

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1976 No. 43)

Actions of the Board; Applications and Reports

Received During the Week Ending October 23, 1976

ACTIONS OF THE BOARD

Regulation Y, the Board deferred action on a proposal to make underwriting and dealing in Federal Government securities and general obligations of States or their subdivisions (municipal securities) a permissible activity for bank holding companies (Docket No. R-0001).

Regulation Z, variable interest rate, the Board proposed to amend Regulation Z -- Truth in Lending -- to require disclosure to the customer, in advance of signing a loan agreement, of any variable rate clause in the contract and a number of related matters; the Board asked for comment through November 29, 1976 (Docket No. R-0003).

Issuance of subordinated capital notes by United States Trust Company of New York, New York, New York.

Commercial Bankshares Corp., Adrian, Michigan, extension of time to February 1, 1977, within which to acquire the successor by consolidation to The Commercial Savings Bank, Adrian, Michigan. 1/

Deregistration statement for Baptist Foundation of Texas, Dallas, Texas; for Great National Life Insurance Company, Dallas, Texas, and for Kraft Employees Credit Union, Garland, Texas. 1/

Termination of registration for Westark Production Credit Association, Fayetteville, Arkansas. 1/

Subsidiaries of Landmark Banking Corporation of Florida, Fort Lauderdale, Florida, proposed merger with Landmark Union Trust Bank of St. Petersburg, National Association, St. Petersburg, Florida; report to the Comptroller of the Currency on competitive factors. 1/

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

ACTIONS OF THE BOARD-Continued

Annapolis Banking and Trust Company, Annapolis, Maryland, extension of time to November 21, 1977, within which to establish a branch on Riva Road near its intersection with Admiral Corcoran Drive, Annapolis, Maryland. 1/

Farmers and Merchants Bank of Central California, Lodi, California, extension of time to November 6, 1977, within which to establish a branch in the vicinity of Lower Sacramento Road and Sargent Road, Lodi, California. 1/

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

The Union Bank and Savings Company, Bellevue, Ohio. Branch
to be established at 855 Kilbourne Street, Bellevue,
Sandusky County. 2/

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International Investments and Other Actions 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

Approved

Bank of America: investment - additional in Financiera
Finam de Chile S.A., Santiago, Chile.

Citibank N A: investment - additional in Dao Heng Finance
Limited, Hong Kong, a wholly-owned subsidiary of Grindlays
Bank Limited.

Citibank Overseas Investment Corporation: investment -
additional in Citicorp Credit Multiple (Credim, Dijon,
France.

Manufacturers-Detroit International Corporation: investment -
additional in the Metropolitan Trust Company, Toronto,
Canada.

Walter E. Heller International Corporation: investment -
additional in Walter E. Heller Factoring Portuguesa,
S.A.R.L., Portugal.

Walter E. Heller international Corporation: investment -
additional in Heller Factoring Singapore Limited,
Singapore.

Bamerical International Financial Corporation: removal of
the standard subsidiary conditions re: Metro American
C.A., Caracas, Venezuela.

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

ACTIONS OF THE BOARD-Continued

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

Approved

Manufacturers Hanover Trust Company: branch - Hong Kong.

Bankers Trust Company: branch - Panama City, Republic of
Panama.

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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

Stepp, Inc., Mission Hills, Kansas, for approval to acquire
65 per cent of the voting shares of Quindaro Bancshares,
Inc., Kansas City, Kansas and indirectly acquire Arrow-
head State Bank of Kansas City, Kansas City, Kansas.

Utica Agency, Inc., Utica, Kansas, for approval to acquire
80 per cent or more of the voting shares of The Citizens
State Bank of Utica, Utica, Kansas.

Denied

Union Holding Company, Halliday, North Dakota, for approval
to acquire 80 per cent of the voting shares of The Union
Bank, Halliday, North Dakota.

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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

Colonial Bancorp, Inc., Waterbury, Connecticut, for approval
to acquire 100 per cent of the voting shares of the suc-
cessor by merger to Constitution Bank and Trust Company,
Hartford, Connecticut.

