

ANNOUNCEMENT BY  
BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
(H.2, 1980 No. 22)

Actions of the Board; Applications and Reports

Received During the Week Ending May 31, 1980

APPLICABLE  
RESERVE BANK

ACTIONS OF THE BOARD

Statement by Chairman Paul A. Volcker before the Senate Banking Committee to present the views of the Board of Governors on S. 2704, which would authorize the Board to impose margin requirements on a broad spectrum of "financial" instruments in both the cash or "spot" markets and in the futures or forward delivery markets.

Statement by Governor Nancy H. Teeters, before the Subcommittee on Domestic Monetary Policy of the House Banking Committee to present the views of the Board of Governors concerning steps that might be taken to help meet "the credit needs of inner-city minority communities.

Reduction in the basic discount rate from 13 per cent to 12 per cent for all Reserve Banks except New York, effective Thursday, May 29; for the Reserve Bank of New York the effective date is Friday, May 30.

Temporary suspension of the penalty normally imposed upon the early withdrawal of time deposit funds for depositors in Washington and Idaho affected by the volcanic eruptions of Mount St. Helens.

Temporary suspension of the penalty normally imposed upon the early withdrawal of time deposit funds for depositors affected by the severe storms and tornadoes in Pettis County, Missouri.

Cleveland	Falmouth Bancorporation, Falmouth, Kentucky, extension of time to October 1, 1980, within which to acquire the Falmouth Deposit Bank, Falmouth, Kentucky. <u>1/</u>
Kansas City	First Beemer Corporation, Beemer, Nebraska, extension of time to July 7, 1980, within which to consummate the acquisition of First National Bank of Beemer, Beemer, Nebraska. <u>1/</u>

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

ACTIONS OF THE BOARD-CONTINUED

- Dallas First Neches Bancorp Shares, Inc. Vidor, Texas, extension of time to August 25, 1980, within which to consummate the acquisition of Vidor State Bank, Vidor, Texas. 1/
- Atlanta Florida National Banks of Florida, Inc., Jacksonville, Florida, extension of time to September 2, 1980, within which to consummate the acquisition of Florida National Bank of Martin County, Stuart, Florida, the successor by merger to Stuart National Bank, Stuart, Florida, and Port Salerno National Bank, Port Salerno, Florida. 1/
- Chicago Hi-Bancorp., Highwood, Illinois, extension of time to July 26, 1980, within which to become a bank holding company through the acquisition of 80 per cent or more of the voting shares of Bank of Highwood, Highwood, Illinois. 1/
- Chicago KBG Bancorporation, Inc., Wesley, Iowa, extension of time to June 24, 1980, within which to become a bank holding company through the acquisition of 80 per cent or more of the voting shares of Exchange State Bank, Wesley, Iowa. 1/
- Dallas Republic of Texas Corporation, Dallas, Texas, extension of time to September 18, 1980, within which to consummate the acquisition of Bank of Austin, Austin, Texas. 1/
- Dallas San Antonio Bancshares, Inc., San Antonio, Texas, extension of time to July 7, 1980, within which to consummate the acquisition of Bank of San Antonio, San Antonio, Texas. 1/
- San Francisco Zions Utah Bancorporation, Salt Lake City, Utah, extension of time to September 1, 1980, within which to acquire controlling interest in Zions First National Bank of Orem, Orem, Utah. 1/
- Chicago Hendricks County Bank and Trust Company, Brownsburg, Indiana, an additional investment in bank premises. 1/
- Atlanta Bank of Florida in South Florida, South Miami, Florida, extension of time to December 30, 1980, for the construction of its Kendall Lakes branch. 1/
- Minneapolis Bank of Toronto, Toronto, South Dakota, extension of time to establish a domestic branch. 1/

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

ACTIONS OF THE BOARD-Continued

- Chicago Hawthorn Center State Bank, Vernon Hills, Illinois, extension of time to August 25, 1980, within which to establish a branch at 426 Hawthorn Center, Vernon Hills, Illinois. 1/
- Chicago Continental International Finance Corporation, Chicago, Illinois, extension of time within which to invest additional capital into Continental Illinois Thailand. 1/
- Richmond Carolina Bank, Sanford, North Carolina, proposed merger with Peoples National Bank, Smithfield, North Carolina; report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Kansas City Las Vegas Bancorporation, Albuquerque, New Mexico, proposal to consolidate the Bank of Las Vegas, Las Vegas, New Mexico, into Las Vegas Bank, Las Vegas, New Mexico; report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- New York 516 Central Avenue National Bank, Cedarhurst, New York, proposed merger with Peninsula National Bank, Cedarhurst, New York; 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

