

*Records Section
B-1125*

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1977 No. 22)

Actions of the Board; Applications and Reports
Received During the Week Ending May 28, 1977

ACTIONS OF THE BOARD

Statement by Vice Chairman Stephen S. Gardner before the Senate Committee on Banking, Housing and Urban Affairs on S. 71, S. 73, S. 895, and S. 1433, bills that will aid the regulatory agencies in carrying out supervisory responsibilities.

Statement by Governor Charles Partee before the Subcommittee on Intergovernmental Relations of the Senate Committee on Governmental Affairs on S. 600, the Regulatory Reform Act.

International Banking Act of 1977, letter to Chairman St. Germain recommending enactment of foreign bank legislation; the Board's recommendation was accompanied by proposals for a number of amendments.

Letter in response to request for confirmation that member banks of the Federal Reserve System will not be required to maintain domestic reserves under the Board's Regulation D on deposits of their overseas military banking facilities when the Department of Defense assumes responsibility for the government's overseas military banking program on October 1, 1977.

Equal Employment Opportunity, the Board is amending its Policies and Procedures in order to replace the procedure for reviewing third party allegations, to allow for consolidation of complaints, and to provide for administrative processing of class complaints of discrimination in employment (Docket No. R-0102).

Rules Regarding Delegation of Authority, delegation of certain new functions to the Director of the Division of Banking Supervision and Regulation and to the Federal Reserve Banks in order to expedite and facilitate the performance of certain of the Board's supervisory and regulatory functions over bank holding companies and State member banks, effective May 26, 1977 (Docket No. R-0103).

ACTIONS OF THE BOARD-Continued

- Rules of "Employment Responsibilities and Conduct" amendment, which expands the number of positions for which Statements of Employment and Financial Interests are required pursuant to the Board's rules and Executive Order 11222 (Docket No. R-0101).
- Marblehead Bank and Trust Company, Marblehead, Massachusetts, proposed merger with Essex County Bank and Trust Company, Lynn, Massachusetts, report to the Federal Deposit Insurance Corporation on competitive factors.
- Sullivan County National Bank, LaPorte, Pennsylvania, proposed merger with Citizens & Northern Bank, Ralston, Pennsylvania, report to the Federal Deposit Insurance Corporation on competitive factors.
- Dakota Bancorporation, Rapid City, South Dakota, extension of time to July 8, 1977, within which to complete acquisition of the First National Bank of Crosby, Crosby, North Dakota. 1/
- Bank of Ste. Genevieve, Ste. Genevieve, Missouri, to make an investment in bank premises. 1/
- Elberfeld State Bank, Elberfeld, Indiana, to make an additional investment in bank premises. 1/
- Peoples State Bank of Plainview, Plainview, Minnesota, to make an investment in bank premises. 1/
- Provident Bank, Cincinnati, Ohio, to make an investment in bank premises. 1/
- Mountain Trust Bank, Roanoke, Virginia, request for a nine-month extension of time within which to establish a branch at 3702 Brandon Avenue, S.W., Roanoke, Virginia. 1/
- Chase Manhattan Overseas Banking Corporation, New York, New York, (1) extension of time to November 23, 1977, within which to acquire all of the shares of a limited liability company in Sao Paulo, Brazil, and (2) extension of time to July 14, 1978, within which to complete its investment in Chase and Bank of Ireland (International) Ltd., Dublin, Ireland. 1/

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

ACTIONS OF THE BOARD-Continued

First Citizens Bank of Butte, Butte, Montana, extension of time to accomplish membership in the Federal Reserve System. 1/

Carroll Bank, Hillsville, Virginia, proposed merger with Bank of Carroll, Hillsville, Virginia, report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Issuance of subordinated capital notes by United California Bank, Los Angeles, California. 1/

Extension of time to December 31, 1977, within which the Bank of Woodward, Woodward, Oklahoma, may complete the sale of capital debentures. 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

Fort Worth Bank & Trust, Fort Worth, Texas. Branch to be established as a Drive-in and Mini-Bank Branch, located across Beach Street and Main Bank Building. 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 Finance Corporation: Investment-additional shares of Morgan Guaranty Finance Limited, Hamilton, Bermuda.

Bamerical International Financial Corporation: Investment-additional shares of Jamaican American Merchant Bankers Limited, Kingston, Jamaica.

