

ANNOUNCEMENT BY  
BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
(H.2, 1978 No. 6)

Actions of the Board; Applications and Reports  
Received During the Week Ending February 11, 1978

ACTIONS OF THE BOARD

Stephen S. Gardner, Vice Chairman, statement before the subcommittee on taxation and debt management of the Committee on Finance, United States Senate, on the financial implications of an expanding public debt.

Henry C. Wallich, statement before the subcommittee on International Finance of the Senate Banking Committee on U.S. exports and the influences on them of recent exchange rate movements.

Philip E. Coldwell, statement before the Senate Committee on Banking, Housing and Urban Affairs on the expenditures of the Federal Reserve Banks and the Board of Governors for 1977 and the budgets of the System for 1978.

Henry C. Wallich, statement before the Joint Economic Committee, Hearings on the Economic Report of the President and the Council of Economic Advisers, on using the tax system to restrain inflation.

Condition and income reports, the Board announced that revisions will go into effect for State member banks for the December 1978 reports.

Joseph W. Daniels, Sr., appointed as Director of Equal Employment Opportunity, effective February 21.

Old Kent Financial Corporation, Grand Rapids, Michigan, extension of time to April 17, 1978, within which to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Old Kent Bank of Norton Shores, N.A., Norton Shores, Michigan (in organization), also an extension of time to April 17, 1978, within which Old Kent Bank of Norton Shores, N.A., Norton Shores, Michigan, may open for business. 1/

---

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

ACTIONS OF THE BOARD-Continued

Patagonia Corporation, Tucson, Arizona, extension of time to April 15, 1979, within which its banking subsidiary, Great Western Bank & Trust, Phoenix, Arizona, must effect divestiture of the shares of Tucson Aviation Center, Inc., and Allied Aircraft Sales, Inc. 1/

Termination of registration under Regulation G for Huntingburg Production Credit Association, Huntingburg, Indiana. 1/

Citizens Fidelity Bank & Trust Company, Louisville, Kentucky, extension of time to August 28, 1978, within which to establish a branch at 2901 Bardstown Road, Louisville, Kentucky. 1/

Northwestern State Bank of Virginia, Virginia, Minnesota, a six-month extension of time within which to establish a detached facility. 1/

Crocker International Investment Corporation, San Francisco, California, extension of time to February 6, 1979, within which to purchase and hold all of the shares of Crocker Financial Services Limited, Vancouver, British Columbia. 1/

Central Bank, Monroe, Louisiana, a six-month extension of time for completion of the issuance of subordinated capital notes. 1/

Atlantic Westside Bank of Palm Beach County, West Palm Beach, Florida, proposed acquisition by Atlantic National Bank of West Palm Beach, West Palm Beach, Florida, report to the Comptroller of the Currency on competitive factors. 1/

Maywood National Bank, Maywood, Illinois, proposed merger with First National Bank of Maywood, Maywood, Illinois, 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

Valley Bank and Trust Company, Salt Lake City, Utah.  
Branch to be established in the vicinity of 2700 West  
and 4700 South, Salt Lake City. 2/

\* \* \* \* \*

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

Approved

Citibank of Alabama, Fultondale, Alabama. 2/

\* \* \* \* \*

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

Approved

Walker Bank & Trust Company, Salt Lake City, Utah.  
to merge with American Bank of Commerce, Cedar City,  
Utah. 2/

\* \* \* \* \*

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

Approved

Farmers and Merchants Corporation, Forest, Mississippi,  
for approval to acquire 80 per cent or more of the  
voting shares of Farmers and Merchants Bank, Forest,  
Mississippi. 2/

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

ACTIONS OF THE BOARD-Continued

SBT Corporation, Savannah, Georgia, for approval to acquire 100 per cent of the voting shares of the successor by merger to Savannah Bank & Trust Company of Savannah, Savannah, Georgia. 2/

First Financial Bancshares, Inc., Nevada, Missouri, for approval to acquire 94.5 per cent of the voting shares of Mountain Grove National Bank, Mountain Grove, Missouri.

Northwest Arkansas Bancshares, Inc., Bentonville, Arkansas, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of First National Bank, Rogers, Arkansas.

Browning Bancshares, Inc., Browning, Missouri, for approval to acquire 94.8 per cent of the voting shares of Citizens Savings Bank of Browning, Browning, Missouri. 2/

Pittsburg Bancshares, Inc., Pittsburg, Kansas, for approval to acquire 97.52 per cent of the voting shares of The National Bank of Pittsburg, Pittsburg, Kansas.

