

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
(H.2, 1978 No. 46)

Actions of the Board; Applications and Reports

Received During the Week Ending November 18, 1978

ACTIONS OF THE BOARD

Statement by Chairman G. William Miller before the Senate Banking, Housing and Urban Affairs Committee on domestic inflation and the decline in the value of the dollar on foreign markets.

The Board approved for transmission to Congress a preliminary schedule of prices for Federal Reserve check and automated clearing house services.

Regulation K revisions -- concerning corporations engaged in foreign banking and financing -- to conform to certain provisions of the new International Banking Act. (Docket No. R-0190)

National Detroit Corporation, Detroit, Michigan, extension of time to February 12, 1979, within which to acquire 100 per cent of the voting shares of NBD-Portage Bank, Portage, Michigan (in organization). 1/

Union Bancorporation, Inc., Oklahoma City, Oklahoma, extension of time to February 17, 1979, within which to consummate the acquisition of Union Bank and Trust Company, Oklahoma City, Oklahoma. 1/

Issuance of subordinated capital notes by Chemung Canal Trust Company, Elmira, New York. 1/

Valley Bank of Nevada, Las Vegas, Nevada, extension of time to May 23, 1979, within which to establish a branch at the intersection of Flamingo Road and Rainbow Boulevard, Las Vegas, Nevada. 1/

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

ACTIONS OF THE BOARD-Continued

Morgan Guaranty International Finance Corporation, New York, New York, request for an additional one-year extension of time within which to complete its acquisition of up to 30 per cent of the shares of Bank of the Philippine Islands. 1/

University National Bank, Rockville, Maryland, proposed merger with The Equitable Trust Company, Baltimore, Maryland; report the the Federal Deposit Insurance Corporation on competitive factors. 1/

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

APPLICATIONS RECEIVED-Continued

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

National City Corporation, Cleveland, Ohio, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of The Huron County Banking Company, National Association, Norwalk, Ohio. 2/

Central Wisconsin Bankshares, Inc., Wausau, Wisconsin, for approval to acquire 50.66 per cent or more of the voting shares of Community State Bank, Eau Claire, Wisconsin. 2/

First National Corporation, Appleton, Wisconsin, for approval to acquire 70 per cent or more of the voting shares of The Oshkosh National Bank, Oshkosh, Wisconsin. 2/

Texas American Bancshares, Inc., Fort Worth, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of The Citizens National Bank of Denison, Denison, 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

Manufacturers Hanover Corporation, New York, New York, notification of intent to engage in de novo activities (arranging, 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; 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 sales finance company including purchasing installment sales finance contracts; servicing any such loans and other extensions of credit for any person; and acting as agent or broker for the sale of credit related life and accident and health insurance and property damage and liability

2/ Application subject to Community Reinvestment Act.

APPLICATIONS RECEIVED-Continued

insurance which is related to extensions of credit made and acquired by Ritter Finance Company, Incorporated of Maryland) at Route 2, Box 224, Pocomoke City, Maryland, through its subsidiary, Ritter Finance Company, Incorporated of Maryland (11/17/78) 3/

National Westminster Bank Limited, London, England, for approval to retain its indirect interest in C F International Inc., New York, New York.

Heritage Wisconsin Corporation, Wauwatosa, Wisconsin, notification of intent to engage in de novo activities (succeed to and be substituted for the Heritage Bank Beloit as to all fiduciary powers, rights, duties, privileges and liabilities of the Bank in its capacity as fiduciary for all estates, trusts, guardianships and other fiduciary relationships of which the Bank is now serving as fiduciary to the extent permitted by Section 225.4(a)(4) of Regulation Y of the Board of Governors; and engage in the conduct of all of the routine activities involved in the administration of fiduciary accounts) at 500 East Grand Avenue, Beloit, Wisconsin, through its wholly-owned subsidiary, Heritage Trust Company (11/15/78) 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; and the offering of credit related life and credit related accident and disability insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at 9191-A North Washington Street, Thornton, Colorado, through its indirect subsidiary, FinanceAmerica Corporation (a Colorado Corporation) (11/13/78) 3/

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

APPLICATIONS RECEIVED

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

The Farmers Banking Company, Lakewood, Ohio. Branch to be established on North Main Street, Bellefontaine, Logan City. 2/

The Union Commerce Bank, Cleveland, Ohio. Branch to be established at 6677 Pearl Road, Parma Heights, Cuyahoga County. 2/

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To Withdraw from Membership in the Federal Reserve System without a Six-Month Notice as Prescribed by Section 9 of the Federal Reserve Act

Schuyler County State Bank, Lancaster, Missouri.