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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

Goodlettsville Bancshares, Inc., Goodlettsville, Tennessee, for approval to acquire 80 per cent or more of the voting shares of Bank of Goodlettsville, Goodlettsville, Tennessee. 2/

Crown Bancshares, Incorporated, Hammond, Indiana, for approval to acquire 90 per cent or more of the voting shares of The First National Bank of Crown Point, Crown Point, Indiana. 2/

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

ACTIONS OF THE BOARD-Continued

Guaranty Bancshares Corporation, Kansas City, Kansas,
for approval to acquire 96.03 per cent of the voting
shares of Guaranty State Bank & Trust, Kansas City,
Kansas. 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

Southeast Banking Corporation, Miami, Florida, for ap-
proval to acquire 100 per cent of the voting shares of
Southeast Acquisition Company, Miami; Southeast Bank of
Fort Myers, N.A., Fort Myers; Southeast Bank of St.
Armands, Sarasota; Southeast Bank of Village Plaza, N.A.,
Sarasota; all located in Florida.

Michigan National Corporation, Bloomfield Hills, Michigan,
for approval to acquire 100 per cent of the voting
shares (less directors' qualifying shares) of Michigan
National Bank-Farmington, Farmington Hills, Michigan, a
proposed new bank.

Republic of Texas Corporation, Dallas, Texas, for approval
to acquire 2,800 shares of the voting shares of The
First National Bank of Duncanville, Duncanville, Texas.
2/

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

Returned

Chemical New York Corporation, New York, New York, for
approval to convert to an industrial bank, to be known as
Depositors Industrial Bank, an office of its indirect
subsidiary, Sun Finance and Loan Company, Boulder,
Colorado.

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

ACTIONS OF THE BOARD--ContinuedWithdrawn

First Security Corporation, Salt Lake City, Utah, for approval to continue to engage in the activities of an industrial mortgage loan company through a subsidiary known as Simco Industrial Mortgage Company, San Jose, California.

Delayed

Sun Banks of Florida, Inc., Orlando, Florida, 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 and servicing loans and other extensions of credit for any person) at 1501 N.E. 26th Street, Wilton Manors (Fort Lauderdale), Florida, through a subsidiary, Sunbank Mortgage Company (5/23/77) 3/

Permitted

Citicorp, New York, New York, notification of intent to relocate de novo activities (consumer sales finance activities) from 3401 Chinden Boulevard, Boise, Idaho to 1775 Westgate Drive, Suite 225, Boise, Idaho, through its subsidiary, Nationwide Financial Corporation and its subsidiary, Nationwide Financial Corporation of Idaho (5/27/77) 3/

Citicorp, New York, New York, notification of intent to relocate de novo activities (the making of consumer installment personal loans; and the sale of life/accident and health, and property insurance related thereto) from 3401 Chinden Boulevard to the Corner of Five Mile Road and Fairview Avenue, Boise, Idaho, through its subsidiary, Nationwide Financial Corporation and its subsidiary, Nationwide Financial Corporation of Idaho (5/27/77) 3/

Barnett Banks of Florida, Inc., Jacksonville, Florida, notification of intent to engage in de novo activities (performing or carrying on any one or more of the functions or activities that may be performed or carried on by a trust company including activities of a fiduciary, agency or custodial nature in the manner authorized by Federal and State law; provided however, that loans and investments will be made and deposits accepted only in conformity with Regulations of the Board of Governors of the

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

Federal Reserve System) at 1900 Tyler Street, Hollywood, Florida, through a subsidiary, Barnett Banks Trust Company, N.A. (5/25/77) 3/

Trust Company of Georgia, Atlanta, Georgia, notification of intent to engage in de novo activities (providing data processing services to banks and bank holding companies including, but not limited to, processing for checking and savings accounts, savings certificates, installment loans, commercial loans, overdraft banking, automated proof transit, general ledger, and check reconciliation) at 2140 N.E. 2nd Street, Gainesville, Florida, through a subsidiary, Trusco Data Systems of Florida, Inc. (5/27/77) 3/

National Detroit Corporation, Detroit, Michigan, notification of intent to engage in de novo activities (making, acquiring, and servicing for its own account and for the account of others, mortgage loans and other extensions of credit in connection with the purchase, development and/or improvement of real property) at 200 Renaissance Center, Detroit, Michigan, through its subsidiary, NBD Mortgage Company (5/28/77) 3/

Landmark Bancshares Corporation, St. Louis, Missouri, notification of intent to continue to engage in an activity earlier commenced de novo (providing bookkeeping and data processing services to the parent company and its subsidiaries and the storing and processing of other banking, financial and related economic data including the performance of payroll, accounts receivable or payable, or billing services) at 6313 Dr. M. L. King Drive, St. Louis, Missouri, through a subsidiary, Landmark Data Services Incorporated (5/26/77) 3/

