

Records Section
B-1125

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1977 No. 45)

Actions of the Board; Applications and Reports

Received During the Week Ending November 5, 1977

ACTIONS OF THE BOARD

Statement by Henry C. Wallich, before the Subcommittee on Trade of the House Ways and Means Committee relating to the topic of U.S. international transactions and our trade and current account deficits.

Amendment to Regulation Q, to permit member banks, at the request or upon permission of their depositors, to extend the maturity of a time deposit without penalty when there is no increase in the rate of interest, effective December 1, 1977. (Docket No. R-0125)

Regulation Q amendment to the provision concerning the payment of time deposits before maturity in the event of the death of persons named on the deposit instrument; effective December 1, 1977. (Docket No. R-0126)

Reduction in reserve requirements (effective December 1) on the dollar deposits that foreign branches of U.S. banks use to lend funds to American borrowers. (Docket No. R-0127)

Roanoke State Bank, Roanoke, Indiana, proposed acquisition by The First National Bank in Huntington, Huntington, Indiana, report to the Comptroller of the Currency on competitive factors.

Krey Co. Ltd., Pratt, Kansas, extension of time to January 3, 1978, within which to consummate the acquisition of the Peoples Bank, Pratt, Kansas, and engage in permissible consumer finance and insurance agency activities. 1/

Northwest Illinois Bancorp, Inc., Freeport, Illinois, extension of time to January 29, 1978, within which to become a bank holding company through the acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to the State Bank of Freeport, Freeport, Illinois. 1/

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

ACTIONS OF THE BOARD--Continued

Freeport State Bank, Freeport, Illinois (in organization), extension of time to January 29, 1978, within which to become a member in the Federal Reserve System. 1/

Freeport State Bank, Freeport, Illinois (in organization), extension of time to January 29, 1978, within which to merge with State Bank of Freeport, Freeport, Illinois. 1/

Monroe County Bank, Monroeville, Georgia, request for permission to make an investment in bank premises. 1/

New National Bank, Dayton, Ohio, proposed merger with The First National Bank, Dayton, Ohio, report to the Comptroller of the Currency 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

Manufacturers Hanover Trust Company, New York, New York. Branch to be established within The Hillwood Commons Building of C. W. Post Center in The Village of Brookville, Town of Oyster Bay, Nassau County. 2/

First Bank of Colonia, Colonia, New Jersey. Branch to be established at 1001 Inman Avenue, Edison, Middlesex County. 2/

The Peoples Savings Bank Company, Delta, Ohio. Branch to be established at 110 Airport Highway, Swanton, Fulton County. 2/

The Union Commerce Bank, Cleveland, Ohio. Branch to be established at 6000 Royalton Road, North Royalton, Cuyahoga County. 2/

The Commercial and Savings Bank of Millersburg, Millersburg, Ohio. Branch to be established at Route #62, Winesburg, Holmes County. 2/

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To Merge Pursuant to Section 18(c) of the Federal Deposit Insurance Act

Approved

Freeport State Bank, Freeport, Illinois, for prior approval to merge with State Bank of Freeport, Freeport, Illinois. 2/

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

Approved

Heritage Bank & Trust, Salt Lake County, Utah. 2/

Ridgedale State Bank of Minnetonka, Minnetonka, Minnesota. 2/

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

Banco Exterior de Espana, S.A., Madrid, Spain, for approval to acquire 98.02 per cent of the voting shares of Century National Bank and Trust Company, New York, New York.

LeDonk Investment Co., McLaughlin, South Dakota, for approval to acquire 92.2 per cent of the voting shares of The First State Bank of McLaughlin, McLaughlin, South Dakota. 2/

Denied

First of Iowa Bank Shares, Inc., Delhi, Iowa, for approval to acquire 95.4 per cent of the voting shares of Delhi Savings Bank, Delhi, Iowa.

Republic Bancorporation, Inc., Englewood, Colorado, for approval to acquire 99 per cent or more of the voting shares of Republic National Bank of Englewood, Englewood, Colorado.

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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 Cincinnati Corporation, Cincinnati, Ohio, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Third National Bank of Circleville, Circleville, Ohio.

