

*Records Section
B-1125*

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1977 No. 14)

Actions of the Board; Applications and Reports
Received During the Week Ending April 2, 1977

ACTIONS OF THE BOARD

Statement by Charles J. Partee, before the Subcommittee on Domestic Monetary Policy of the House Committee on banking, Finance and Urban Affairs on the implications of U.S. Treasury financing requirements for monetary policy.

Statement by David M. Lilly, before the Subcommittee on Economic Stabilization of the House Banking, Finance and Urban Affairs Committee regarding Federal Government loan guarantees.

System-wide program designed to improve compliance by member banks with consumer credit protection laws and regulations.

Interpretations of Regulation C, Home Mortgage Disclosure, the first interpretation permits a depository subsidiary as a distinct, unaffiliated entity for disclosure purposes; the second interpretation clarifies the disclosure requirements after a depository institution's loss of exemption (Docket No. R-0092).

Pooled time deposits, the Board announced it has determined not to adopt at this time a regulatory proposal to prohibit member banks from paying interest on pooled time deposits of \$100,000 or more at a rate above Regulation Q ceilings.

Interpretation of Regulation Z, stating that the amount of a dealer's participation in the finance charge on the credit purchase of an automobile or other durable goods need not be disclosed as a separate part of the finance charge (Docket No. R-0053).

First Financial National Bank of Tampa, Hillsborough County, Florida, proposed merger with First National Bank of Florida, Tampa, Florida; issuance of order.

ACTIONS OF THE BOARD-Continued

Banks of Iowa, Inc., Cedar Rapids, Iowa, extension of time to July 18, 1977, within which to acquire 80 per cent or more of the voting shares of First Trust & Savings Bank, Davenport, Iowa. 1/

First Okmulgee Corporation, Okmulgee, Oklahoma, extension of time to June 30, 1977, within which to consummate the acquisition of The First National Bank & Trust Company, Okmulgee, Oklahoma. 1/

U.S. Bancorp, Portland, Oregon, extension of time to April 26, 1978, within which to acquire all the shares of Bancorp Investments, Limited, London, England. 1/

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

Walker Bank & Trust Company, Salt Lake City, Utah, extension of time to November 13, 1977, within which to establish a branch in the vicinity of 7800 South 1700 West Jordan, Salt Lake City, Utah. 1/

First National Bank of Mexico, Mexico, New York, proposed merger with The National Bank of Northern New York, Watertown, New York; report to the Comptroller of the Currency on competitive factors. 1/

Second National Bank of Lakeland, Lakeland, Florida, proposed merger with First National Bank of Lakeland, Lakeland, Florida; report to the Comptroller of the Currency on competitive factors. 1/

United Jersey Bank/Ridgewood, Ridgewood, New Jersey, proposed merger with Peoples Bank, Montvale, 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

Valley Bank of Nevada, Las Vegas, Nevada. Branch to
be established on the South East Corner of Moana Land and
Kietzke Lane, Reno. 2/

* * * * *

Thirty Day Notice of Intention to Establish an Additional
Branch of a Member Bank in a Foreign Country

Approved

Continental Illinois Bank & Trust Company of Chicago:
re - Branch - additional in Dusseldorf, Federal Republic
of Germany.

* * * * *

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

Citibank Overseas Investment Corporation: re - Investment
- additional in FNCB-Waltons Corporation Limited, Sydney,
Australia, in order to maintain its current 50 per cent
interest.

Irving International Financing Corporation: re - Invest-
ment - additional in Australian International Finance
Corporation, Melbourne, Australia.

Fidelity Bank: re - Removal of Standard Subsidiary con-
ditions: re - Banque De La Mediterranee, S.A.L., Lebanon
and Banque De La Mediterranee (France) S.A.

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

ACTIONS OF THE BOARD-Continued

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

Approved

Madelia Bancshares, Inc., Madelia, Minnesota, for approval to acquire 80 per cent of the voting shares of Farmers State Bank of Madelia, Incorporated, Madelia, Minnesota. 2/

* * * * *

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

Withdrawn

Florida Coast Banks, Inc., Pompano Beach, Florida, for approval to acquire 100 per cent of the voting shares of Bank of Cutler Ridge, Cutler Ridge, Florida.

