ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1976 No. 47)

Actions of the Board; Applications and Reports

Received During the Week Ending November 20, 1976

ACTIONS OF THE BOARD

Statement by Governor Henry C. Wallich before the Senate Committee on Banking, Housing and Urban Affairs on S. 3693, the "Investment Policy Act of 1976".

Equal Credit Opportunity Act; proposed residential real estate mortgage loan application for use under the Act; the Board invited comment on the proposed form through December 17, 1976.

Individual Retirement Accounts; the Board, along with Comptroller of the Currency, Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, has agreed to assist the Federal Trade Commission in conducting a review of the marketing and advertising practices of financial institutions and others offering Individual Retirement Accounts to the public.


First Bancshares of Florida, Inc., Boca Raton, Florida, extension of time to March 19, 1977, within which to acquire shares of and open Vero Beach National Bank, Vero Beach, Florida. 1/

Northeast United Bancorp, Inc. of Texas, Fort Worth, Texas, extension of time to February 17, 1977, within which to consummate the acquisition of First State Bank, Bedford, Texas. 1/

SWB Corporation, Oklahoma City, Oklahoma, extension of time to December 20, 1976, within which to consummate the acquisition of the Southwestern Bank & Trust Company, Oklahoma City, Oklahoma. 1/

1/ Application processed on behalf of the Board of Governors under delegated authority.
Vermillion Bankshares, Inc., Vermillion, Kansas, extension of time to December 1, 1976, within which to file its registration statement. 

Deregistration of the following companies under Regulation G: Pittway Corporation, Northbrook, Illinois; Research Federal Credit Union, Warren, Michigan; SFC Funding Corp., Chicago, Illinois; United Presidential Life Insurance Company, Kokomo, Indiana; and Wisconsin Steel Employees Credit Union, Chicago, Illinois; The Detroit Edison Employees Credit Union, Detroit, Michigan; Flint Teachers Credit Union, Flint, Michigan; Lansing Telephone Employees Credit Union, Lansing, Michigan; Midwestern United Life Insurance Company, Fort Wayne, Indiana; Mirro Aluminum Company, Manitowoc, Wisconsin, and Peru Production Credit Association, Peru, Indiana. 

First Trust & Savings Bank, Kankakee, Illinois, to make an investment in bank premises. 

Northwestern State Bank of Austin, Austin, Minnesota, to make an investment in bank premises. 

Peoples State Bank, Three Lakes, Wisconsin, to make an investment in bank premises. 

Bank of North Lake, North Lake, Wisconsin, proposed consolidation with Valley Bank of Hartford, Hartford, Wisconsin, report to the Federal Deposit Insurance Corporation on competitive factors. 


Potomac Bank and Trust Company, Fairfax, Virginia, proposed merger with Dominion National Bank, Vienna, Virginia; report to the Comptroller of the Currency on competitive factors. 

Louisville Trust Bank, Inc., Louisville, Kentucky, extension of time within which to establish a branch at Cheneweth Lane and U.S. Highway 42, Louisville, Kentucky. 

1/ Application processed on behalf of the Board of Governors under delegated authority.
ACTIONS OF THE BOARD—Continued

Citibank Overseas Investment Corporation, New York, New York, extension of time to November 23, 1977, within which to complete its acquisition of Valores Mexicanos, S.A., Mexico City, Mexico. 1/

Morgan Guaranty International Finance Corporation, New York, New York, extension of time to November 28, 1977, within which to make an investment in the Bank of the Philippine Islands, Manila, Philippines. 1/

Morgan Guaranty International Finance Corporation, New York, New York, extension of time to November 20, 1977, within which to make an investment in J.P. Morgan (Hong Kong) Limited, Hong Kong. 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.
To Establish a Domestic Branch Pursuant to Section 9 of the Federal Reserve Act

Approved
Oak Park Trust & Savings Bank, Oak Park, Illinois. Branch to be established at 933 Madison Street, Oak Park. 2/

Commerce Union Bank Memphis, Memphis, Tennessee. Branch to be established at 2930 Airways Boulevard, Memphis, Shelby County. 2/

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
Manufacturers-Detroit International Corporation: Investment - additional in Permanent Finance Corporation Limited, Australia.

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

Reactivated
CB&T Bancshares, Inc., Columbus, Georgia, for approval to acquire 51 per cent or more of the voting shares of Commercial Bank, Thomasville, Georgia.

CB&T Bancshares, Inc., Columbus, Georgia, for approval to acquire 51 per cent or more of the voting shares of La Grange Banking Company, La Grange, Georgia.

Approved
First Commercial Banks, Inc., Albany, New York, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Chester National Bank, Chester, New York.

