

Record 1125

ANNOUNCEMENT BY

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1977 No. 7)

Actions of the Board; Applications and Reports

Received During the Week Ending February 12, 1977

ACTIONS OF THE BOARD

Statement by Governor Philip C. Jackson, Jr., before the Consumer Affairs Subcommittee of the House Committee on Banking, Finance and Urban Affairs on the current status of consumer credit laws.

Regulation Y, notice of proposed rulemaking relating to presumption of continued control of transferred assets and activities; the Board requested comment on its proposal by March 15, 1977.

Implementation of the amendment to the Freedom of Information Act required by the Government in the Sunshine Act.

Request for financial information concerning bank holding companies and their subsidiaries; response sent to Chairman Proxmire, Senate Committee on Banking, Housing and Urban Affairs.

"Wildcard" time deposits, response to request for permission to renew outstanding wildcard time deposits for an additional period of from one to six years.

City National Corporation, Beverly Hills, California, extension of time to March 14, 1978, within which to effect divestiture of shares of Zenith National Insurance Company. 1/

National Central Financial Corporation, Lancaster, Pennsylvania, extension of time to March 8, 1977, within which to consummate acquisition of the mortgage portfolio of Land Mortgages, Inc., Dayton, Ohio. 1/

Central Bank of Montgomery, Montgomery, Alabama, to make an investment in bank premises. 1/

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

ACTIONS OF THE BOARD-Continued

English State Bank, English, Indiana, to make an additional investment in bank premises. 1/

Peoples State Bank of Bloomer, Bloomer, Wisconsin, to make an investment in bank premises. 1/

Capital City State Bank, Des Moines, Iowa, extension of time to May 6, 1977, within which to establish a branch at 1237 Grand Avenue, West Des Moines, Iowa. 1/

Deregistration pursuant to Regulation G for Browning-Ferris Industries, Inc., Houston, Texas. 1/

Morgan Guaranty International Finance Corporation, New York, New York, extension of time within which to acquire and hold, directly or indirectly, additional shares of Icon Limited, Lagos, Nigeria. 1/

Independent Bankers Trust Company, San Rafael, California, extension of time to April 24, 1977, within which to accomplish admission to membership in Federal Reserve System. 1/

First National Bank of Lapeer, Lapeer, Michigan, proposed merger with Lapeer Bank, N.A., Lapeer, Michigan, report to the Comptroller of the Currency on competitive factors. 1/

Mid Michigan Bank, Gladwin, Michigan, proposed merger with State Bank of Harrison and Gladwin, Gladwin, Michigan, report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Peninsula National Bank, Burlingame, California, proposed acquisition by Central Bank, National Association, Oakland, California, report to the Comptroller of the Currency on competitive factors. 1/

State Bank of Manville, Manville, New Jersey, proposed merger with Somerset Trust Company, Bridgewater Township, New Jersey, report to the Federal Deposit Insurance Corporation on competitive factors. 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 Community Bank and Trust Company, Verona, Virginia.
Branch to be established at 1157 West Main St.,
Waynesboro. 2/

Liberty State Savings Bank, Liberty Center, Ohio. Branch
to be established at 123 West Washington, Napoleon,
Henry County. 2/

Central Trust Company of Canal Winchester, Canal Winches-
ter, Ohio. Branch to be established at 8 South High
Street, Canal Winchester, Franklin 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

Chase Manhattan Bank N.A.: re - Investment - Amend
Application of 03-26-76 re: Shares of Corretora De
Seguros Lar Brasileiro, S.A., Brazil.

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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

Peoples Bancshares of Schuyler County, Inc., Lancaster,
Missouri, for approval to acquire 90.6 per cent of the
voting shares of Bank of Lancaster, Lancaster, Missouri.

Quivira Banc Shares, Inc., Hutchinson, Kansas, for ap-
proval to acquire 80 per cent or more of the voting
shares of The First National Bank of Sterling, Sterling,
Kansas.

