

ANNOUNCEMENT BY

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1977 No. 6)

Actions of the Board; Applications and Reports

Received During the Week Ending February 5, 1977

ACTIONS OF THE BOARD

Statement by Chairman Arthur F. Burns before the House Committee on Banking, Finance, and Urban Affairs on the condition of the national economy and the course of monetary policy.

Statement by Vice Chairman Stephen S. Gardner, before the Commerce, Consumer and Monetary Affairs Subcommittee of the Committee on Government Operations and the Financial Institutions Supervision, Regulation and Insurance Subcommittee of the Committee on Banking, Finance and Urban Affairs, United States House of Representatives commenting on the General Accounting Office report on Federal bank supervision.

Proposed bill sent to Congress that would: Create a Federal Bank Examination Council; Provide for emergency take-over provisions in the Bank Holding Company Act comparable to those existing in the Bank Merger Act; Provide for multi-State acquisitions by bank holding companies in certain extraordinary emergency situations, and help prevent or correct problem bank situations.

Studies, report by the Board's staff on the effects that the payment of interest on demand balances may have on depositors, banks, other depository institutions, and on monetary conditions and the economy generally; report sent to Senate and House Banking Committees.

Annual Report to Congress on Equal Credit Opportunity Act for the year 1976.

Report on bill H.R. 1901, a bill which, among other provisions, extends until June 1, 1977, the present authority of Federal regulatory agencies to administer the interest rate ceilings on small denomination time and savings deposits; letter to Congressman St. Germain.

ACTIONS OF THE BOARD-Continued

Ameribanc, Inc., St. Joseph, Missouri, extension of time to May 5, 1977, within which to consummate the acquisition of Peoples State Bank, Spickard, Missouri. 1/

Commonwealth National Corporation, Boston, Massachusetts, extension of time to December 21, 1977, within which to fulfill two capital commitments. 1/

Estate of James Millikin, Deceased, Decatur, Illinois, extension of time to May 5, 1977, within which to acquire 55 per cent of the voting shares of The Millikin National Bank of Decatur, Decatur, Illinois. 1/

Millikin Bancshares, Inc., Decatur, Illinois, extension of time to May 5, 1977, within which to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Millikin National Bank of Decatur, Decatur, Illinois. 1/

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

Peoples Savings Bank of New York, Yonkers, New York, proposed merger with Westchester County Savings Bank, Tarrytown, New York, report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Security Bank and Trust Company, Southgate, Michigan, to make an investment in bank premises. 1/

SYB Corporation, Oklahoma City, Oklahoma, extension of time to April 6, 1977, within which to consummate the acquisition of 80 per cent or more of the voting shares of Stock Yards Bank, Oklahoma City, Oklahoma. 1/

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

ACTIONS OF THE BOARD-Continued

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

Approved

The First-Mason Bank, Mason, Ohio. Branch to be established at the intersections of U.S. Rt. 22, State Rt. 3 and Columbia Road, Deerfield Township, Warren County. 2/

American Bank of Orange County, Orlando, Florida. Branch to be established at the Southwest Corner of the intersection of Silver Star Road and Pine Hills Road. 2/

The De Kalb Bank, De Kalb, Illinois. Branch to be established at the intersection of Sycamore Road and Dresser Road, De Kalb. 2/

Commerce Bank of Lebanon, Lebanon, Missouri. Branch to be established at Jefferson Avenue and Old Highway 66, Conway, Laclede County. 2/

Walker Bank & Trust Company, Salt Lake City, Utah. Branch to be established at 2100 South 3600 West, Salt Lake City. 2/

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To Withdraw from Membership in the Federal Reserve System Without a Six-Month Notice as Prescribed by Section 9 of the Federal Reserve Act

Denied

First State Bank, Dumas, Texas. 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

Morgan Guaranty International Bank of Miami: re - issuance of final permit to commence business.

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

ACTIONS OF THE BOARD-Continued

Royal Trust Company, Montreal, Canada: re - Control of Infomation Systems Design, Inc., Oakland, California, after sale thereof.

Bank of America N.T. and S.A.: re - investment - Additional in International Mexican Bank Limited, London.

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

Denied

Great Southwest Ban Corp., Inc., Dodge City, Kansas, for approval to acquire 80 per cent or more of the voting shares of Bank of the Southwest, Dodge City, Kansas. The Section 4(c)(8) application for permission to continue to engage on Bank's premises in the sale of credit life, accident, and health insurance hereby becomes moot.