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

First Virginia Bank - Loudoun, Purcellville, Virginia.

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

Chemical Bank, New York, New York: requests consent to establish a initial branch in Madrid, Spain.

The City National Bank & Trust Company of Columbus, Columbus, Ohio: requests consent to establish a branch in Georgetown, Grand Cayman, British West Indies.

2/ Application subject to Community Reinvestment Act.

APPLICATIONS RECEIVED-Continued

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

National Westminster Bank Limited, London, England and
NatWest Holdings Inc., Wilmington, Delaware, for
approval to acquire 75.1 per cent of the voting shares
of National Bank of North America, New York, New York.
2/

SafraCorp, Miami, Florida, for approval to acquire 100
per cent of the voting shares of SafraBank, Dade
County, Florida. 2/

Bowman Capital Co., Omaha, Nebraska, for approval to
acquire 100 per cent (less directors' qualifying
shares) of the voting shares of The First National
Bank of Bowman, Bowman, North Dakota. 2/

Lamb's Bancorporation, Ltd., Michigan, North Dakota,
for approval to acquire 82.73 per cent of the voting
shares of Lamb's Bank of Michigan City, Michigan,
North Dakota. 2/

Denison Bancshares, Inc. of Holton, Holton, Kansas,
for approval to acquire 94.37 per cent of the voting
shares of The Denison State Bank, Holton, Kansas. 2/

First Munday Bancshares, Inc., Munday, Texas, for ap-
proval to acquire 100 per cent (less directors'
qualifying shares) of the voting shares of First
National Bank in Munday, Munday, Texas. 2/

Houston Bancshares, Inc., Houston, Texas, for approval
to acquire 99.2 per cent (less directors' qualifying
shares) of the voting shares of North Side Bank,
Houston, Texas. 2/

Raymondville State Bancshares, Incorporated, Raymond-
ville, Texas, for approval to acquire 80-93.82 per
cent of the voting shares of Raymondville State Bank,
Raymondville, Texas. 2/

State National Financial Corporation, Corsicana, Texas,
for approval to acquire 98.4 per cent (less directors'
qualifying shares) of the voting shares of The State
National Bank of Corsicana, Corsicana, Texas. 2/

2/ Application subject to Community Reinvestment Act.

ACTIONS OF THE BOARD-Continued

accident and health insurance, and acting as agent in the sale of property damage insurance for collateral supporting loans made by such finance subsidiary) at 419 Harding Place, Nashville, Tennessee, through a subsidiary, Friendly Finance, Inc. (11/15/78) 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; and the offering of credit related life, credit related accident and disability insurance, and credit related property insurance in connection with extensions of credit made or acquired by FinanceAmerica Corporation) at Northgate Village Shopping Center, Suite K, 3025 McHenry Avenue, Modesto, California, through its indirect subsidiary, FinanceAmerica Corporation (a California Corporation) (11/13/78) 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

Delayed

Kemper Corporation, Long Grove, Illinois, notification of intent to acquire additional shares of the capital stock of Gibraltar Financial Corporation of California, a savings and loan association (11/16/78) 3/

Permitted

Warner Communications Inc., New York, New York, notification of intent to acquire the business of Specialty Records Corporation, Olyphant, Pennsylvania (11/13/78) 3/

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

ACTIONS OF THE BOARD-Continued

Heights Finance Corporation, Peoria, Illinois, notification of intent to acquire all of the issued and outstanding shares of capital stock of Central Acceptance Corporation, Davenport, Iowa (11/17/78) 3/

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

ACTIONS OF THE BOARD-Continued

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 as is authorized by the Federal Reserve Board under Regulation Y and the Bank Holding Company Act) at 107 South Main Street, Salt Lake City, Utah (11/17/78) 3/

Permitted

Citicorp, New York, New York, notification of intent to engage in de novo activities (making consumer installment personal loans, purchasing and servicing for its own account installment sales finance contracts, making loans for the account of others such as one-to-four family unit mortgage loans, 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 and accident and health, or decreasing or level (in the case of single payment loans) term life insurance to cover the outstanding balances of 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 of the credit transactions in the event of the obligor's disability by licensed agents or brokers to the extent permissible under applicable State laws and regulations; the sale of credit related property and casualty insurance protecting personal and real property subject to a security agreement with Citicorp Person-to-Person Financial Center, Inc. and to include liability coverage in home and automobile 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 Family Guardian Life Insurance Company, an affiliate of Citicorp Person-to-Person Financial Center, Inc.; further, in regard to the sale of credit related insurance the subsidiary will not act as a general insurance agency) at 1025 Shoshone Street North, Suite 41, Twin Falls, Idaho, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (11/17/78) 3/