West Point Bancorp., Inc., West Point, Nebraska, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of The Farmers & Merchants National Bank of West Point, West Point, Nebraska.

\* \* \* \* \*

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

Permitted

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; insurance directly related to an extension of credit) at Suite No. 380, 24300 Southfield Road, Southfield, Michigan, through its indirect subsidiary, Mortgage Associates, Inc., Milwaukee, Wisconsin (a Rhode Island Corporation) which is a wholly-

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

ACTIONS OF THE BOARD-Continued

owned subsidiary of its direct subsidiary, MAI Financial Corporation, Milwaukee, Wisconsin (a Wisconsin Corporation) (2/10/78) 3/

Citicorp, New York, New York, notification of intent to engage in de novo activities (making loans to individuals and businesses secured by real and personal property, the proceeds of which may be for purposes other than personal, family or household usage; sale of credit related life/accident and health, or decreasing or level (in the case of single payment loans) term life insurance to cover the outstanding balance on credit transactions (singly or jointly with co-signers in the case of life coverage) in the event of death, or, to make contractual monthly payments on the credit transactions in the event of the obligator's disability by licensed agents or brokers to the extent permissible under applicable State insurance laws and regulations; the sale of credit related property and casualty insurance protecting personal and real property subject to a security agreement with Nationwide Financial Corporation of California and Citicorp Person-to-Person Financial Center, Inc. and to include liability coverage in home or automobile "package" policies where such is the general practice by licensed agents or brokers to the extent permissible under applicable State insurance laws and regulations; credit related decreasing term life insurance and accident and health insurance may be reinsured by Gateway Life Insurance Company, an affiliate of Nationwide Financial Corporation of California and Citicorp Person-to-Person Financial Center, Inc.; further, in regard to the sale of credit related insurance, the subsidiary does not act as a general insurance agency) at 14260 Beach Boulevard, Westminster, 1022 N. Tustin Avenue, Orange, California and 1150 N. 25th Street, Grand Junction, Colorado, through its subsidiaries, Nationwide Financial Services Corporation presently operating as Nationwide Financial Corporation of California for the two offices in California and Nationwide Financial Services Corporation presently operating as Citicorp Person-to-Person Financial Center, Inc. for the office in Colorado (2/10/78) 3/

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (making or acquiring, for its own account or the account of others, loans and other extensions of credit such as would be made by a mortgage company; acting as insurance agency in connection with credit life and disability

---

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

insurance and mortgage redemption insurance which is directly related to the extension of credit or provision of other financial services by Carruth Mortgage Corporation) in the Memorial Park area, Houston, Texas, through its wholly-owned subsidiary, Carruth Mortgage Corporation, New Orleans, Louisiana (2/5/78) 3/

Walter E. Heller International Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (the business of mortgage banking including the originating or acquiring and servicing of real estate loans for the mortgage banker's own account or as agent for others) at 12700 Park Central Drive, Dallas, Texas, through a subsidiary, B. B. Cohen & Co., Chicago, Illinois (2/5/78) 3/

Walter E. Heller International Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (the business of commercial finance) at 12700 Park Central Drive, Dallas, Texas, through a subsidiary, B. B. Cohen Mortgage Corporation, Chicago, Illinois (2/5/78) 3/

Walter E. Heller International Corporation, Chicago, Illinois, notification of intent to engage in de novo activities (the business of commercial finance) at 24650 Center Ridge Road, Westlake, Ohio, through its subsidiary, National Acceptance Company of America (2/6/78) 3/

Santa Ana Bancorp., St. Ann, Missouri, notification of intent to engage in de novo activities (acting as agent or broker in the sale of credit life, credit accident and health insurance and property damage and casualty insurance directly related to credit extensions made or acquired by subsidiaries) at 10449 St. Charles Rock Road, St. Ann, Missouri (2/11/78) 3/

York State Company, York, Nebraska, notification of intent to engage in de novo activities (operating an industrial loan and investment company pursuant to the laws of the State of Nebraska including the issuance of paid-up certificates of indebtedness and making single payment demand loans, consumer loans, commercial loans and first and second mortgage loans on real estate; acting as insurance agent for the sale of single and

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

joint decreasing term credit life insurance and credit accident and health insurance and level term credit life insurance on single payment demand notes) at 123 East Sixth Street, York, Nebraska, through a subsidiary, First York Savings Company (2/10/78) 3/

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 825 108th N.E. Bellevue, Washington, through its subsidiary, Security Pacific Mortgage Corporation (2/10/78) 3/