Approved

Dunn Shares, Inc., Eagle Grove, Iowa, for approval to acquire 51.33 per cent or more of the voting shares of Security Savings Bank, Eagle Grove, Iowa. 2/

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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

T.N.B. Financial Corp., Springfield, Massachusetts, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The First National Bank of Athol, Athol, Massachusetts. 2/

Fort Sam Houston BankShares, Incorporated, San Antonio, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Northern Hills Bank of San Antonio, San Antonio, Texas. 2/

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

Withdrawn

Binger Agency Inc., Binger, Oklahoma, notification of intent to engage in de novo activities (provision of bookkeeping and data processing services and processing other banking, financial, or related financial data on a fee contract basis to businesses, banks and individuals) at 101 West Main Street, Hinton, Oklahoma, through a subsidiary, Binger Agency Data Processing Center (2/4/77)
3/

Delayed

Chemical New York Corporation, New York, New York, notification of intent to engage in de novo activities (operating as an industrial bank in the manner authorized by the laws of the State of Colorado including: making direct loans, purchasing sales finance contracts and such other extensions of credit as would be made or acquired by an industrial bank; providing, at the election of debtors of said industrial bank, group credit life and group accident and health insurance directly related to such extensions of credit; and receiving time savings deposits) at 2779 Canyon Boulevard, Boulder, Colorado, through its subsidiary, Sunamerica Corporation and its subsidiary, Sun Finance and Loan Company (1/27/77) 3/

Permitted

United Penn Corporation, Wilkes Barre, Pennsylvania, notification of intent to engage in de novo activities (making loans under the Pennsylvania Consumer Discount Company Act up to \$5,000.00; and the sale of credit insurance (life, health and disability insurance) which is directly related to such consumer loans) at 69 North Market Street, Nanticoke, Pennsylvania, through a subsidiary, Valley Consumer Discount Company (1/31/77) 3/

United Virginia Bankshares Incorporated, Richmond, Virginia, notification of intent to engage in de novo activities (leasing personal property and equipment and in connection with such activity, making extensions of credit through conditional sales contracts and acting as agent, broker, or adviser in leasing such property under such circumstances and making loans and other extensions of credit by financing installment sales agreements; making loans and other extensions of credit secured by a security in-

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

terest in personal property and equipment; and purchasing and selling leases of and installment sales agreements and debt obligations relating to personal property and equipment all as would be done by a commercial finance company) at 900 East Main Street, Richmond, Virginia, through its subsidiary, United Virginia Leasing Corporation (2/3/77) 3/

Flagship Banks Inc., Miami Beach, Florida, notification of intent to engage in de novo activities (acting as agent for the sale of credit life and credit accident and health insurance that is directly related to extensions of credit by the bank holding company and/or its banking and nonbanking subsidiaries) in St. Petersburg, Hialeah, Miami, Coral Gables, Arcadia, Tampa, Lutz, Zephyrhills, Mulberry, Fort Meade, Ormond Beach, Crescent City, Orlando, Tavares, Sanford, Kissimmee, Titusville, Melbourne, Tallahassee, Fort Myers, Punta Gorda, Boynton Beach, Okeechobee, West Palm Beach, Jacksonville, Davenport, Lake Alfred and Haines City, all in Florida, through a subsidiary, Seaforth Inc. (2/5/77) 3/

The First National Bancorporation, Inc., Denver, Colorado, notification of intent to engage in de novo activities (acting as agent for the sale of credit life, credit accident and health insurance on borrowers who have been extended credit by a bank or bank-related firm which is a member of The First National Bancorporation, Inc. system) at The First National Bank of Montrose, 400 Main Street, Montrose, Colorado, through a subsidiary, First Denver Insurance Agency, Inc. (1/31/77) 3/

United Banks of Colorado, Inc., Denver, Colorado, notification of intent to relocate de novo activities (a mortgage banking business limited to the origination and closing of real estate mortgage loans) from 102 North Cascade Avenue, Colorado Springs, Colorado to 1614 North Academy Boulevard, Colorado Springs, Colorado, through a subsidiary, United Mortgage Company (2/4/77) 3/

Approved

Security Bancorp, Inc., Southgate, Michigan, for approval to expand the activities of its subsidiary, United Bankers Life Insurance Company, Phoenix, Arizona.

Hawaii Bancorporation, Inc., Honolulu, Hawaii, for approval to acquire shares of Resource Financial Corp., Honolulu, Hawaii.

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

Bank of Buckingham, Dillwyn, Virginia. Branch to be established at Routes 15 and 727, Arvonnia.

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

First Bancshares of Kirksville, Inc., Kirksville, Missouri, for approval to acquire at least 80 per cent of the voting shares of First National Bank, Kirksville, Missouri.

Montbello Bankcorp, Inc., Denver, Colorado, for approval to acquire 80 per cent or more of the voting shares of Montbello State Bank, Denver, Colorado.

Torrington National Company, Torrington, Wyoming, for approval to acquire 100 per cent of the voting shares of First National Bank, Torrington, Torrington, Wyoming.

Union State Bancshares, Inc., Clinton, Missouri, for approval to acquire 80 per cent or more of the voting shares of Union State Bank of Clinton, Clinton, Missouri.

Wilber Co., Wilber, Nebraska, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of Saline State Bank, Wilber, Nebraska.

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

Lincoln National Company, Bala Cynwyd, Pennsylvania, for approval to acquire 9.9 per cent of the voting shares of The Bryn Mawr Trust Company, Bryn Mawr, Pennsylvania.

APPLICATIONS RECEIVED-Continued

Central Wisconsin Bankshares, Inc., Wausau, Wisconsin, for approval to acquire 77 per cent or more of the voting shares of Eagle River State Bank, Eagle River, Wisconsin.