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

ACTIONS OF THE BOARD-Continued

Denied

The Berlin City Bank, Berlin, New Hampshire, for approval to retain 50.3 per cent of the voting shares of The White Mountain Trust Company, Gorham, New Hampshire.

Inland Beloit Corporation, Milwaukee, Wisconsin, for approval to acquire 100 per cent of the voting shares of Financial Network Corporation, Beloit, Wisconsin, and Community Holding Corporation, Beloit, Wisconsin, and indirectly acquire 95.4 per cent of the voting shares of The Beloit State Bank, Beloit, Wisconsin, and 75.3 per cent of the voting shares of Community Bank of Beloit, Beloit, Wisconsin.

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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

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, Massachusetts.

The Royal Trust Company, Montreal, Quebec, Canada and Royal Trust Bank Corp., Miami, Florida, for approval to acquire 51 per cent or more of the voting shares of First Bank of Pembroke Pines, Pembroke Pines, Florida.

Westland Banks, Inc., Lakewood, Colorado, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Westland Bank of Lakewood, Lakewood, Colorado, a proposed new bank.

Westland Banks, Inc., Lakewood, Colorado, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Westland National Bank South, Longmont, Colorado, a proposed new bank.

Denied

Inland Heritage Corporation, Wauwatosa, Wisconsin, for approval of successor by merger to Community Holding Corporation, Beloit, Wisconsin, and indirectly acquire Community Bank of Beloit, Beloit, Wisconsin.

ACTIONS OF THE BOARD-Continued

Inland Heritage Corporation, Wauwatosa, Wisconsin, for approval of successor by merger to Financial Network Corporation, Beloit, Wisconsin, and indirectly acquire The Beloit State Bank, Beloit, Wisconsin.

The Jacobus Company, Milwaukee, Wisconsin, for approval of successor by merger to Community Holding Corporation, Beloit, Wisconsin, and indirectly acquire Community Bank of Beloit, Beloit, Wisconsin.

The Jacobus Company, Milwaukee, Wisconsin, for approval of successor by merger to Financial Network Corporation, Beloit, Wisconsin, and indirectly acquire The Beloit State Bank, Beloit, Wisconsin.

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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

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 credit related life/accident and health insurance and consumer credit related property and casualty insurance; if this proposal is effected, Nationwide Financial Corporation of Nevada will offer to sell insurance as follows: group credit life/accident and health insurance to cover the outstanding balances of loans to borrower's in the event of their death, or, to make the contractual monthly payments on the loans in the event of the borrowers' disability; individual physical damage insurance on personal property subject to security agreements including liability only when such insurance is sold as part of an insured package on such property; further, in regard to the sale of credit related insurance, Nationwide Financial Corporation of Nevada will not act as a general insurance agency) from

ACTIONS OF THE BOARD-Continued

390 N. Virginia Street, Reno, Nevada to 1151 North Rock Boulevard, Sparks, Nevada, through its subsidiary, Nationwide Financial Services Corporation and its subsidiary, Nationwide Financial Corporation of Nevada (2/11/77) 3/

Union Trust Bancorp, Baltimore, Maryland, notification of intent to engage in de novo activities (acting as agent in the sale of insurance protecting collateral held against the extensions of credit) at 135 Caldwell Street, Rock Hill, South Carolina, through a subsidiary, Landmark Finance Corporation of South Carolina (2/7/77) 3/