Wells Fargo & Company, San Francisco, California, 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, 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 extension 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) from 305 El Dorado Street to 2291 West March Lane, Stockton, California, through its subsidiaries, Wells Fargo Mortgage Company and WFMC Corporation (2/10/78) 3/

Approved

Farmers and Merchants Corporation, Forest, Mississippi, for approval to engage de novo in the activity of offering credit life insurance and credit accident and health insurance in connection with extensions of credit by Farmers and Merchants Bank, Forest, Mississippi. 2/

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

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

American Financial Corporation, Cincinnati, Ohio and its  
subsidiaries, notification of intent to purchase more  
than a 5 per cent interest in several specified con-  
cerns (2/5/78) 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

Tracy-Collins Bank and Trust Company, Salt Lake City,  
Utah. Branch to be established in the immediate  
vicinity of 70th South and Redwood Road, West Jordan,  
Salt Lake City.

The Peoples State Bank, Wauseon, Ohio. Branch to be  
established at 1600 North Shoope Avenue, Wauseon, Fulton  
County.

Union Trust Company of Maryland, Baltimore, Maryland.  
Branch to be established at Metro West Social Security  
Complex, intersection of Franklin and Greene Streets,  
Baltimore.

Georgia Railroad Bank & Trust Company, Augusta, Georgia.  
Branch to be established at 1751 Gordon Highway, Augusta.

Chemical Bank & Trust Company, Midland, Michigan. Branch  
to be established in the vicinity of 220 Midland Road,  
Tittabawassee Township, Saginaw County.

\* \* \* \* \*

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

BYRON BANCSHARES, INC., Byron, Illinois, for approval to  
acquire 80 per cent or more of the voting shares of  
First National Bank of Byron, Byron, Illinois.

Corydon Bancorporation, Corydon, Iowa, for approval to  
acquire 95.87 per cent of the voting shares of Corydon  
State Bank, Corydon, Iowa.

JEFCO, Inc., Cedar Rapids, Iowa, for approval to acquire  
55.206 per cent of the voting shares of City National  
Bank of Cedar Rapids, Cedar Rapids, Iowa.

K-4 Banco Corporation, Latimer, Iowa, for approval to  
acquire 92.1 per cent of the voting shares of Latimer  
State Bank, Latimer, Iowa.

APPLICATIONS RECEIVED-Continued

United Bancshares, Inc., Rosenberg, Texas, for approval to acquire at least 95 per cent of the voting shares of Rosenberg Bank and Trust, Rosenberg, Texas.

\* \* \* \* \*

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

Central National Corporation, Richmond, Virginia, for approval to acquire 100 per cent of the voting shares of the successor by merger to The Citizens National Bank of Emporia, Emporia, Virginia.

Associated Banc-Corp., Green Bay, Wisconsin, for approval to acquire 100 per cent of the voting shares of Associated Bank of Appleton, Appleton, Wisconsin, a proposed new bank.

Hawkeye Bancorporation, Des Moines, Iowa, for approval to acquire 100 per cent of the voting shares of Washington Bancorporation, Washington, Iowa and indirectly acquire 100 per cent of the voting shares of The National Bank of Washington, Washington, Iowa.

United Michigan Corporation, Flint, Michigan, for approval to acquire 66.6 per cent or more of the voting shares of Community State Bank, Fowlerville, Michigan.

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

\* \* \* \* \*

To Retain Bank Shares Acquired in a Fiduciary Capacity Pursuant to Section 3 of the Bank Holding Company Act of 1956

Commercial National Corporation, Peoria, Illinois, for approval to retain shares of The National Bank of Canton, Canton, Illinois.

APPLICATIONS RECEIVED-Continued

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

State Street Boston Corporation, Boston, Massachusetts, notification of intent to relocate de novo activities (real estate second mortgage lending, servicing second mortgage loans; sale of credit life/accident and health insurance to mortgagors on loans serviced by home equity mortgage corporation) from 2060 Idle Hour Center, Lexington, Kentucky to 1949 Nicholasville Road, Lexington, Kentucky, through its indirect subsidiary, Home Equity Mortgage Corporation, Lexington, Kentucky, which is a wholly-owned subsidiary of Industrial's direct subsidiary, Kentucky Mortgage Company, Incorporated, Lexington, Kentucky (2/3/78) 3/

Chemical New York Corporation, New York, New York, for approval to acquire the servicing portfolio of Citizens Mortgage Company, Houston, Texas.