ACTIONS OF THE BOARD-Continued

Colonial Bancorp, Inc., Waterbury, Connecticut, for approval to acquire 100 per cent of the voting shares of The Plainville Trust Company, Plainville, Connecticut.

LITCO Corporation of New York, Garden City, New York, for approval to acquire 100 per cent of the voting shares of Long Island Bank, Hicksville, New York, the successor by conversion of Long Island National Bank, Hicksville, New York.

First Michigan Bank Corporation, Zeeland, Michigan, for approval to acquire 100 per cent of the voting shares of the successor by consolidation to Community State Bank of Dowagiac, Dowagiac, Michigan. 2/

Shaw Investment Company, New Hampton, Iowa, for approval to acquire an additional 33.33 per cent of the voting shares of First National Bank in New Hampton, New Hampton, Iowa.

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To Retain Bank Shares Acquired in a Fiduciary Capacity Pursuant to Section 3 of the Bank Holding Company Act of 1956

Approved

First United Bancorporation, Inc. and The First National Bank of Fort Worth, both in Fort Worth, Texas, for approval to retain 357 shares of University Bank, Fort Worth, Texas. 2/

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

Delayed

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in de novo activities (originating, selling, and servicing real estate mortgage loans on residential and commercial properties) at 1707 Cache Road, Lawton, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company (10/19/76)
3/

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

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in de novo activities (originating real estate mortgage loans on residential and commercial properties) at 3801 N.W. 63rd Street, Oklahoma City, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company (10/19/76) 3/

Reactivated

Old National Bancorporation, Spokane, Washington, notification of intent to engage in de novo activities (serving as an escrow or closing agent in connection with the closing of real estate loans financed by credit extending subsidiaries of Old National Corporation; at present the credit extending subsidiaries are Old National Bank of Washington; The First National Bank in Spokane; and Bancshares Mortgage Company, all of which have their principal places of business in Spokane, Washington) in the Sherwood Building, 510 Riverside and East 10812 Sprague, Spokane, Washington and 3400 West Clearwater, Kennewick, Washington, through its indirect subsidiary, Cascade Escrow Company (10/19/76) 3/

Permitted

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 related property and casualty insurance; if these proposals are effected, the subsidiary will offer to sell insurance as follows: credit life/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 payments on the consumer credit transactions in the event of the obligator's disability to the extent permissible under applicable State insurance laws and regulations; and 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; further, in regard to the sale of credit related insurance, the subsidiary will not act as a general insurance agency) at Chapman Plaza Building, 28 East 21st South, Salt Lake City, Utah, through its subsidiary, Nationwide Financial

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

Services Corporation and its subsidiary, Citicorp Person-to-Person Financial Center (10/17/76) 3/

Philadelphia National Corporation, Philadelphia, Pennsylvania, notification of intent to relocate de novo activities (making installment loans for personal, family, or household purposes; purchasing sales finance contracts executed in connection with the sale of personal, family, or household goods or services in connection with certain personal installment loans made and sales finance contracts purchases; selling casualty insurance, credit life insurance, credit accident and health insurance, and reinsuring such credit life insurance and credit accident and health insurance through Patrick Henry Insurance Company and Patrick Henry Life Insurance Company, indirect subsidiaries of Philadelphia National Corporation; advertising, offering, and preparing motor vehicle leases and generally acting as agent for a lessor of motor vehicles and generally engaging in the business of a consumer finance company) from 941 Fifth Avenue, Coraopolis, Pennsylvania to 1020 Beers School Road, Coraopolis, Pennsylvania, through its indirect subsidiary, Signal Consumer Discount Company (10/21/76) 3/

Maryland National Corporation, Baltimore, Maryland, notification of intent to engage in de novo activities (engaging generally in the business of a mortgage broker and mortgage servicing firm; originating loans as agent for the borrower or the lender; servicing loans for affiliated or nonaffiliated individuals, partnerships, corporations, real estate investment trusts, or others; and engaging in the sale, as agent or broker, of credit life, credit disability, mortgage redemption, and mortgage cancellation insurance in connection with mortgage transactions originated or serviced as above) at 10 Light Street, Baltimore, Maryland and 325 John Knox Road, Tallahassee, Florida, through its subsidiary, Maryland National Advisers, Inc. (10/22/76) 3/