Fremont Bancorporation, Fremont, California, notification of intent to continue to engage in an activity earlier commenced de novo (acting as an insurance agent or broker for the sale of insurance related solely to extensions of credit by its banking subsidiary, Fremont Bank, in addition to any type of insurance sold to the bank itself) at 39150 Fremont Boulevard, Fremont, California; 35880 Fremont Boulevard, Fremont, California; and 4948 Stevenson Boulevard, Fremont, California, through its subsidiary, Appraisal Associates (5/23/77) 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

Rainier Bancorporation, Seattle, Washington, 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 the making of consumer installment loans, purchasing consumer installment sales finance contracts, and making of loans to small businesses; leasing personal property and equipment, or acting as agent, broker, or adviser in such leasing 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; acting as insurance agent or broker with regard to credit life and disability insurance relating only to extensions of credit by Rainier Credit Company, secured or unsecured, with the limitation that the initial amount of such insurance issued with respect to any debtors may at no time exceed the amount owed by debtors) at 1729 Tully Road, Modesto, California, through its subsidiary, Rainier Credit Company (5/28/77) 3/

Rainier Bancorporation, Seattle, Washington, 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 the making of consumer installment loans, purchasing consumer installment sales finance contracts, and making of loans to small businesses; leasing personal property and equipment, or acting as agent, broker, or adviser in such leasing 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; acting as insurance agent or broker with regard to credit life and disability insurance relating only to extensions of credit by Rainier Credit Company, secured or unsecured, with the limitation that the initial amount of such insurance issued with respect to any debtors may at no time

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

exceed the amount owed by debtors) at 3278 B Lancaster Drive N.E., Salem, Oregon, through its subsidiary, Rainier Credit Company (5/26/77) 3/

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

Permitted

American Financial Corporation, Cincinnati, Ohio and its subsidiaries, notification of intent to acquire from 5 per cent to 35 per cent of the outstanding voting shares of the following 24 specified corporations: Air Florida Systems, Inc.; Bangor Punta Corporation; The Charter Company; Cowles Communications, Inc.; CNA Financial Corporation; DWG Corporation; Floyd Enterprises, Inc.; General Host Corporation; Gulf Life Holding Company; Gulf Life Insurance Company; IC Industries, Inc.; International Mining Corporation; Lone Star Industries, Inc.; New York Magazine Company, Inc.; The New York Times Company; Orion Capital Corporation; Pennsylvania Engineering Company; The Progressive Corporation; Rapid-America Corporation; Reliance Group, Inc.; St. Joe Paper Company; Stutz Motor Corporation of America, Inc.; The TI Corporation of California; and WUI, Inc. (5/28/77) 3/

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Certifications Issued Pursuant to the Bank Holding Company Tax Act of 1976

The Signal Companies, Inc., Beverly Hills, California ("Signal"), (1) prior certification pursuant to § 6158 (a) of the Internal Revenue Code ("Code") that its divestiture of 462,636 shares of the outstanding voting stock of the Arizona Bank, Phoenix, Arizona ("Bank"), by Signal Equities Company, Phoenix, Arizona, through the sale of such shares to Arizona Equities Inc., Phoenix, Arizona, was necessary or appropriate to effectuate the policies of the Bank Holding Company Act ("BHC Act"); and (2) final certification pursuant to § 6158(c) of the Code

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

that Signal has (before the expiration of the period prohibited property is permitted under the BHC Act to be held by a bank holding company) ceased to be a bank holding company. (Legal Division Docket TCR 76-103) */

Clinton Cable TV Co., Inc., Clinton, Indiana ("Clinton"), prior certification, pursuant to § 1101(b) of the Internal Revenue Code, that its proposed divestiture of all of the 10,002 shares of Dulaney National Bank of Marshall, Marshall, Illinois, through the pro rata distribution of such shares to the common shareholders of Clinton, is necessary or appropriate to effectuate the policies of the Bank Holding Company Act. (Legal Division Docket TCR 76-131) */

304 Corporation, Omaha, Nebraska ("304"), prior certification, pursuant to § 6158(a) of the Internal Revenue Code, that its proposed sale of all of its 1,050 shares of the common stock of Industrial Loan and Investment Company, Omaha, Nebraska, is necessary or appropriate to effectuate § 4 of the Bank Holding Company Act. (Legal Division Docket TCR 76-140) */

*/ Processed 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 Western Security Bank, Sandusky, Ohio. Branch to be established at the Intersection of Route 250 and Hull Road, Perkins Township, Erie County.

The Detroit Bank-Livonia, Livonia, Michigan. Branch to be established at 29540 Seven Mile Road in the Livonia Mall (B-1 of "B" Building), Livonia, Wayne County.