Citicorp, New York, New York, notification of intent to relocate de novo activities (making consumer installment personal loans, purchasing and servicing for its own account consumer installment sales finance contracts; making loans to individuals and businesses secured by real and personal property, the proceeds of which may be for purposes other than personal, family or household usage; sale of credit related life/accident and health, or decreasing or level (in the case of single payment loans) term life insurance to cover the outstanding balances on credit transactions (singly or jointly with co-signers in the case of life coverage) in the event of death, or, to make contractual monthly payments on the credit transactions in the event of the obligator's disability by licensed agents or brokers to the extent permissible under applicable State insurance laws and regulations; the sale of credit related property and casualty insurance protecting personal and real property subject to a security agreement with Nationwide Financial Corporation of Missouri and to include liability coverage in home or automobile "package" policies where such is the general practice by licensed agents or brokers to the extent permissible under applicable State insurance laws and regulations; credit related decreasing term life insurance and accident and health insurance may be reinsured by Gateway Life Insurance Company, an affiliate of Nationwide Financial Corporation of Missouri; further, in regard to the sale of credit related insurance, the subsidiary does not act as a general insurance agency) from 100-D East Manchester, Ballwin, Missouri to 1254

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

Old Orchard Center, St. Louis County, Missouri, through its subsidiary, Nationwide Financial Services Corporation presently operating as Nationwide Financial Corporation of Missouri (2/6/78) 3/

Philadelphia National Corporation, Philadelphia, Pennsylvania, notification of intent to engage in de novo activities (second mortgage lending which consists of making personal installment loans secured by mortgages other than first liens on the borrowers real estate; and selling credit life insurance, joint credit life insurance and credit accident and health insurance in connection with such personal installment loans and re-insuring such insurance through Patrick Henry Life Insurance Company and Patrick Henry Insurance Company, indirect subsidiaries of Philadelphia National Corporation) at 10895 Main Street, Fairfax, Virginia and 8432 Centreville Road, Manassas, Virginia, through a subsidiary, Signal Mortgage Corporation of Virginia (2/3/78) 3/

Mercantile Bankshares Corporation, Baltimore, Maryland, notification of intent to engage in de novo activities (making or acquiring, for its own account and for the account of others, loans and other extensions of credit such as would be made by a mortgage company) at U.S. Rt. 301 and State Rt. 228, Waldorf, Maryland and State Rt. 235 at St. Andrews Road, California, Maryland, through a subsidiary, Mercantile Mortgage Corporation (2/10/78) 3/

The Fulton National Corporation, Atlanta, Georgia, notification of intent to engage in de novo activities (making or acquiring, for its own account loans secured by real estate and other loans and extensions of credit and the sale of credit life insurance) at 875 Johnson Ferry Road, N.E., Suite 200, Atlanta, Georgia; 2191 Northlake Parkway, Suite A, Tucker, Georgia; and 1895 Phoenix Blvd., Suite 336, College Park, Georgia, through a subsidiary, FNC Financial Corporation (2/9/78) 3/

JEFCO, Inc., Cedar Rapids, Iowa, for approval to engage in the activity of leasing, through LTD Leasing Co., Cedar Rapids, Iowa.

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

National Detroit Corporation, Detroit, Michigan, 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 consumer loans, the purchase of sales finance contracts, loans to small businesses and other extensions of credit such as would be made by a factoring company or a finance company; and acting as an insurance agent or broker for the sale of credit related life/accident and health insurance) at 841 J. Clyde Morris Boulevard, Newport News, Virginia, through its subsidiary, Instaloan Financial Services, Inc. (2/6/78) 3/

\* \* \* \* \*

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

Baldwin-United Corporation, Cincinnati, Ohio, notification of intent to acquire 100 per cent of National Farmers Union Investment Company which owns 100 per cent of National Investors Life Insurance Company, Little Rock, Arkansas, and its subsidiaries: The National Investors Fire & Casualty Insurance Company; Nor Securities Co.; and Norin Services Corp. (2/6/78) 3/

\* \* \* \* \*

REPORTS RECEIVED

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

The Maplewood Bank and Trust Company, Maplewood, New Jersey.

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

Agreements Filed Pursuant to Section 8 of the  
Securities Exchange Act of 1934

"Farmers Bank of Sudburg, North Carolina has filed an agreement with the Board undertaking to comply with all provisions which relate to the use of credit to finance transactions in securities."

"Cicero State Bank of Cicero, Illinois has filed an agreement with the Board undertaking to comply with all provisions which relate to the use of credit to finance transactions in securities."

\* \* \* \* \*

PETITIONS FOR RULEMAKING

None.