2/ Application processed by the Reserve Bank on behalf of the Board of Governors under delegated authority.
To Expand a Bank Holding Company Pursuant to Section 3(a)(5) of the Bank Holding Company Act of 1956

Approved
Mercantile Texas Corporation, Dallas, Texas, for approval to acquire the shares of Federated Capital Corporation, 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

Returned
First Chicago Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (leasing real property or acting as agent, broker, or adviser in leasing such property 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 total cost of financing the property over the term of the lease) in New York, New York, through its subsidiary, First Chicago Leasing Corporation (11/18/76).

SJV Corporation, Elkhart, Indiana, 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 such as would be made by a mortgage or finance company including consumer loans on a secured or unsecured basis) in Mishawaka, Indiana, through its subsidiary, St. Joseph Valley Finance Corporation (11/19/76).

Permitted
Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (making or acquiring, for its own account secured and unsecured loans and other extensions of credit such as would be made by a finance company which activities include making direct consumer installment loans and purchasing consumer installment sales finance contracts; providing credit life and credit accident and health insurance) in Pittsburgh, Pennsylvania.

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.
insurance in conjunction with the above lending activities, such insurance will be provided only in connection with extensions of credit by Local Loan Co. and its wholly-owned subsidiaries and will be available solely at the option of the borrower and the borrower is advised of this option in advance) at 16200 S.E. McLoughlin Boulevard, Milwaukee, Oregon, through its wholly-owned subsidiary, Local Loan Co., Chicago, Illinois (11/20/76)

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in de novo activities (originating real estate mortgage loans on residential properties) at 1707 Cache Road, Lawton, Oklahoma, through a wholly owned indirect subsidiary, Liberty Mortgage Company (11/19/76)

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in de novo activities (originating real estate mortgage loans on residential properties) at 3801 N.W. 63rd Street, Oklahoma City, Oklahoma, through a wholly owned indirect subsidiary, Liberty Mortgage Company (11/19/76)

Patagonia Corporation, Tucson, Arizona, notification of intent to relocate de novo activities (leasing personal property or acting as agent, broker, or adviser in leasing such property providing 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 nonoperating basis and at the inception of the initial lease the effect of the transaction (and, with respect to governmental entities only, reasonable 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) from 10920 Ambassador Drive, Air World Center to 800 West 47th Street, Plaza Center Building, Kansas City, Missouri, through its subsidiary, Patagonia Leasing Company (11/18/76)

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.
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 life/accident and health insurance with respect to loans by mail of The Bankers Investment Company) at 820 North Main Street, Hutchinson, Kansas, through its subsidiary, The Bankers Investment Company (11/15/76) 3/

Approved

Old Stone Corporation, Providence, Rhode Island, for approval to acquire certain assets and assume certain liabilities of The New Bedford Morris Plan Company, New Bedford, Massachusetts and Morris Plan Bank and Banking Company of Chelsea, Chelsea, Massachusetts.

NCNB Corporation, Charlotte, North Carolina, for approval to retain all of the voting shares of NCNB Financial Services, Inc., Charlotte, North Carolina.

Mercantile Texas Corporation, Dallas, Texas, for approval to acquire shares of Financial Protection Insurance Company of Texas, Houston, Texas with offices located in Austin, Texas; San Antonio, Texas; Corpus Christi, Texas; New Braunfels, Texas; and Houston, Texas.

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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

Kelmerich & F.lyne, Inc., Tulsa, Oklahoma, notification of intent to acquire from time to time shares of the common voting stock of American Garden Products, Inc., Boston, Massachusetts (11/19/76) 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

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

Cape Cod Bank and Trust Company, Hyannis, Massachusetts. Branch to be established off Station Avenue, South Yarmouth.

Manchester State Bank, Manchester, Connecticut. Branch to be established at Spencer Street, Manchester.

Harris Trust and Savings Bank, Chicago, Illinois. Branch to be established at the Board of Trade Building, 141 West Jackson Boulevard, Chicago.

United California Bank, Los Angeles, California. Branch to be established in the vicinity of the intersection of Imperial Highway and the Orange Freeway, City of Brea, Orange County.

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

Yamhill County Bank, McMinnville, Oregon.

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

PUTNAM NATIONAL CORPORATION, Greencastle, Indiana, for approval to acquire between 50.9 per cent and 99.3 per cent of the voting shares of The Central National Bank of Greencastle, Greencastle, Indiana.
APPLICATIONS RECEIVED—Continued

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

Associated Bank Corporation, Mason City, Iowa, for approval to acquire 80 per cent or more of the voting shares of Cresco National Bank, Cresco, Iowa.