English State Bank, English, Indiana. Branch to be established in the Jay-C Plaza shopping center at the intersection of U.S. Highway 64 and State Road 37, R.R.1, English, Crawford County.

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

Security National Bank: Branch-Manama, Bahrain.

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

The Mattatuck Bancorp, Inc., Waterbury, Connecticut, for approval to acquire 80 per cent of the voting shares (less directors' qualifying shares) of The Mattatuck Bank and Trust Company, Waterbury, Connecticut.

Union Financial Corporation, Manhattan, Kansas, for approval to acquire 80 per cent or more of the voting shares of Union National Bank and Trust Company of Manhattan, Kansas, Manhattan, Kansas.

APPLICATIONS RECEIVED-Continued

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

Manufacturers Hanover Corporation, New York, New York, for approval to acquire all the assets of Modern Loan Company, Incorporated, Louisville, Kentucky.

Manufacturers Hanover Corporation, New York, New York, notification of intent to engage in de novo activities (expand the geographical area to be serviced by an office in Cincinnati, Ohio of Manufacturers Hanover Leasing Corporation; leasing real and personal property on a full payout basis, acting as agent, broker, or adviser in leasing of such property and making and acquiring, for its own account or for the account of others, loans and other extensions of credit with respect to such property and servicing such leases, loans or other extensions of credit to include the communities served by the Midwestern and Eastern editions of The Wall Street Journal) (5/27/77)

3/

First & Merchants Corporation, Richmond, Virginia, notification of intent to engage in de novo activities (making loans for its own account principally secured by second mortgages or second deeds of trust 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 1510 Willow Lawn Drive, Richmond, Virginia; 7825 Midlothian Turnpike, Richmond, Virginia; 9286 Warwick Boulevard, Newport News, Virginia; 14749 Warwick Boulevard, Newport News, Virginia; 11 Koger Executive Center, Norfolk, Virginia; 4336 Virginia Beach Boulevard, Virginia Beach, Virginia; 3217-B Western Branch Boulevard, Chesapeake, Virginia; 2036 Colonial Avenue, S.W., Roanoke, Virginia; 8027 Leesburg Pike, Vienna, Virginia; 6901 Old Keen Mill Road, Springfield, Virginia; 17 Executive Park Drive, N.E., Atlanta, Georgia; 2105 South Hamilton Road, Columbus, Ohio; 150 Tri-County Parkway, Cincinnati, Ohio (doing business in Ohio as First & Merchants Mortgage Corporation); 416 Hungerford Drive, Rockville, Maryland; 10750 Columbia Turnpike, Silver Spring, Maryland; and Beltway Plaza, Camp Springs, Maryland; through its subsidiary, First Realty Mortgage Corporation (5/26/77) 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

First Bancgroup-Alabama, Inc., Mobile, 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) at 31 North Royal Street, Mobile, Alabama (5/23/77) 3/

Associated Bank Corporation, Mason City, Iowa, notification of intent to relocate 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) from Iowa City, Iowa to 5 West State Street, Mason City, Iowa, through its subsidiary, Leasing, Inc. (5/12/77) 3/

Affiliated Bankshares of Colorado, Inc., Boulder, Colorado, notification of intent to engage in de novo activities (making, acquiring, and/or servicing commercial and residential real estate loans and other extensions of credit) at 201 West 8th Street, Pueblo, Colorado, through its wholly-owned subsidiary, Piedmont Mortgage and Investment Co., Inc. (5/26/77) 3/

BankOklahoma Corp., Tulsa, Oklahoma, notification of intent engage in de novo activities (to make, acquire, sell participations, and or service for its own account or for the account of others, loans or other extensions of credit for agricultural and agricultural related purposes as well as provide other ancillary services) at Highway 54 East, Guymon, Oklahoma, through its subsidiary, BankOklahoma Agri-Service Corp., a wholly-owned subsidiary, in a general partnership known as Agbanc of Oklahoma (5/23/77) 3/

Peoples Savings, Inc., Ottawa, Kansas, notification of intent to engage in de novo activities (acting as insurance agent and/or as depositor for insurance commissions with respect to the sale of the following types of insurance: credit life insurance, level term credit life insurance and credit health and accident insurance directly related to extensions of credit by the bank holding company's subsidiary bank, Peoples National Bank & Trust, Ottawa, Kansas) on the premises of Peoples National Bank & Trust, 434 South Main, Ottawa, Kansas (5/24/77) 3/

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

REPORTS RECEIVED

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

Union Bank & Trust Company, Montgomery, Alabama.

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

Hempstead Bank, Hempstead, New York.

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PETITIONS FOR RULEMAKING

None.