First Tennessee National Corporation, Memphis, Tennessee, notification of intent to engage in de novo activities (making or acquiring, for its own account, interest bearing and discount loans and other extensions of credit; and offering through the direct insurer or the reinsurer insurance that is directly related to an extension of credit by the company or its subsidiaries;

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

the kinds of insurance offered will be reducing individual credit life or reducing joint spouse credit life insurance and credit disability insurance and credit property insurance covering collateral pledged for a loan or other extension of credit) at 2711 North Fourteenth Street, Ponca City, Oklahoma, through its wholly owned subsidiary, Crown Finance Corporation (10/22/76) 3/

BancOklahoma Corp., Tulsa, Oklahoma, notification of intent to engage in de novo activities (to offer credit life/accident and health insurance on loans or extensions of credit made by BancOklahoma Service Corp.) at 321 South Boston, Tulsa, Oklahoma, through a subsidiary, BancOklahoma Service Corp. (10/22/76) 3/

Thirty-Six Venturers, Inc., Otterville, Missouri, notification of intent to engage in de novo activities (the sale of credit life and credit accident and health insurance) on the premises of The Bank of Otterville, Otterville, Missouri (10/18/76) 3/

Old National Bancorporation, Spokane, Washington, notification of intent to engage in de novo activities (serving as an escrow or closing agent in connection with the closing of real estate loans financed by credit extending subsidiaries of Old National Corporation; at present the credit extending subsidiaries are Old National Bank of Washington; The First National Bank in Spokane; and Bancshares Mortgage Company, all of which have their principal places of business in Spokane, Washington) in the Sherwood Building, 510 Riverside and East 10812 Sprague, Spokane, Washington and 3400 West Clearwater, Kennewick, Washington, through its indirect subsidiary, Cascade Escrow Company (10/19/76) 3/

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (making, acquiring, or participating in loans and other extensions of credit and leases of personal and real property, such leases to be those 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 lessors full investment in the property plus the estimated

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

total cost of financing the property over the term of the lease) at 333 South Hope Street, Los Angeles, California (10/23/76) 3/

Approved

Horizon Bancorp, Morristown, New Jersey, for approval to acquire all the shares of Mortgage Investment Securities, Inc., Clearwater, Florida and its subsidiary, M.I.S.I., Inc., Clearwater, Florida, Auburndale, Clearwater, Fort Lauderdale, and Sarasota, all in Florida; Atlanta, Georgia; Tucson and Phoenix, Arizona; and Oak Brook, Illinois (2).

Philadelphia National Corporation, Philadelphia, Pennsylvania, for approval to acquire an additional 20 per cent of the voting shares of Congress Factors Corporation, Philadelphia, Pennsylvania with offices located in New York, New York; Hato Rey, Puerto Rico; and Philadelphia, Pennsylvania.

Utica Agency, Inc., Utica, Kansas, for permission to retain its credit-related insurance agency activities which are presently conducted through Horn Insurance Agency, Utica, Kansas.

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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

Warner Communications Inc., New York, New York, notification of intent to acquire through its subsidiary, WCI Games Inc., the controlling shares of Atari, Inc. (10/22/76) 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 a Domestic Branch Pursuant to Section 9 of
the Federal Reserve Act

South Side Bank, Chicago, Illinois. Branch to be established
at 245 East 31st Street, Chicago, Illinois.

Mercantile Bank of Farmington, Farmington, Missouri. Branch
to be established at the Southwest corner of Highway 32
(Woodlawn Drive) and Second Street in Leadington, St.
Francois County.

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

First Northwestern Trust Co. of South Dakota, Sioux Falls,
South Dakota.

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

MINGO BANCSHARES, INC., Puxico, Missouri, for approval to
acquire 92.2 per cent of the voting shares of Puxico
State Bank, Puxico, Missouri.

Stillwater Holding Company, Stillwater, Minnesota, for
approval to acquire 80.02 per cent of the voting shares
of The First National Bank of Stillwater, Stillwater,
Minnesota.

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

First National Boston Corporation, Boston, Massachusetts,
for approval to acquire 100 per cent of the voting
shares of the successor by merger to The First National
Bank of Yarmouth, Yarmouth (P.O. Yarmouth Port),
Massachusetts.