Richmond      Bank of Virginia Beach, Virginia Beach, Virginia. Branch  
to be established at the northwest corner of Holland  
and Rosemont Roads, Virginia Beach, Virginia. 1/ & 2/

Atlanta      Exchange Bank and Trust Company of Florida, Tampa, Florida.  
Branch to be established at the Tampa International Airport,  
Tampa, Florida. 1/ & 2/

Withdrawn

Chicago      Gaylord State Bank, Gaylord, Michigan. Branch to be esta-  
lished on the southeast corner of Old U.S. 27 and Grand-  
view Boulevard, Gaylord, Otsego County, Michigan.

\* \* \* \* \*

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

Approved

Kansas City    First Mining and Exchange Bank, Leadville, Colorado. 1/ & 2/

Kansas City    Bank of Clifton, Clifton, Colorado. 1/ & 2/

Kansas City    Valley State Bank, Baggs, Wyoming. 1/ & 2/

\* \* \* \* \*

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

Approved

New York      Manufacturers Hanover Bank International, Miami, Florida: to  
establish and operate branches in Houston, Texas; Chicago,  
Illinois; and Los Angeles, California; grants consent for  
Manufacturers Hanover Trust Company to purchase and hold  
125,000 additional shares of Miami Edge; approved the amend-

- 1/ Application processed on behalf of the Board of Governors under delegated authority.
- 2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

ACTIONS OF THE BOARD-Continued

ment of Article First of the Articles of Association of Manufacturers Hanover International Banking Corporation, New York, New York, to change its name to Manufacturers Hanover International Finance Corporation and Articles First, Fourth, and Seventh, of Miami Edge's Articles of Association to change its name to Manufacturers Hanover International Banking Corporation, to change the location at which it can conduct business, and to increase its authorized shares to 285,000.

\* \* \* \* \*

Applications and Notifications for 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

---

Sixty Day Notification Period Allowed to Expire

Chicago Continental Illinois Corporation, Chicago, Illinois: no objection to an additional investment in its wholly-owned subsidiary, Continental Illinois (Canada) Ltd., Toronto, Ontario, Canada.

\* \* \* \* \*

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

Approved

Chicago Citizens Bancorp., Inc., Waukegan, Illinois, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Citizens National Bank of Waukegan, Waukegan, Illinois. 1/ & 2/

- 1/ Application processed on behalf of the Board of Governors under delegated authority.
- 2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

ACTIONS OF THE BOARD-Continued

- Chicago Danville Bancshares, Inc., Danville, Illinois, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Second National Bank of Danville, Danville, Illinois. 1/ & 2/
- Chicago First Security Bancorp., Inc., Moline, Illinois, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Moline National Bank, Moline, Illinois. 1/ & 2/
- Chicago Illinois State Bancorp, Inc., Chicago, Illinois, for approval to acquire 93.46 per cent of the voting shares of Illinois State Bank of Chicago, Chicago, Illinois. 1/ & 2/
- Chicago Streator Bancorp., Inc., Streator, Illinois, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The Streator National Bank, Streator, Illinois. 1/ & 2/
- Minneapolis Signal Hills Associates, Inc., West St. Paul, Minnesota, for approval to acquire 100 per cent of the voting shares of Signal Hills State Bank, West St. Paul, Minnesota. 1/ & 2/
- Kansas City ADCO Company, Brule, Nebraska, for approval to acquire 80 per cent or more of the voting shares of Bank of Brule, Brule, Nebraska. 1/ & 2/
- Kansas City First Guthrie Corp., Guthrie, Oklahoma, for approval to acquire 80 per cent or more of the voting shares of The First State Bank and Trust Company, Guthrie, Oklahoma. 1/ & 2/
- Kansas City Harper Associates Bancshares Limited, Bucklin, Missouri, for approval to acquire 85.54 per cent of the voting shares of Bucklin State Bank of Bucklin, Bucklin, Missouri. 1/ & 2/
- Kansas City Wilson Bancshares, Inc., Weston, Missouri, for approval to acquire 80 per cent or more of the voting shares of Bank of Weston, Weston, Missouri. 1/ & 2/