Reactivated

Citicorp, New York, New York, notification of intent to engage in de novo activities (purchasing and servicing for its own account consumer installment sales finance contracts; and will act as broker for the sale of consumer credit related life/accident and health insurance on purchased consumer installment sales finance contracts, said insurance will only be offered when such transactions are the equivalent of direct extensions of consumer credit by the subsidiary; if the proposal is effected, the subsidiary will offer to sell insurance as follows: group credit life/accident and health insurance to cover the outstanding balances on consumer installment sales finance contracts to obligators, singly or jointly, with their spouses or co-signers in the case of life coverage in the event of death, or, make the contractual monthly payments on consumer installment sales finance transactions in the event of the obligators' disability to the extent permissible under applicable State insurance laws and regulations; further, in regard to the sale of credit related insurance, the subsidiary will not act as a general insurance agency) at 3000 Lynch Extension, Jackson, Mississippi, through its subsidiary, Nationwide Financial Corporation (2/9/77) 3/

Northern States Bancorporation, Inc., Detroit, Michigan, 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 acting as an investment or a financial adviser to the extent of serving as the advisory company for a mortgage or real estate investment trust) from 717 S. Grand Traverse Street, Flint,

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

Michigan to G 3306 W. Corunna Road, Flint, Michigan, through its subsidiary, Kelly Mortgage and Investment Company (2/9/77) 3/

Permitted

Citicorp, New York, New York, notification of intent to engage in de novo activities (purchasing and servicing for its own account consumer installment sales finance contracts; and will act as broker for the sale of consumer credit related life/accident and health insurance on purchased consumer installment sales finance contracts, said insurance will only be offered when such transactions are the equivalent of direct extensions of consumer credit by the subsidiary; if the proposal is effected, the subsidiary will offer to sell insurance as follows: group credit life/accident and health insurance to cover the outstanding balances on consumer installment sales finance contracts to obligators, singly or jointly, with their spouses or co-signers in the case of life coverage in the event of death, or, to make the contractual monthly payments on consumer installment sales finance transactions in the event of the obligators' disability to the extent permissible under applicable State insurance laws and regulations; further, in regard to the sale of credit related insurance, the subsidiary will not act as a general insurance agency) at 3000 Lynch Extension, Jackson, Mississippi, through its subsidiary, Nationwide Financial Corporation (2/9/77) 3/

Citicorp, New York, New York, notification of intent to relocate de novo activities (the purchasing and servicing for its own account consumer installment sales finance contracts; and will act as broker for the sale of consumer credit related life/accident and health insurance and consumer credit related property and casualty insurance on purchased consumer installment sales finance contracts, said insurance will only be offered when such transactions are the equivalent of direct extensions of consumer credit by the subsidiary; if this proposal is effected, the subsidiary will offer to sell insurance as follows: group credit life/accident and health insurance to cover the outstanding balances on consumer installment sales finance contracts to obligators, singly or jointly, with their spouses or co-signers in the case of life coverage in the event of death, or, to

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

make the contractual monthly payments on consumer installment sales finance transactions in the event of the obligators' disability to the extent permissible under applicable State insurance laws and regulations; individual casualty insurance on personal property subject to security agreements) from 11950 Airline Drive, Houston, Texas to 12400 I-45 at Greens Road, Houston, Texas, through its subsidiary, Nationwide Financial Corporation (2/10/77) 3/

Fidelity Union Bancorporation, Newark, New Jersey, notification of intent to engage in de novo activities (the business of making loans in the present maximum amount of \$5,000.00 or less under the provisions of the Pennsylvania Consumer Discount Company Act; and making available to customers, credit life insurance and disability insurance covering the unpaid balance of loans outstanding) at Valmont Shopping Center, Route 93, West Hazelton, Luzerne County, Pennsylvania, through its subsidiary, Suburban Finance Company and its subsidiary, Sentry Consumer Discount Company (2/11/77) 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 account of others, loans and other extensions of credit) at Suite 256, Park Elm Office Center, 1451 Elm Hill Pike, Nashville, Tennessee, through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio (2/6/77) 3/

Financial Services Corporation of the Midwest, Rock Island, Illinois, notification of intent to engage in de novo activities (making or acquiring, for its own account secured and unsecured installment loans and other extensions of credit primarily to individuals and selling participations in but not acting as underwriter, agent, or broker with respect thereto group credit life and credit health and accident insurance coverage directly related to such loans and other extensions of credit) at 821 15th Avenue, East Moline, Illinois, through its subsidiary, F.S.C. Money Shops, Inc. (2/12/77) 3/

