankshares, Inc., Hollywood, Florida, for approval to acquire 23.8 per cent of the voting shares of First National Bank of Sebring, Sebring, Florida.

American Affiliates, Inc., South Bend, Indiana, for approval to retain 3.83 per cent of the voting shares of American National Bank and Trust Company of South Bend, South Bend, Indiana and to acquire an additional 3.74 per cent of the voting shares of Bank.

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 4(c)(8) of the Bank Holding Company Act of 1956

Delayed

Walter E. Heller International Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (to engage in the business of commercial finance, factoring, and leasing) at 300 Delaware Avenue, Wilmington, Delaware, through its subsidiary, Walter E. Heller & Company (6/18/76) 3/

Permitted

Citicorp, New York, New York, notification of intent to relocate de novo activities (making of 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: 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 borrower's disability; and 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 934 S. Euclid Avenue, Anaheim, California to 1022 North Tustin Avenue, Orange, California, through its subsidiary, Nationwide Financial Corporation of California (6/17/76) 3/

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (making or acquiring, for its own account or the account of others, loans and other extensions of credit such as would be made by a mortgage company; acting as insurance agency in connection with credit life and disability insurance and mortgage redemption insurance which is directly related to the extension of credit or provision

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

ACTIONS OF THE BOARD-Continued

of other financial services by Carruth Mortgage Corporation) at 10001 Lake Forest Boulevard, New Orleans, Louisiana, through its wholly-owned subsidiary, Carruth Mortgage Corporation (6/17/76) 3/

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (acting as insurance agent or broker with respect to credit life insurance, credit accident and health insurance, and/or mortgage redemption insurance which insurance is directly related to an extension of credit by Mellon National Corporation, its subsidiaries, or affiliates; specifically such insurance will be associated with extensions of credit made by the various branch offices of Mellon Bank, N.A., at Mellon Bank Building, Mellon Square, Pittsburgh, Pennsylvania) at 6400 Steubenville Pike, Robinson Township, McKees Rocks, Pennsylvania, through a wholly-owned subsidiary, Laurel Insurance Agency, Inc. (6/18/76) 3/

Pittsburgh National Corporation, Pittsburgh, Pennsylvania, notification of intent to relocate de novo activities (mortgage banking, including the making, acquiring, and servicing for its own account or the accounts of others, loans and other extensions of credit) from 4300 Stevens Creek Boulevard, Suite 275, San Jose, California to The Sherman Building, Suite 10, 3031 Tisch Way, San Jose, California, through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio (6/13/76) 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 servicing 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 (6/17/76) 3/

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

Bank of America, National Trust and Savings Association,
San Francisco, California: branch - Island of Jersey in
the Channel Islands.

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

The Berlin City Bank, Berlin, New Hampshire, for ap-
proval to retain 50.33 per cent of the voting shares of
The White Mountain Trust Company, Gorham, New Hampshire.

Banco de Santander, Santander, Spain, for approval to
acquire through the direct acquisition of voting shares
of First National Bank of Puerto Rico, San Juan (P.O.
Hato Rey), Puerto Rico.

Community Bancshares, Inc., Forest Green, Missouri,
for approval to acquire 80 per cent or more of the
voting shares of The Merchants and Farmers Bank of
Salisbury, Salisbury, Missouri, formerly The Farmers
Bank of Forest Green, Forest Green, Missouri.

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

Schroders Incorporated, New York, New York, notification
of intent to engage in de novo activities (acting as
investment and financial adviser to persons with respect
to their investments in oil and gas interests and as-
sisting in the financing of such investments) in Houston,
Texas, through a subsidiary, Oil Financing & Investment
Company, Inc. (5/7/76) 3/

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

Union Commerce Corporation, Cleveland, Ohio, 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, with respect to governmental entities only, reasonably anticipated future transactions) will be to compensate the lessor for not less than the lessor's full investment in the property; making or acquiring, for its own account or the account of others, 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) at 6065 Rosewell Road, N.E., Suite 304, Atlanta, Georgia, through its wholly-owned subsidiary, Union Commerce Leasing Corporation, Cleveland, Ohio (6/18/76) 3/

Union Trust Bancorp, Baltimore, Maryland, notification of intent to engage in de novo activities (making secondary mortgage loans secured in whole or in part by mortgage, deed of trust, security agreement, or other lien on real estate situated in the State of Maryland which property is subject to the lien of one or more prior encumbrances or other leasehold interest; and acting as agent in the sale of credit life insurance and credit accident and health insurance in connection with its extensions of credit) at Fallston Building, Room 202, 1710A Harford Road, Fallston, Maryland, through its subsidiary, Union Home Loan Corporation (6/14/76) 3/

The Terrebonne Corporation, Houma, Louisiana, notification of intent to engage in de novo activities (acting as insurance agent or broker in offices at which The Terrebonne Corporation or its subsidiaries are otherwise engaged in business or in an office adjacent thereto with respect to the following types of insurance: any insurance for the holding company and its subsidiaries; or any insurance, including life insurance, that is directly related to an extension of credit by Terrebonne Bank & Trust Company, a wholly owned subsidiary corporation of The Terrebonne Corporation; or is directly related to the provision of other financial services by

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

Terrebonne Bank & Trust Company or is otherwise sold as a matter of convenience to the purchaser so long as the premium income from such sales does not constitute a significant portion of the aggregate insurance premium income of the holding company from insurance sold pursuant to this subdivision) at 720 East Main Street, Houma, Louisiana, through a subsidiary, Terre Agency, Inc. (6/14/76) 3/

Jan-Mar Corp., Coleraine, Minnesota, for permission to retain its general insurance business, d/b/a First National Agency at Coleraine, Minnesota. (selling of fire, auto, casualty, life, accident and health insurance, and also the selling of all types of surety bonds in a community of less than 5,000)

D. H. Baldwin Company, Cincinnati, Ohio, for approval to acquire the shares of Empire Savings Building and Loan Association and its subsidiaries. (operation of a federally insured savings and loan association; insurance sales which Applicant believes to be permissible under the Board's Regulation Y; and land development)

Community Bancshares, Inc., Forest Green, Missouri, for approval to engage in the sale of credit life and credit accident and health insurance d/b/a Miller and Associates, Forest Green, Missouri.

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

Sterling Precision Corporation, West Palm Beach, Florida, notification of intent to acquire the outstanding stock of Thorne Automotive Company, Pawtucket, Rhode Island, an automotive replacement parts distributor. (6/14/76) 3/

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

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

The Sylvania Savings Bank Company, Sylvania, Ohio.

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PETITIONS FOR RULEMAKING

None.