Byron B. Webb, Incorporated, Palmyra, Missouri, for approval to retain 15.8 per cent of the voting shares of Palmyra State Bank, Palmyra, Missouri and to acquire an additional 33.2 per cent of the voting shares of Palmyra State Bank, Palmyra, 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

Bank of Virginia Company, Richmond, Virginia, notification of intent to engage in de novo activities (making loans or extensions of credit such as would be made by a finance company; and acting as agent for credit life/accident and health insurance and other insurance written to protect collateral during the period of credit extension) at 10750 Lee Highway, Fairfax Mall Shopping Center, Store #26, Fairfax, Virginia, through a subsidiary, The Budget Plan Company of Virginia (a wholly-owned subsidiary of General Finance Service Corporation) (11/18/76) 3/

Virginia National Bankshares, Inc., Norfolk, Virginia, notification of intent to engage in de novo activities (acting as insurance agent or broker in offices at which the holding company or its subsidiaries are otherwise engaged in business with respect to any insurance that is directly related to an extension of credit by a bank or a bank related firm or is directly related to the provision of other financial services by a bank or such bank related firm; protecting the value of assets financed, leased, such as homeowners, fire, theft, and other perils, comprehensive, collision, marine, and liability when sold as part of an otherwise permissible package) in Norfolk, Virginia, through its subsidiary, VNB Insurance Agency, Inc. (11/15/76) 3/

3/ 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.
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 the making of loans, including consumer loans, commercial loans, and real estate mortgage loans) through a subsidiary, Mutual Savings Company and (acting as an insurance agent in the sale of credit life and accident insurance directly related to extensions of credit by company's subsidiary, Mutual Savings Company for the purposes of assuring the repayment of extensions of credit in the event of death or disability of the borrower) through a subsidiary, NBC Credit Insurance Agency, Inc. Such activities will be conducted at the Southwest Corner of 40th & South Streets, Lincoln, Nebraska (11/18/76) 3/

Metro Bancshares, Inc., Kansas City, Missouri, notification of intent to engage in de novo activities (leasing personal property or acting as agent, broker, or adviser in leasing such property provided all leases are to serve as the functional equivalent of an extension of credit to the lessee of the property; the leased property is to be acquired specifically for an earlier leasing transaction; all leases are on a nonoperating basis and at the inception of the initial 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 estimated total cost of financing the property over the terms of the lease; the maximum lease term during which the lessor must recover the lessor's full investment in the property plus the estimated total cost of financing the property shall be 40 years; at the expiration of the lease all interest in the property shall be either liquidated or re-leased on a nonoperating basis as soon as practicable but in no event later than two years from the expiration of the lease; however, in no case shall the lessor retain any interest in the property beyond 50 years after its acquisition of the property) at Metro North State Bank, 221 N.E. Barry Road, Kansas City, Missouri (11/15/76) 3/

Mercantile Texas Corporation, Dallas, Texas, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans or extensions of credit including the following: "consumer credit" loans; accounts receivable of

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

a bank in connection with purchases made by holders of credit cards issued by that bank; loans secured by liens on improved real estate and payable in a lump sum at maturity; interim loans to finance the construction of industrial, commercial, residential, or farm buildings; short-term commercial loans made for business or commercial purposes generally payable within 90 days; loans made to finance the acquisition or carrying of accounts receivable or inventory by merchants and dealers; retail installment paper originated by dealers or other sellers of goods or services and purchased by a bank; equipment leases executed in financing transactions in which a bank's property has been purchased for the purpose of leasing it to a customer; certificates of deposit issued by a bank having maturities ranging from 30 to 270 days; mortgage warehousing loans generally secured by pledges of the mortgage notes and ordinarily held for one year or less; equipment financing loans made by businesses secured by personal property and generally repayable in installments over a one-to-five year period; income-producing mineral interest loans secured by income-producing mineral interest generally repayable in installments over a three-to-seven year period; repurchase agreements with financial institutions involving money-market and other investments in short-term securities either on a direct investment or on a repurchase basis) at 1704 Main Street, Dallas, Texas (11/15/76).

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (the financing of personal property and equipment and real property and the leasing of such property or acting as agent, broker, or adviser in the leasing and/or financing of such property 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, and the servicing of such financings and/or leases) at Suite 206, The Weber Building, 9420 Annapolis Road, Lanham, Maryland, through its subsidiary, Security Pacific Leasing Corporation (11/15/76).

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

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (the origination and acquisition of mortgage loans, including development and construction loans on multifamily and commercial properties for its own account or for the sale to others and the servicing of such loans for others) at 20370 Tower Center Lane, Cupertino, California, through its subsidiary, Security Pacific Mortgage Corporation (11/12/76) 3/

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (the origination and acquisition of mortgage loans, including development and construction loans on multifamily and commercial properties for its own account or for the sale to others and the servicing of such loans for others) at 3735 Main Street, Riverside, California, through its subsidiary, Security Pacific Mortgage Corporation (11/12/76) 3/

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REPORTS RECEIVED

Proxy Statement (Special Meeting) Filed Pursuant to Section 14(a) of the Securities Exchange Act

Bank of the Commonwealth, Detroit, Michigan.

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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.