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

ACTIONS OF THE BOARD-Continued

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

Permitted

Heights Finance Corporation, Peoria, Illinois, notification of intent to acquire all of the outstanding shares of capital stock of Mid America Credit, Inc., a consumer finance corporation with offices in Canton, Havana, Beardstown and Macombe, all in Illinois (2/6/77) 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

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

The Community Bank, Petersburg, Virginia. Branch to
be established at 2618 South Crater Road, Petersburg.

American Bank of Lake Wales, Lake Wales, Florida. Branch
to be established at Babson Park, Polk County, Florida,
on East side of U.S. Highway 27A at S.E. Corner of Libby
Road Intersection.

Genesee Merchants Bank & Trust Company, Flint, Michigan.
Branch to be established between 14176 and 14250 Fenton
Road, Fenton Township.

Union Bank & Trust Company, Montgomery, Alabama. Branch
to be established at 5510 Atlanta Highway, Montgomery.

Seabrook Bank and Trust Company, Seabrook, New Hampshire.
Branch to be established on route 1-A, Seabrook Beach.

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

Manufacturers Hanover Trust Company: re - Branch -
Manila, Philippines.

First National Bank of Maryland: re - Branch - London,
England.

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

Financial Diversified Investment Corporation, Topeka,
Kansas, for approval to acquire 98 per cent of the
voting shares of The First National Bank of Wetmore,
Wetmore, Kansas.

The Horizon Financial Corporation, Burdett, Kansas, for
approval to acquire 80.4 per cent of the voting shares
of The Burdett State Bank, Burdett, Kansas.

APPLICATIONS RECEIVED-Continued

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

CleveTrust Corporation, Cleveland, Ohio, for approval to acquire 100 per cent of the voting shares of Columbus Trust Company, Columbus, Ohio, a proposed new bank.

American Bankcorp, Inc., Lansing, Michigan, for approval to acquire 80 per cent or more of the voting shares of The Muskegon Bank & Trust Company, Muskegon, Michigan.

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

First Bancorp of N.H., Inc., Manchester, New Hampshire, notification of intent to engage in de novo activities (real estate lending activities including: originating, selling, and servicing both residential and commercial mortgages; originating and servicing construction loans; providing placement services for long term real estate financing; and as an incident to the real estate lending and placement activities, providing advice and appraisal services for self and others) at 1000 Elm Street, 20th Floor, Manchester, New Hampshire, through a subsidiary, FirstBank Mortgage Corp. (2/9/77) 3/

Chemical New York Corporation, New York, New York, notification of intent to relocate de novo activities (leasing real and personal property and equipment on a non-operating, full payout basis and acting as agent, broker, and adviser with respect to such leases; financing real and personal property and equipment such as would be done by commercial finance company; and servicing such extensions of credit) from 1111 West Mockingbird Lane, Suite 910, Dallas, Texas to 2775 Villa Creek Drive, Dallas, Texas, through its subsidiary, ChemLease, Inc. (2/8/77) 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

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; acting as agent in the sale of credit life and credit accident and health insurance directly related to its extensions of credit; and acting as agent in the sale of insurance protecting collateral held against the extensions of credit) at 135 Caldwell Street, Rock Hill, South Carolina, through a subsidiary, Landmark Finance Corporation of South Carolina (2/7/77) 3/

Union Trust Bancorp, Baltimore, Maryland, notification of intent to engage in de novo activities (make 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 South Carolina which property is subject to the lien of one or more prior encumbrances or other leasehold interests; and acting as agent in the sale of credit life insurance in connection with its extensions of credit) at 3710 Landmark Drive, Columbia, South Carolina, through its subsidiary, Union Home Loan Corporation (2/8/77) 3/