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

2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

ACTIONS OF THE BOARD-Continued

Dallas Mustang Financial Corporation, Rio Vista, Texas, for approval to acquire 80 per cent of the voting shares (less directors' qualifying shares) of First State Bank, Rio Vista, Texas. The section 4(c)(8) application for Mustang Financial Corporation, Rio Vista, Texas, for approval to acquire at least 80 per cent of the voting shares of Noland River Land Company, Rio Vista, Texas was mistakenly listed as Received on H.2 No. 17, 1980. 1/ & 2/

Dallas Seagraves Bancshares, Inc., Seagraves, Texas, for approval to acquire 80-100 per cent of the voting shares of The First State Bank in Seagraves, Seagraves, Texas. 1/ & 2/

Atlanta Commerce Bank Corporation, Denied  
Lake City, Florida, for approval to acquire 85 per cent or more of the voting shares of The First National Bank of Lake City, Lake City, Florida. 2/

\* \* \* \* \*

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

Kansas City Ameribanc, Inc., St. Joseph, Missouri, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of The First National Bank of Centralia, Centralia, Missouri. 2/

\* \* \* \* \*

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

Chicago Kanawha Investment Company, Withdrawn  
Kanawha, Iowa, for approval to continue to engage in general insurance agency activities through Kanawha Insurance Agency, Kanawha, Iowa.

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

2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

ACTIONS OF THE BOARD-ContinuedApproved

- Chicago Fabank, Inc., Fayette, Iowa, for approval to continue to engage in the sale as agent of general insurance and in the sale as agent of credit life, accident and health insurance in connection with extensions of credit by State Bank of Fayette, Fayette, Iowa. 1/
- Dallas First International Bancshares, Inc., Dallas, Texas, for approval to acquire substantially all the assets of Silner Factors, Inc., Beverly Hills, California, and engage in commercial factoring through its wholly owned subsidiary, First International Financial Corporation. 1/
- San Francisco Wells Fargo & Company, San Francisco, California, for approval to acquire through its subsidiary, Wells Fargo Mortgage Company, certain offices of Stanwell Mortgage, Concord, California and there by engage in the business of mortgage lending. 1/

Delayed

- San Francisco Commercial Security Bancorporation, Ogden, Utah, notification of intent to engage in de novo activities (to engage in lending activities) in Ogden, Utah (5/30/80) 3/

Reactivated

- New York Citicorp, New York, New York, notification of intent to engage in de novo activities (operating a finance company, including purchasing and servicing for its own account sales finance contracts; the extension of loans to dealers for the financing of inventory (floor planning) and working capital purposes; acting as agent for the sale of credit life and credit accident and health insurance directly related to its extensions of credit) at 4480 Refugee Road, Columbus, Ohio, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/21/80) 3/
- New York Citicorp, New York, New York, notification of intent to engage in de novo activities (operating a finance company, including purchasing and servicing for its own account sales finance contracts; acting as agent for the sale of credit life and credit casualty accident and health insurance directly related to its extensions of credit) at 8604 Allisonville Road, Indianapolis, Indiana, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/21/80) 3/

