

ANNOUNCEMENT BY  
BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
(H.2, 1980 No. 47)

Actions of the Board; Applications and Reports

Received During the Week Ending November 22, 1980

APPLICABLE  
RESERVE BANK

ACTIONS OF THE BOARD

Statement by Chairman Paul A. Volcker before the Subcommittee on Domestic Monetary Policy of the House Banking Committee, commenting on the events of the past year in the area of monetary policy and to outline some of the key problems in the future.

Statement by Governor Lyle E. Gramley before the Senate Banking Committee on Amendment No. 1586 to the A. Philip Randolph Institute Bill (H.R. 5625) to prohibit banking organizations from acquiring a savings bank, a savings and loan association, or a savings and loan holding company except where necessary to prevent insolvency or restore solvency.

The Board announced adoption of a Systemwide program to improve the quality of the nation's currency through the use of high speed electronic currency examination equipment.

Reinstatement of the Pricing Policy Committee and Pricing Task Force to deal with major issues of service and pricing policy prior to and during the early phases of the Federal Reserve System's new fee schedule for service.

Letter in response to a divestiture proposal by Wilshire Oil Company of Texas, Jersey City, New Jersey.

The Board announced the promotion of Mr. Donald J. Winn, as an Assistant to the Board for Congressional Liaison.

ACTIONS OF THE BOARD-Continued

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

	<u>Approved</u>
Dallas	Mimbres Valley Bank, Deming, New Mexico. Branch to be established at 1000 South Ruby Avenue, Deming, New Mexico. <u>1/</u> & <u>2/</u>
San Francisco	United California Bank, Los Angeles, California. Branch to be established in the vicinity of the intersection or highway 111 and Country Club Drive, Rancho Mirag1, Riverside County, California. <u>1/</u> & <u>2/</u>

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Issued Intent Not to Disapprove change of Control  
Pursuant to Change in Bank Control Act of 1978

St. Louis	Peoples of Indianola, Inc., Indianola, Mississippi. <u>1/</u>
St. Louis	First National Holding Corporation of O'Fallon, O'Fallon, Illinois. <u>1/</u>
Kansas City	Russell State Bancshares, Inc., Russell, Kansas. <u>1/</u>

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

	<u>Approved</u>
Kansas City	Citizens Bank, Littleton, Colorado. <u>1/</u> & <u>2/</u>

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- 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

Applications and Notifications for International Investments and Other Actions Pursuant to Section 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

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Chicago	<p style="text-align: center;"><u>Approved</u></p> <p>The First National Bank of Chicago, Chicago, Illinois: grants consent for First Chicago International Finance Corporation to amend Article ELEVENTH of its Articles of Association</p>
New York	<p>Citibank, N.A., New York, New York: No objection to establish a branch in Istanbul, Turkey</p>

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

Chicago	<p style="text-align: center;"><u>Withdrawn</u></p> <p>Williamsburg Holding Company, Omaha, Nebraska for approval to acquire 90 percent or more of the voting shares of Security Savings Bank, Williamsburg, Iowa</p>
Atlanta	<p style="text-align: center;"><u>Approved</u></p> <p>B.P.C. Corporation, Cookeville, Tennessee for approval to acquire at least 80 percent of the voting shares of Bank of Putnam County, Cookeville, Tennessee <u>1/</u> &amp; <u>2/</u></p>
Atlanta	<p>DeSota Banking Corporaion, Arcadia, Florida, for approval to acquire at least 100 percent of the voting shares of The First State Bank of Arcadia, Arcadia, Florida <u>1/</u> &amp; <u>2/</u></p>
Atlanta	<p>Peoples Equity Shares, Inc., Carrolllton, Georgia, for approval to acquire at least 90 percent of the voting shares of The Peoples Bank, Carrolllton, Georgia <u>1/</u> &amp; <u>2/</u></p>
Chicago	<p>Antioch Holding Company, Antioch, Illinois, for approval to acquire 80 percent of the voting shares of State Bank of Antioch, Antioch, Illinois <u>1/</u> &amp; <u>2/</u></p>

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- 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 Mahaska Investment Company, Oskaloosa, Iowa, for approval to acquire 80 percent of the voting shares of The First National Bank of Sumner, Sumner, Iowa. 1/ & 2/