Alabama Bancorporation, Birmingham, Alabama, 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 by a factoring company, a commercial finance company, a consumer finance company, or a mortgage company; servicing loans and other extensions of credit for any person; and 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 reasonably anticipated future transactions with the same lessee as to the same property will be to compensate the lessor for not less than the lessor's full investment in the property; additionally, as an incident to its lending activities and if requested by its customers, such subsidiary will make provision with an insurance carrier for credit life/accident and health insurance that is directly related to loans to such customers) at 3125 Montgomery Highway, Homewood, Alabama and 1700 Sunset Boulevard, West Columbia, South Carolina, through a subsidiary, Alabanc Financial Corporation (2/8/77) 3/

APPLICATIONS RECEIVED-Continued

Sun Banks of Florida, Inc., Orlando, Florida, notification of intent to engage in de novo activities (the business of acting as agent or broker for the sale of credit life/accident and health insurance directly related to extensions of credit by the bank holding company and/or its banking and non-banking subsidiaries) at 15 West Church Street, Orlando, Florida, through a subsidiary, Sunbank Agency, Inc. (2/7/77) 3/

Michigan National Corporation, Bloomfield Hills, Michigan, 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 reasonably anticipated future transactions with the same lessee as to the same property 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; leasing real property 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 will be to compensate the lessor for not less than the lessor's full investment in the property over the term of the lease; financing personal property and equipment by making or acquiring, for its own account or for the account of others, loans and other extensions of credit including accepting drafts such as would be made by a finance company) at 38200 W. Ten Mile Road, Farmington Hills, Michigan and 77 Monroe Street, N.W., Grand Rapids, Michigan, through its subsidiary, MNC Leasing Co., (2/11/77) 3/

BankAmerica Corporation, San Francisco, California, notification of intent to engage in de novo activities (making or acquiring, for their 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

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

and credit related property insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 5198 South Broadway, Englewood, Colorado, through its indirect subsidiary, FinanceAmerica Corporation (a Colorado Corporation) (2/2/77) 3/

Wells Fargo & Company, San Francisco, 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; servicing loans and other extensions of credit for other persons; acting as an insurance agent or broker with respect to the following types of insurance that are directly related to the extensions of credit by Wells Fargo & Company or its subsidiaries; credit life and credit accident and health insurance and mortgage redemption life insurance and group mortgage disability insurance) in First National Bank Building, One East First Street, Suite 900, Reno, Nevada, through its subsidiaries, Wells Fargo Mortgage Company and WFMC Corporation (1/31/77) 3/

Wells Fargo & Company, San Francisco, 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; leasing personal or real property or acting as agent, broker, or adviser in leasing such property where the lease is to serve as the functional equivalent of an extension of credit to the lessee of the property 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, from rentals; estimated tax benefits, investment tax credit, net economic gain from tax deferral from accelerated depreciation, and other tax benefits with a substantially similar effect and the estimated residual value of the property at the expiration of the initial term of the lease which in no case shall exceed 20 per cent of the acquisition cost of the property to the lessor) at 1206 Van Ness Avenue, Fresno, California, through its subsidiaries, Wells Fargo Leasing Corporation, Wells Fargo Transport Leasing Corporation, and Wells Fargo Equipment Leasing Corporation (2/4/77) 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

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

Evans Insurance Agency, Billings, Oklahoma, to divest
shares of First State Bank of Billings, Billings,
Oklahoma. (Legal Division Docket TCR 76-133).

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REPORTS RECEIVED

Ownership Statement Filed Pursuant to Section 13 (d)
of the Securities Exchange Act

Bank of the Commonwealth, Detroit, Michigan. (Filed by
the First Arabian Corporation).

Metropolitan Bank, Tampa, Florida. (Filed by the Summit
Organization, Inc. - Amendment #1).

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PETITIONS FOR RULEMAKING

None.