Florida Coast Banks, Inc., Pompano Beach, Florida, for approval to acquire 100 per cent of the voting shares of Bank of Perrine, Perrine, Florida.

Approved

Trust Company of Georgia, Atlanta, Georgia, for approval to acquire 100 per cent of the voting shares (less director's qualifying shares) of the successor by merger to The First National Bank of Brunswick, Brunswick, Georgia.

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

The Sumitomo Bank, Limited, Osaka, Japan, for approval to acquire additional voting shares of Central Pacific Bank, Honolulu, Hawaii.

Denied

Commerce Bancshares, Inc., Kansas City, Missouri, for approval to acquire 51.96 per cent of the voting shares of Farmers State Bank, St. Joseph, Missouri, St. Joseph, Missouri.

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

Citicorp, New York, New York, notification of intent to engage in de novo activities (operating as an industrial loan company pursuant to the Utah Industrial Loan Law issuing thrift passbook certificates; if this proposal is effected, the establishment will also be known as Citicorp Person-to-Person Financial Center of Utah) at University Mall, Suite C-52, Orem, Utah, through its subsidiary, Nationwide Financial Services Corporation, presently operating as Citicorp Person-to-Person Financial Center (3/29/77) 3/

Citicorp, New York, New York, notification of intent to engage in de novo activities (operating as an industrial loan company pursuant to the Utah Industrial Loan Law issuing thrift certificates and thrift passbook certificates; if this proposal is effected, the establishment will also be known as Citicorp Person-to-Person Financial Center of Utah) at 432 Main Street, Vernal, Utah, through its subsidiary, Nationwide Financial Services Corporation, presently operating as Citicorp Person-to-Person Financial Center (3/29/77) 3/

Delayed

Fulton National Corporation, Atlanta, Georgia, notification of intent to engage in de novo activities (the sale of insurance directly related to extensions of credit including property and liability insurance, credit life/accident and health insurance, and homeowners and fire and extended coverage insurance) at 55 Marietta Street, N.W., Atlanta, Georgia (3/29/77) 3/

Permitted

Colonial Bancorp, Inc., Waterbury, Connecticut, notification of intent to engage in de novo activities (making extensions of credit to individuals and corporations to finance payment of casualty, liability and other insurance premiums to process, service, collect, and provide other support services with respect to such extensions of credit to finance insurance premiums to carry

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

on administrative activities with respect to the internal administration of said subsidiary other than those covered under the previous two) at 129 Church Street, New Haven, Connecticut, through a subsidiary, Policy Advancing Corp. (4/2/77) 3/

Northeast Bankshare Association, Lewiston, Maine, notification of intent to engage in de novo activities (the marketing of automated payroll accounting, correspondent banking accounting services, check reconciliation and receivables accounting as well as electronic funds transfer services, and incidental to these activities the sale of excess computer processing time) at 35 Ash Street, Lewiston, Maine and 2 State Street, Bangor, Maine, through a subsidiary, Northeast Data Processing Corp. (4/1/77) 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. (3/26/77) 3/

Citicorp, New York, New York, notification of intent to relocate de novo activities (making of consumer installment personal loans, purchasing consumer installment sales finance contracts; and acting as broker for the sale of consumer credit related life/accident and health insurance and consumer credit related property and casualty insurance; if this proposal is effected, Nationwide Financial Corporation of Nevada will offer to sell insurance as follows: group credit life/accident and health insurance to cover the outstanding balances of loans to borrowers in the event of their death, or, to make the contractual monthly payments on the loans in the event of the 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 insurance package on such property;

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

further, in regard to the sale of credit related insurance, Nationwide Financial Corporation of Nevada will not act as a general insurance agency) from 390 N. Virginia Street, Reno, Nevada to 151 North Rock Boulevard, Sparks, Nevada, through its subsidiary, Nationwide Financial Service Corporation and its subsidiary, Nationwide Financial Corporation of Nevada (3/29/77) 3/

Midlantic Banks, Inc., West Orange, New Jersey, notification of intent to relocate de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit such as a factoring company; leasing personal property and equipment on a full payout basis or acting as agent, broker, or adviser in the leasing thereof; and servicing loans and other extensions of credit for any person) from 2 Broad Street, Bloomfield, New Jersey to 400 Broad Acres Drive, Bloomfield, New Jersey, through its subsidiary, Midlantic Commercial Co. (4/1/67) 3/