The Marine Corporation, Milwaukee, Wisconsin, for approval to acquire 98.5 per cent or more of the voting shares of American Kettle Moraine Bank, Delafield, Wisconsin.

Allied Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Addicks Bank, Addicks, Texas.

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

ACTIONS OF THE BOARD-Continued

Allied Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to American National Bank, Humble, Texas.

Allied Bancshares, Inc., Houston, Texas, 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 Newton, Newton, Texas.

Allied Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Gulf Coast State Bank, Winnie, Texas.

Allied Bancshares, Inc., Houston, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Hillcroft Bank, Houston, Texas.

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

Returned

Jan-Mar Corp., Coleraine, Minnesota, for approval to retain First National Agency, Coleraine, Minnesota.

MPS Investment Company, Appleton, Minnesota, for approval to retain Farmers & Merchants Insurance Agency, Appleton, Minnesota.

Reactivated

Citicorp, New York, New York, notification of intent to engage in de novo activities (group and individual credit related life insurance and accident and health insurance to cover the outstanding balances of loans by Advance Mortgage Corporation to borrowers, generally mortgagors of improved real property, in the event of their death, or, to make the contractual payments on the loans in the event of the borrower's disability) at Georgetown Plaza, 4481 West 38th Street, Indianapolis, Indiana, through its subsidiaries, Advance Agency, Inc. and Advance Life, Inc. (10/12/77) 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

Northwest Bancorporation, Minneapolis, Minnesota, notification of intent to organize a subsidiary trust company to be known as First Northwestern Trust Co. of North Dakota, Fargo, North Dakota and assume trust activities of six subsidiary banks (11/1/77) 3/

Permitted

First National Boston Corporation, Boston, Massachusetts, notification of intent to engage in de novo activities (making, acquiring, and servicing for its own account, loans and other extensions of credit including loans to individuals for property improvement, debt consolidation and other purposes; and selling credit life and credit accident and health insurance directly related to extensions of credit to its borrowers through a master insurance policy) at 5420 Corporate Boulevard, Corporate Square, Baton Rouge, Louisiana, through its existing indirect subsidiary, First Louisiana Acceptance Corporation, Metairie, Louisiana (11/6/77) 3/

Industrial National Corporation, Providence, Rhode Island, notification of intent to engage in de novo activities (origination and sale of residential mortgages, servicing of residential mortgage loans; and insurance agency for the sale of credit life and credit accident and health insurance directly related to an extension of credit) at 2375 Fourth Avenue, Yuma, Arizona, through Industrial National Corporation's indirect subsidiary, Mortgage Associates, Inc., Milwaukee, Wisconsin (a Rhode Island Corporation), which is a wholly-owned subsidiary of Industrial National Corporation's direct subsidiary, MAI Financial Corporation, Milwaukee, Wisconsin (11/2/77) 3/

Shawmut Corporation, Boston, Massachusetts and Texas American Bancshares, Inc., Fort Worth, Texas, notification of intent to continue to engage in de novo activities (agricultural commodity financing and servicing such financing and related and incidental activities, and in general, making, servicing or acquiring, for its own account or for the account of others, loans and other extensions of credit to agricultural enterprises or secured by agricultural commodities) in Arizona, California, Colorado, Idaho, Iowa, Kansas, Nebraska, Nevada, New Mexico, Oklahoma, Texas, Utah and Wyoming, through a joint venture, American Agcredit Corporation, Denver, Colorado, at offices in Guymon, Oklahoma, Amarillo, Texas and Denver, Colorado (11/4/77) 3/

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

ACTIONS OF THE BOARD--Continued

Third National Corporation, Nashville, Tennessee, notification of intent to engage in de novo activities (making of installment loans direct to borrowers and discounting of installment notes receivable issued to dealers by purchasers; and acting as insurance agent or broker in selling insurance to borrowers from such finance subsidiary to include credit life insurance, and accident and health insurance) at 202 Lake, Fulton, Kentucky, through a subsidiary, Friendly Finance, Inc. (11/4/77) 3/