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

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

- Permitted
- New York Citicorp, New York, New York, notification of intent to engage in de novo activities (operating a finance company, including purchasing and servicing for its own account sales finance contracts; acting as agent for the sale of credit life and credit casualty accident and health insurance directly related to its extensions of credit) at 8604 Allisonville Road, Indianapolis, Indiana, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/22/80) 3/
- New York Citicorp, New York, New York, notification of intent to engage in de novo activities (operating a finance company, including purchasing and servicing for its own account sales finance contracts; the extension of loans to dealers for the financing of inventory (floor planning) and working capital purposes; acting as agent for the sale of credit life and credit accident and health insurance directly related to its extensions of credit) at 4480 Refugee Road, Columbus, Ohio, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/22/80) 3/
- New York Citicorp, New York, New York, notification of intent to engage in de novo activities (leasing personal or real property or acting as agent, broker or adviser in leasing such property and servicing such leases, subject to the qualifications of the Board's Regulation Y) at 3525 Silverside Road, Read Building, Concord Plaza, Wilmington, Delaware, through its subsidiaries, Citicorp Omni Lease, Inc. and Citicorp Global Lease, Inc. (5/31/80) 3/
- Cleveland Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (general consumer finance activities including acting as insurance agent with respect to the sale of credit life insurance, credit accident and health insurance) at Suite 202, 200 Whittington Parkway, Louisville, Kentucky, through a subsidiary, Freedom Financial Services Corporation (5/28/80) 3/
- Chicago Aplington Insurance, Inc., Aplington, Iowa, notification of intent to engage in de novo activities (to engage in general insurance activities in a town of of less than 5,000 population (5/27/80) 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

Chicago

St. Joseph Bank and Trust Company, South Bend, Indiana, South Bend, Indiana, notification of intent to engage in de novo activities (originating, acquiring, selling and servicing of residential, commercial and industrial loans) at 10044 East Washington Street, Indianapolis, Indiana, through its indirect subsidiary, St. Joseph Mortgage Co., Inc. (5/27/80)  
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 RECEIVEDTo Establish a Domestic Branch Pursuant to Section 9 of the Federal Reserve Act

- Philadelphia Girard Bank, Bala Cynwyd, Pennsylvania. To establish offsite electronic facilities at Shop N Bag, 1901 - 1935 Oregon Avenue, Philadelphia, Pennsylvania and Franklin Town, Smith Kline Building, Sixteenth and Race Streets, Philadelphia, Pennsylvania. 2/
- Richmond The Suburban Bank, Richmond, Virginia. Branch to be established at 209 West Franklin Street, Richmond, Virginia. 2/
- Richmond First Virginia Bank - Franklin County, Rocky Mount, Virginia. Branch to be established at the intersection of Floyd Avenue and Main Street, Rocky Mount, Franklin County, Virginia. 2/

\* \* \* \* \*

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

- Richmond The Peoples Bank of Chesterfield, Chesterfield, Virginia.

\* \* \* \* \*

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

- New York Chemical Bank International of San Francisco, San Francisco, California: consent to establish a branch in Los Angeles, California.

\* \* \* \* \*

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

- Cleveland Provident Bancorp, Inc., Cincinnati, Ohio, for approval to acquire 99.9 per cent of the voting shares of The Provident Bank, Cincinnati, Ohio. 2/

2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

APPLICATIONS RECEIVED-Continued

- Atlanta First South Bankcorp, Columbus, Georgia, for approval to acquire 90 per cent or more of the voting shares the successor by merger to of The First National Bank of Columbus, Columbus, Georgia. 2/
- Atlanta Progressive Bancshares Corporation, Houma, Louisiana, for approval to acquire 80 per cent or more of the voting shares of Progressive Bank and Trust Company, Houma, Louisiana. 2/
- Minneapolis Roberts Bancorporation, Inc., Roberts, Wisconsin, for approval to acquire 91.5 per cent of the voting shares of State Bank of Roberts, Roberts, Wisconsin. 2/
- Kansas City Fremont Bancshares, Inc., Lincoln, Nebraska, for approval to directly acquire 55 per cent of the voting shares of Commerce Group National Fremont, Inc., Lincoln, Nebraska and indirectly First National Bank & Trust Company of Fremont, Fremont, Nebraska. 2/
- Kansas City Fremont State Bancshares, Inc., Lincoln, Nebraska, for approval to directly acquire 54 per cent of the voting shares of Commerce Group State Fremont, Inc., Lincoln, Nebraska and indirectly First State Bank, Fremont, Nebraska. 2/
- Kansas City Lincoln East Bancshares, Inc., Lincoln, Nebraska, for approval to directly acquire 72 per cent of the voting shares of Commerce Group Lincoln East, Inc., Lincoln, Nebraska and indirectly Lincoln Bank East, Lincoln, Nebraska. 2/
- Dallas Extra Co., Temple, Texas, for approval to acquire 80.5 per cent of the voting shares of First National Bank of Temple, Temple, Texas. 2/
- Dallas Van Bancshares, Inc., Van, Texas, for approval to acquire 80-100 per cent of the voting shares (less directors' qualifying shares) of First State Bank, Van, Texas. 2/
- San Francisco First Commercial Bancorp, Sacramento, California, for approval to acquire 100 per cent of the voting shares of First Commercial Bank, Sacramento, California. 2/

2/ Application subject to Community Reinvestment Act. The Community Reinvestment Officer of the applicable Reserve Bank may be contacted as to the length of the comment period.