New Jersey National Corporation, Trenton, New Jersey, notification of intent to engage in de novo activities (selling credit life/accident and health insurance related to the mortgage lending and mortgage loan servicing business of Underwood Mortgage and Title Company) at 1150 Springfield Avenue, Irvington, New Jersey, through its subsidiary, Underwood Mortgage and Title Company (3/27/77) 3/

Philadelphia National Corporation, Philadelphia, Pennsylvania, notification of intent to engage in de novo activities (making installment loans for personal, family, and household purposes; purchasing sales finance contracts executed in connection with the sale of personal, family, and household goods or services; selling credit life insurance, including joint life insurance and credit accident and health insurance in connection with certain installment loans made and sales finance contracts purchased and reinsuring such insurance through Patrick Henry Life Insurance Company and Patrick Henry Insurance Company, indirect subsidiaries of Philadelphia National Corporation; and generally engaging in the business of a consumer finance company) at Millcreek Shopping Center, 4565 Kirkwood Highway, Wilmington, Delaware, through a newly formed indirect subsidiary, Signal Finance of Wilmington, Inc. (3/27/77) 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

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 such property; term financing using conditional sales contracts as 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 Raleigh and Durham, North Carolina, through its subsidiary, Equitable Leasing Corporation (3/31/77) 3/

First & Merchants Corporation, Richmond, Virginia, notification of intent to engage in de novo activities (making mortgage loans principally secured by second mortgages on residential and commercial real estate and such other incidental activities as may be necessary to the business of making such loans; including acting as agent for the sale of credit life, credit disability, mortgage redemption, and mortgage cancellation insurance in connection with the making of such loans) at 150 Tri-County Parkway, Suite 105, Cincinnati, Ohio, through its subsidiary, First Realty Mortgage Corporation, d/b/a First & Merchants Mortgage Corporation (3/31/77) 3/

Sun Banks of Florida, Inc., Orlando, Florida, notification of intent to engage in de novo activities (providing bookkeeping or data processing services for the internal operations of the holding company and its subsidiaries and storing and processing other banking, financial, or related economic data such as performing payroll, accounts receivable or payable, or billing services) at 211 East Silver Springs Boulevard, Ocala, 7007 N.W. 77th Avenue, Miami, and 825 Broadway, Dunedin, all located in Florida, through a subsidiary, Sunbank Data Corporation (3/30/77) 3/

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 nonbanking subsidiaries) at 15 West Church Street, Orlando, Florida, through a subsidiary, Sunbank Agency, Inc. (4/2/77) 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

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. (3/28/77) 3/

Nortrust Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (performing or carrying on any one or more functions or activities that may be performed or carried on by a trust company including activities of a fiduciary, agency or custodian nature and acting as investment or financial adviser in the manner authorized by State law but without power to accept deposits or make commercial loans) at 1390 Main Street, Sarasota, Florida, through its subsidiary, Security Trust Company of Sarasota, N.A. (3/31/77) 3/

BankAmerica Corporation, San Francisco, California, notification of intent to relocate de novo activities (making loans and extending credit and providing services incident to such loans and extensions of credit such as would be made or provided by a finance company including, but not be limited to, making consumer installment loans and purchasing installment sales finance contracts and making loans to small businesses and extensions of credit secured by personal property; FinanceAmerica Mortgage Services

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

Inc. will engage in making loans secured by real property; both corporations will act as agent or broker for the sale of credit related life, credit related accident and disability insurance and credit related property insurance in connection with extensions of credit by FinanceAmerica Corporation and FinanceAmerica Mortgage Services Inc.) from 144 Sunset Avenue to 1501 North Fayetteville Street, Ashboro, North Carolina, through its indirect subsidiaries, FinanceAmerica Corporation (a North Carolina Corporation) and FinanceAmerica Mortgage Services Inc. (a New Hampshire Corporation), subsidiaries of FinanceAmerica Corporation (3/28/77) 3/

* * * * *

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

Withdrawn

Heights Finance Corporation, Peoria, Illinois, notification of intent to acquire all of the direct loan and sales finance receivables of Montgomery County Loan Company, Hillsboro, Illinois (3/29/77) 3/

Permitted

Warner Communications Inc., New York, New York, notification of intent to acquire not less than 80 per cent and possibly up to 100 per cent of the capital stock of the following three corporations: Real Estate Maintenance, Inc., Maintenance, Inc., and Imperial Elevator Company, all located in Philadelphia, Pennsylvania, through its subsidiary, National Kinney Corp. (3/31/77) 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

Salamanca Trust Company, Salamanca, New York. Branch
to be established at 54 Washington Street, Elicottville.