Banker Agency, Inc., Mohall, North Dakota, for approval to acquire an additional 56 per cent of the voting shares of The Citizens State Bank at Mohall, Mohall, North Dakota.

Northwest Bancorporation, Minneapolis, Minnesota, for approval to acquire 90 per cent or more of the voting shares of First National Bank, Fort Dodge, Iowa, Fort Dodge, Iowa.

Texas Commerce Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Southern Bank and Trust Company, Garland, Texas.

Texas Commerce Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Tanglewood Commerce Bank, Houston, Texas, a proposed new bank.

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To Expand a Bank Holding Company Pursuant to Section 3(a)(5) of the Bank Holding Company Act of 1956

FrostBank Corporation, San Antonio, Texas, for approval to merge with Cullen Bankers, Inc., 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

New Jersey National Corporation, Trenton, New Jersey, notification of intent to relocate de novo activities (making, acquiring, selling, and servicing for its own account or the account of others, loans and other extensions of credit principally secured by mortgages and such incidental activities as are necessary to carry on

APPLICATIONS RECEIVED-Continued

the activities specified) from Marlton Pike and Sawmill Road, Cherry Hill, New Jersey to The Washington Square Professional Building, Black Horse Pike and Fries Mill Road, Turnersville, New Jersey, through its subsidiary, Underwood Mortgage and Title Company (1/31/77) 3/

Mercantile Bankshares Corporation, Baltimore, Maryland, notification of intent to engage in de novo activities (making or acquiring, for its own account and for the account of others, loans and other extensions of credit such as would be made by a mortgage company) at One Plaza East, Main and Division Streets, Salisbury, Maryland, through its subsidiary, Mercantile Mortgage Corporation (1/31/77) 3/

Mercantile Bancorporation Inc., St. Louis, Missouri, notification of intent to engage in de novo activities (making, acquiring, or servicing loans or other extensions of credit for personal, family, or household purposes such as are made by a finance company; and insurance agency or brokerage in connection with selling to consumer finance borrowers credit life insurance and credit accident and health insurance) at 1990 Vandalia Avenue, Collinsville, Illinois, through its wholly-owned subsidiary, Franklin Finance Company (2/2/77) 3/

BankAmerica Corporation, San Francisco, California, notification of intent to engage in de novo activities (making or acquiring, for its own account loans and other extensions of credit such as would be made or acquired by a finance company and servicing loans and other extensions of credit; such activities will include, but not be limited to, making consumer installment loans and other extensions of credit to small businesses, and making loans secured by real and personal property; acting as agent or broker for the sale of credit related life and credit related accident and disability insurance and credit related property insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 520 North Madison Avenue, Greenwood, Indiana, through its subsidiary, FinanceAmerica Corporation (an Indiana Corporation), a subsidiary of FinanceAmerica Corporation (1/28/77) 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

BankAmerica Corporation, San Francisco, California, notification of intent to engage in de novo activities (making or acquiring, for its own account loans and other extensions of credit such as would be made or acquired by a finance company and servicing loans and other extensions of credit; such activities will include, but not be limited to, making consumer installment loans, purchasing installment sales finance contracts, making loans and other extensions of credit to small businesses, and making loans secured by real and personal property; acting as agent or broker for the sale of credit related life and credit related accident and disability insurance, and credit related property insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 6910G Montgomery Boulevard N.E., Albuquerque, New Mexico, through its subsidiary, FinanceAmerica Corporation (a New Mexico Corporation), a subsidiary of FinanceAmerica Corporation (1/28/77) 3/

BankAmerica Corporation, San Francisco, California, notification of intent to engage in de novo activities (making or acquiring, for their own account extensions of credit such as would be made or acquired by a finance company; FinanceAmerica Corporation will engage in making consumer installment loans and other extensions of credit to small businesses and loans secured by real or personal property; FinanceAmerica Industrial Plan Inc. will engage in purchasing installment sales finance contracts; both corporations will engage in servicing loans and other extensions of credit; and will act as agent or broker for the sale of credit related life and credit related accident and disability insurance, and credit related property insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation or FinanceAmerica Industrial Plan Inc.) at 311 West Street, Tupelo, Mississippi, through its subsidiaries, FinanceAmerica Corporation and FinanceAmerica Industrial Plan, Inc. (Mississippi Corporations), subsidiaries of FinanceAmerica Corporation (1/28/77) 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

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

Archer-Daniels-Midland Company, Decatur, Illinois, notification of intent to acquire all the outstanding shares of New Era Milling Company, Arkansas City, Kansas, indirectly through their wholly-owned subsidiary, Fleischmann Malting Company, Inc. (1/31/77) 3/

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For Certification Pursuant to the Bank Holding Company Tax Act of 1976

The Wachovia Corporation, Winston-Salem, North Carolina, to divest through sale its wholly-owned subsidiary, Financial Courier Corporation, Winston-Salem, North Carolina. (Legal Division Docket TCR 76-132).

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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.