APPLICATIONS RECEIVED-ContinuedTo Expand a Bank Holding Company Pursuant to Section 3(a)(3) of the Bank Holding Company Act of 1956

- New York Key Banks Inc., Albany, New York, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The National Bank of Northern New York, Watertown, New York. 2/
- Atlanta Flagship Banks, Inc., Miami, Florida, for approval to acquire 90 per cent or more of the voting shares of Florida Bancshares, Inc., Hollywood, Florida. 2/
- Kansas City Midland Financial Corporation, Casper, Wyoming, for approval to acquire 100 per cent of the voting shares of Mountain Plaza National Bank, Casper, Wyoming, a proposed new bank. 2/
- Kansas City National Western Bancorporation, Loveland, Colorado, for approval to acquire at least 82 per cent of the voting shares of Commerce Bank, Fort Collins, Colorado, a proposed new bank. 2/

\* \* \* \* \*

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

- New York Citicorp, New York, New York, notification of intent to relocate de novo activities (making or acquiring loans and other extensions of credit, secured or unsecured, for consumer and other purposes; the extension of loans to dealers for the financing of inventory (floor planning); purchasing and servicing for its own account sales finance contracts; acting as agent for the sale of credit life and credit accident and health insurance directly related to extensions of credit; credit related life, accident, and health insurance may be underwritten by Family Guardian Life Insurance Company, an affiliate) from 675 West Garden Street, Pensacola, Florida to 5514 North Davis Highway, Pensacola, Florida, through its subsidiary, Citicorp Person-to-Person Financial Center of Florida, Inc. (5/29/80) 3/
- New York Citicorp, New York, New York, notification of intent to relocate de novo activities (making or acquiring loans and other extensions of credit, secured or unsecured, for consumer and other purposes; and acting as agent for the sale of credit

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

life and credit accident and health insurance directly related to extensions of credit; credit related life, accident, and health insurance may be underwritten by Family Guardian Life Insurance Company, an affiliate) from 675 West Garden Street, Pensacola, Florida to 5514 North Davis Highway, Pensacola, Florida, through its subsidiary, Citicorp Person-to-Person Financial Center, Inc. (5/29/80) 3/

Philadelphia The Girard Company, Bala Cynwyd, Pennsylvania, for approval to acquire 100 per cent of the voting shares of Giraco Life Insurance Company, Phoenix, Arizona.

Atlanta Barnett Banks of Florida, Inc., Jacksonville, Florida, notification of intent to engage in de novo activities (to engage in check verification services) in Charlotte, North Carolina, throughout the State of North and South Carolina, through its subsidiary, Verifications, Inc. (5/30/80) 3/

Kansas City Brainard Agency Company, Brainard, Nebraska, for approval to retain general insurance agency activities in a town of less than 5,000 population.

Kansas City Monroe Agency, Inc., Monroe, Nebraska, for approval to retain general insurance activities in a town of less than 5,000 population.

San Francisco BankAmerica Corporation, San Francisco, California, notification of intent to expand the geographic area of an existing office to include the States of Virginia and West Virginia (to engage in lending, loan servicing, and credit related insurance activities) at Delco Plaza Shopping Center, Route 50 and 522 East, Winchester, Virginia, through its subsidiaries, FinanceAmerica Corporation and FinanceAmerica Mortgage Services Company (Virginia Corporations) (5/27/80) 3/

\* \* \* \* \*

REPORTS RECEIVED

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

The Schenectady Trust Company, Schenectady, New York.

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

H.2, 1980 No. 22

- 15 -

APPLICATIONS RECEIVED-Continued

PETITIONS FOR RULEMAKING

None.