APPLICATIONS RECEIVED-ContinuedTo Expand a Bank Holding Company Pursuant to Section 4(c)(8) of the Bank Holding Company Act of 1956

Industrial National Corporation, Providence, Rhode Island, notification of intent to engage in de novo activities (the leasing of personal property) at One North Park East, Suite 109, 8950 North Central Expressway, Dallas, Texas, through Inleasing Corporation, a subsidiary of Industrial National Corporation (10/16/76) 3/

Pittsburgh National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in 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) at Suite 206, 824 5th Avenue, Huntington, West Virginia, through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio (10/22/76) 3/

First & Merchants Corporation, Richmond, Virginia, notification of intent to engage in de novo activities (leasing of personal property and equipment, or acting as agent, broker, or adviser in leasing of such property; term financing using conditional sales contracts and security agreements; and making or acquiring, loans or participations in loans or other extensions of credit including construction loans and other mortgage loans on residential, multi-family, and commercial real estate) at 1111 East Main Street, Richmond, Virginia, through a subsidiary, Equitable Leasing Corporation (10/22/76) 3/

Maryland National Corporation, Baltimore, Maryland, notification of intent to engage in de novo activities (engaging generally in the business of leasing personal property including, but not limited to, the leasing of various types of equipment, machinery, vehicles, transportation equipment, and data processing equipment; originating personal property leases as principal or agent; servicing personal property leases for affiliated or non-affiliated individuals, partnerships, or corporations; buying and selling and otherwise dealing in personal property lease contracts as principal or agent; acting as adviser in personal property leasing transactions; engaging in the sale, as agent or broker, of insurance similar in form and intent to credit life and/or mortgage redemption insurance; engaging generally in the

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

business of leasing real property where the lease is the functional equivalent of an extension of credit; originating real property leases as principal or agent, servicing real property leases for affiliated or non-affiliated individuals, partnerships, corporations or other entities; buying, selling, and otherwise dealing in real property leases as principal, agent, or broker and acting as adviser in real property leasing transactions) at 1301 York Road, Lutherville, Maryland, through a subsidiary, Maryland National Leasing Corporation (10/18/76) 3/

Barnett Banks of Florida, Inc., Jacksonville, Florida, notification of intent to engage in de novo activities (acting as investment or financial adviser to the extent of serving as investment adviser as defined in Section 2(a)(20) of the Investment Company Act of 1940 to an investment company registered under that act; providing portfolio investment advice to any other person; furnishing general economic information and advice, general economic statistical forecasting services, and industry studies; and providing financial advice to State and local governments such as with respect to the issuance of their securities) at 250 Park Avenue, South, Winter Park and 1001 East Atlantic Avenue, Delray Beach, both located in Florida, through a subsidiary, Barnett Investment Services, Inc. (10/21/76) 3/

Peoples State Holding Company, Westhope, North Dakota, notification of intent to engage in de novo activities (the activities of an agricultural credit company) in Newburgh and Westhope, both in North Dakota, through a subsidiary, Peoples Credit Company (10/21/76) 3/

NBC Co., Lincoln, Nebraska, notification of intent to engage in de novo activities (conducting the business of an industrial loan and investment company including issuance of interest bearing savings certificates and making loans including consumer loans, commercial loans, and real estate mortgage loans) at 10855 West Dodge Road, Omaha, Nebraska, through a subsidiary, Mutual Savings Company of Omaha (10/19/76) 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

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (acting as broker or agent for the sale of credit related property and casualty insurance with respect to loans or extensions of credit of The Bankers Investment Company) at 400 S. Broadway, Wichita, Kansas, through its subsidiary, The Bankers Investment Company (10/14/76) 3/

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

Berkshire Hathaway Inc., New Bedford, Massachusetts, notification of intent to acquire directly and indirectly more than five per cent of the outstanding voting stock of Government Employees Financial Corporation, Denver, Colorado, a consumer finance business in the United States and West Germany (10/18/76) 3/

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REPORTS RECEIVED

None.

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PETITIONS FOR RULEMAKING

None.

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