St. Joseph Bank and Trust Company and St. Joseph Agency, Inc., both of South Bend, Indiana, notification of intent to engage in de novo activities (originating, acquiring, selling and servicing of residential, commercial and industrial mortgage loans) at 1212 East Court Street, Kankakee, Illinois, through a subsidiary of St. Joseph Agency, Inc. known as St. Joseph Mortgage Co., Inc., South Bend, Indiana (10/31/77) 3/

Northwest Bancorporation, Minneapolis, Minnesota, notification of intent to organize a de novo subsidiary trust company to be known as First Northwestern Trust Co. of North Dakota, Fargo, North Dakota and assume trust activities of six subsidiary banks (11/3/77) 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, 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 in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 24861 Alicia Parkway, Laguna Hills, California, through its indirect subsidiary, FinanceAmerica Corporation (a California Corporation) (11/3/77) 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

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 in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 3846 Maizeland Road, Colorado Springs, Colorado, through its indirect subsidiary, FinanceAmerica Corporation (a Colorado Corporation) (10/31/77) 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

D. H. Baldwin Company, Cincinnati, Ohio (an Ohio Corporation) and D. H. Baldwin Company, Cincinnati, Ohio (a Delaware Corporation), notification of intent to acquire The United Corporation, New York, New York, through a merger in which D. H. Baldwin Company (a Delaware Corporation) will be the surviving corporation (11/4/77) 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

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

Fulcorp., Inc., Atlanta, Georgia, for approval to acquire 91 per cent or more of the voting shares of COLPAK Enterprises, Inc., College Park, Georgia and indirectly acquire Bank of the South, Riverdale, Georgia and 92 per cent or more of the voting shares of FORPAK, Inc., Forest Park, Georgia and indirectly acquire Bank of Forest Park, Forest Park, Georgia.

Palatine Bancorporation, Inc., Palatine, Illinois, for approval to acquire 80 per cent or more of the voting shares of First Bank and Trust Company, Palatine, Illinois, Palatine, Illinois.

Memphis Bancshares, Inc., Memphis, Missouri, for approval to acquire 90.9 per cent of the voting shares of Farmers and Merchants Bank of Memphis, Missouri, Memphis, Missouri.

Admire Bancshares, Inc., Admire, Kansas, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of The Admire State Bank, Admire, Kansas.

Paola-Citizens Bancshares, Inc., Paola, Kansas, for approval to acquire 80 per cent or more of the voting shares of Citizens State Bank, Paola, Kansas.

The Hamlin Financial Corporation, Hamlin, Texas, for approval to acquire 80 per cent of the voting shares (less directors' qualifying shares) of The Farmers & Merchants National Bank of Hamlin, Hamlin, Texas.

Union Bancorporation, Salt Lake City, Utah, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of Union Bank, Salt Lake City, Utah, a proposed new bank.

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

The Fulton National Corporation, Atlanta, Georgia, for approval to acquire 91 per cent or more of the voting shares of COLPAK Enterprises, Inc., College Park, Georgia and indirectly acquire Bank of the South, Riverdale, Georgia.

APPLICATIONS RECEIVED-Continued

The Fulton National Corporation, Atlanta, Georgia, for approval to acquire 92 per cent or more of the voting shares of FORPAK, Inc., Forest Park, Georgia and indirectly acquire Bank of Forest Park, Forest Park, Georgia.

Citizens Bancorporation, Sheboygan, Wisconsin, for approval to acquire 80 per cent or more of the voting shares of North Shore Bank, Shorewood, Wisconsin.

United Bankshares, Inc., Green Bay, Wisconsin, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of United Bank of Green Bay, Green Bay, Wisconsin, a proposed new bank.

Republic of Texas Corporation, Dallas, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of First National Bank of Duncanville, Duncanville, 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

Manufacturers Hanover Corporation, New York, New York, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit such as would be made by a finance company; servicing loans and other extensions of credit for any person; and acting as agent or broker for the sale of credit life and credit accident and health insurance which is related to extensions of credit made, acquired or serviced by Ritter Consumer Discount Company, Inc. of Pennsylvania) at Walnutport Shopping Center, Walnutport, Pennsylvania, through its indirect subsidiary, Ritter Consumer Discount Company, Inc. of Pennsylvania (11/3/77) 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