Security Bank and Trust Company, Southgate, Michigan.
Branch to be established in the vicinity of Canton Center
and Warren Roads, Canton Township, Wayne County.

Elliot State Bank, Jacksonville, Illinois. Branch to
be established at West Morton Street, Jacksonville,
Morgan County.

* * * * *

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

The Hinsdale Capital Corporation, Chicago, Illinois, for
approval to acquire 80 per cent or more of the voting
shares of The First National Bank of Hinsdale, Hinsdale,
Illinois.

Security Bancshares, Inc., Shenandoah, Iowa, for approval
to acquire 84.39 per cent of the voting shares of The
Security Trust and Savings Bank, Shenandoah, Iowa.

Maryville Bancshares, Inc., Kansas City, Missouri, for ap-
proval to acquire 94 per cent or more of the voting
shares of Citizens State Bank of Maryville, Maryville,
Missouri.

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

* * * * *

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

Republic of Texas Corporation, Dallas, Texas, for approval
to acquire 100 per cent of the voting shares (less di-
rector's qualifying shares) of Midway National Bank of
Grand Prairie, Grand Prairie, Texas.

APPLICATIONS RECEIVED-Continued

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

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to relocate 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 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) from 210 West 7th Street, Los Angeles, California to 410 A North Brand Boulevard, Glendale, California, through its wholly-owned subsidiary, Local Loan Co., Chicago, Illinois (3/30/77) 3/

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to relocate 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 sales finance contracts; providing credit life and credit accident and health insurance in conjunction with the above lending activities, such insurance will be provided only in connection with extensions of credit by Marlo Financial Fund 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) from 210 West 7th Street, Los Angeles, California to 410 A North Brand Boulevard, Glendale, California, through its wholly-owned subsidiary, Marlo Financial Fund (3/30/77) 3/

Merchants National Corporation, Indianapolis, Indiana, notification of intent to relocate de novo activities (leasing of capital goods and equipment to industry, banks, or others or acting as agent, broker, or adviser in leasing such personal property where at the inception of the initial lease the effect of the transaction will yield a return that will compensate the lessor for not

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

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 3625 N. 16th Street, Phoenix, Arizona to 7806 North 27th Avenue, Phoenix, Arizona, through its subsidiary, Pacific American Leasing Corp. (3/25/77) 3/

BankAmerica Corporation, San Francisco, California, notification of intent to engage in de novo activities (making and 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 loans and other extensions of credit to small businesses and making loans secured by personal property; acting as agent or broker for the sale of credit related life and credit related accident and disability insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation; in addition, FinanceAmerica Corporation, doing business under the fictitious name, FinanceAmerica Mortgage Services Company, proposes to engage in the activity of making and 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 loans and other extensions of credit to small businesses and making loans secured by real property; acting as agent or broker for the sale of credit related life and credit related accident and disability insurance in connection with the extensions of credit made or acquired by FinanceAmerica Corporation, doing business under the fictitious name, FinanceAmerica Mortgage Services Company) at 6021 West Broad Street Road, Richmond, Virginia, through its indirect subsidiary, FinanceAmerica Corporation (a Virginia Corporation), d/b/a FinanceAmerica Mortgage Services Company, a direct subsidiary of FinanceAmerica Corporation (3/25/77) 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

Berkshire Hathaway Inc., New Bedford, Massachusetts, notification of intent to acquire more than 5 per cent of Purolator, Inc., Rahway, New Jersey, a courier, armored car and armed guard service, and automotive replacement product distributor (3/31/77) 3/

* * * * *

REPORTS RECEIVED

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

Beaver Trust Company, Beaver, Pennsylvania.

* * * * *

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.