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

ACTIONS OF THE BOARD—Continued

Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in 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 contracts; acting as insurance agent with respect to credit life and credit accident and health insurance, which insurance will be provided only in conjunction with extensions of credit by Freedom Financial Services Corporation or its wholly-owned subsidiaries which will be available solely at the option of the borrower and the borrower is advised of this option in advance; and acting as insurance agent with respect to credit property insurance on personal property subject to security agreements with Freedom Financial Services Corporation or its wholly-owned subsidiaries, which insurance will be provided only in conjunction with extensions of credit by Freedom Financial Services Corporation and purchase of this insurance through Freedom Financial Services Corporation is solely at the option of the borrower and the borrower is advised of this option in advance; Freedom Financial Services Corporation does not act as a general insurance agent) at 1165 Newmark Avenue, Coos Bay, Oregon, through its wholly-owned subsidiary, Freedom Financial Services Corporation, Oak Brook, Illinois (11/15/78) 3/

Pittsburgh National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (mortgage banking, including the making or acquiring and servicing for its own accounts or the accounts of others, loans and other extensions of credit) at 6000 Grand Central Avenue, Suite 1, Vienna, West Virginia, through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio (11/15/78) 3/

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,

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

ACTIONS OF THE BOARD-Continued

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, N.A., New York, New York: grants consent for Citibank Overseas Investment Corporation, Wilmington, Delaware, to continue to hold the shares of Banco Internacional De Colombia S.A., Bogota, Columbia, after BINT acquires 50 per cent of the shares of Corporacion Financiera de Desarrollo Agropecuaria S.A., Bogota, Columbia.

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To Organize, or Invest in, a Corporation Doing Foreign Banking and Other Foreign Financing Pursuant to Section 25 or 25(a) of the Federal Reserve Act

Approved

Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois: to establish an Edge Act Corporation, Continental Bank International, Miami, Florida.

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

Suspended

Anson Bancshares, Inc., Anson, Texas, for approval to acquire 80 per cent or more of the voting shares of The First National Bank of Anson, Anson, Texas. 2/

Approved

First Holdrege BancShares, Inc., Holdrege, Nebraska, for approval to acquire 100 per cent (less directors' qualifying shares) of the voting shares of The First National Bank of Holdrege, Holdrege, Nebraska. 1/ & 2/

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

2/ Application subject to Community Reinvestment Act.

ACTIONS OF THE BOARD--Continued

The Walsh Bancorporation, Inc., Walsh, Colorado, for approval to acquire 98.8 per cent of the voting shares of The Colorado State Bank of Walsh, Walsh, Colorado. 1/ & 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

Delayed

Chittenden Trust Company, Burlington, Vermont, notification of intent to engage in de novo activities (making, acquiring, or servicing loans to individuals, partnerships and corporations exclusively to finance the payment of fire and casualty insurance premiums) at the main office of The Chittendon Trust Company, Two Burlington Square, Burlington, Vermont, through an existing inactive subsidiary of the holding company known as Agents Finance Company, Inc., Burlington, Vermont (11/17/78) 3/

First National State Bancorporation, Newark, New Jersey, notification of intent to engage in de novo activities (credit life and accident and health insurance for installment credit borrowers of subsidiary banks; any other insurance that is directly related to an extension of credit by a subsidiary bank or a bank related firm or is directly related to the provision of other financial services by a subsidiary bank or a bank related firm; and any insurance for the company's banking subsidiaries) at 550 Broad Street, Newark, New Jersey, through its subsidiary, Broad & Lombardy Associates, Inc. (11/16/78) 3/

Tracy Bancorp, Salt Lake City, Utah, notification of intent to engage in de novo activities (leasing of personal property and equipment 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

- 1/ Application processed on behalf of the Board of Governors under delegated authority.
2/ Application subject to Community Reinvestment Act.
3/ 4(c) (8) or 4(c) (12) notification processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

APPLICATIONS RECEIVED-Continued

First Hawaiian, Inc., Honolulu, Hawaii, for approval to continue to engage in the sale of credit related life, accident and health insurance in connection with any loans or extensions of credit made by its subsidiary, Hawaii Thrift & Loan, Incorporated, Honolulu, Hawaii.

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REPORTS RECEIVED

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

The City Bank Company, Lorain, Ohio.

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

Banque de Paris et des Pays - Bas (Banque de Paris) Paris, France 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.

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PETITIONS FOR RULEMAKING

None.