Manufacturers Hanover Corporation, New York, New York, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit such as would be made by a finance company; servicing loans and other extensions of credit for any person; and acting as agent or broker for the sale of credit life and credit accident and health insurance which is related to extensions of credit made, acquired or serviced by Ritter Finance Company, Inc. of Kentucky) at 11406 Shelbyville Road, Middletown, Kentucky and at 210 South Main Street, Lawrenceburg, Kentucky, through an indirect subsidiary, Ritter Finance Company, Inc. of Kentucky (11/1/77) 3/

NCNB Corporation, Charlotte, North Carolina, notification of intent to relocate de novo activities (originating, selling and servicing residential and commercial mortgage loans; making construction and development mortgage loans and performing such other incidental activities necessary to conduct a mortgage banking business including the offering of mortgage redemption insurance, and credit accident and sickness insurance to its mortgage customers) from Suite 1212, 699 Broad Street, Augusta, Georgia to Suite 410 Executive Park, 1052 Stevens Creek Road, Augusta, Georgia, through its indirect subsidiary, NCNB Mortgage South, Inc. (11/1/77) 3/

The Fulton National Corporation, Atlanta, Georgia, for approval to acquire the shares of FORPAK Investment Corporation, Forest Park, Georgia.

Memphis Bancshares, Inc., Memphis, Missouri, for approval to engage in the sale of joint credit life insurance, reducing term credit life, credit accident and health and level term credit life insurance directly related to extensions of credit by Farmers and Merchants Bank of Memphis, Missouri, Memphis, Missouri; provided that level term credit life insurance will only be sold in connection with single payment loans.

Northwest Bancorporation, Minneapolis, Minnesota, notification of intent to organize a subsidiary trust company, First Northwestern Trust Co. of Nebraska, Omaha, Nebraska (10/31/77) 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-Continued

Security Pacific Corporation, Los Angeles, California, notification of intent to engage in de novo activities (the origination and acquisition of mortgage loans including development and construction loans on multi-family and commercial properties, for its own account or for the sale to others and the servicing of such loans for others) at 7300 Ritchie Highway, Glen Burnie, Maryland, through its subsidiary, Security Pacific Mortgage Corporation (10/26/77) 3/

Seilon, Inc., Toledo, Ohio and Nevada National Bancorporation, Reno, Nevada, notification of intent to engage in de novo activities (the financing of personal property and equipment and the leasing of such property or the acting as an agent, broker, or adviser in the leasing and/or financing of such property where at the inception of the initial lease the effect of the transaction (and, with respect to governmental entities only, reasonably anticipated future transactions) will yield a return that will compensate the lessor for not less than the lessor's full investment in the property plus the estimated total cost of financing the property over the term of the lease and the servicing of such financing and/or loans as is authorized by the Federal Reserve Board under Regulation Y and the Bank Holding Company Act; making or acquiring, for its own company or for the account of others, loans and other extensions of credit in the normal course of its leasing business including the making of business installment loans, the purchase of business installment sales finance contracts, and making loans to businesses of various sizes) at 800 Garden Street, Santa Barbara, California, through their subsidiary, Nevada National Leasing Company, Inc. (10/28/77) 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

APPLICATIONS RECEIVED-Continued

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 as authorized by the Federal Reserve Board under Section 225.4(a)(6)(a) of Regulation Y; and 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 and with regard to consumer credit related property and casualty insurance on personal property subject to security agreements with Rainier Credit Company) at 30806 Pacific Highway South, Federal Way, Washington, through its subsidiary, Rainier Credit Company (10/31/77) 3/

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

Time Holdings, Inc., Milwaukee, Wisconsin, to divest shares of Bank of Commerce, Milwaukee, Wisconsin. (Legal Division Docket TCR 76-149)

Investment Corporation of America, Inc., Minneapolis, Minnesota, to divest shares of S&M Company, Minneapolis, Minnesota. (Legal Division Docket TCR 76-150)

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REPORTS RECEIVED

Registration Statement Filed Pursuant to Section
12(g) of the Securities Exchange Act

Farmers Savings Bank, Stony Ridge, Ohio.

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-Continued

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

Piedmont Trust Bank, Collinsville, Virginia.

United Counties Trust Company, Elizabeth, New Jersey.

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PETITIONS FOR RULEMAKING

None.