Chicago Rockford Bancorp Inc., Rockford, Illinois, for approval to acquire 97.7 percent of the voting shares of The Illinois National Bank & Trust Company of Rockford, Rockford, Illinois. 1/ & 2/

Kansas City Covington First State Bancshares, Inc., Covington, Oklahoma, for prior approval to acquire 100 percent (less directors' qualifying shares) of the voting shares of First State Bank, Covington, Oklahoma. 1/ & 2/

Kansas City Derby Bancshares, Inc., Derby, Kansas, for approval to acquire 96 percent of the voting shares of First National Bank of Derby, Derby, Kansas. 1/ & 2/

Dallas East Texas Bancorporation, Inc., Palestine, Texas, for approval to acquire at least 80 percent of the voting shares of The East Texas National Bank of Palestine, Palestine, Texas. 1/ & 2/

Dallas F.N.B. Stinnett BancShares, Inc., Stinnett, Texas, for approval to acquire at least 80 percent of the voting shares of First National Bank of Stinnett, Stinnett, Texas 1/ & 2/

Dallas Harris County Bankshares, Inc., Houston, Texas, for approval to acquire at least 80 percent of the voting shares of Bank of Harris County, National Association, Aldine, (P.O. Houston), Texas 1/ & 2/

Dallas Zavala Bankshares, Incorporated, Crystal City, Texas, for approval to acquire 97.25 percent of the voting shares of Zavala County Bank, Crystal City, Texas. 1/ & 2/

San Francisco Enterprise Bancorp, Oakland, California, for approval to acquire at least 100 percent of the voting shares of First Enterprise Bank, Oakland, California. 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-ContinuedTo Expand a Bank Holding Company Pursuant to Section 3(a)(3) of the Bank Holding Company Act of 1956Approved

- Chicago Marshall & Ilsley Corporation, Milwaukee, Wisconsin, for approval to acquire Affiliated Bank Corporation, Madison, Wisconsin and indirectly acquire 90 percent or more of the voting shares of Affiliated Bank of Madison, Madison, Wisconsin; Affiliated Bank of Hilldale, Madison, Wisconsin; Affiliated Bank of Jamestown, Fitchburg Township, (P.O. Madison) Wisconsin; Affiliated Bank of Middleton, Middleton, Wisconsin and Affiliated Bank of Cambridge, Cambridge, Wisconsin. 1/ & 2/
- Minneapolis Northstar Bancorporation, Inc., Wayzata, Minnesota, for approval to acquire 98.9 percent of the voting shares of Minnetonka State Bank, Excelsior, Minnesota. 1/ & 2/
- Kansas City Wood & Huston Bancorporation, Inc., Marshall, Missouri, for approval to to acquire 100 percent of the voting shares of South East Missouri Bank, Cape Girardeau, Missouri, a proposed new bank. 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 1956Approved

- New York The Chase Manhattan Corporation, New York, New York, for approval to engage de novo in the issuance and sale of travelers checks.
- Atlanta Peoples Equity Shares, Inc., Carrollton, Georgia, for approval to engage de novo in the leasing of equipment to corporations and individuals through Peoples Equity Leasing Company, Inc., Carrollton, Georgia. 1/
- Chicago Baxter Insurance Agency, Inc., Baxter, Iowa, for approval to continue to engage in insurance activities in a community that has a population not exceeding 5,000. 1/
- Chicago Mahaska Investment Company, Oskaloosa, Iowa, for approval to continue leasing a bank building to a bank and continue leasing personal property to businesses, farm operators and individuals through wholly-owned subsidiary, MIC Leasing Co., Oskaloosa, Iowa. 1/

- 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 Marshall and Ilsley Corporation, Milwaukee, Wisconsin, for approval to acquire 100 percent of the voting shares of Affiliated Leasing Corp., Madison, Wisconsin.

Chicago Nebo Corporation, Pisgah, Iowa, for approval to continue to engage directly as agent in the sale of general insurance in a town with a population of less than 5,000. 1/

Minneapolis Commercial State Bancshares, Inc., Two Harbors, Minnesota, for approval to continue to engage in general insurance agency activities in a town with a population of less than 5,000. 1/

Kansas City Oliver Jensen Agency, Inc., Ravenna, Nebraska, for approval to continue to engage in general insurance agency activities in a community of less than 5,000 population. 1/

Delayed

Kansas City C.S.B. Co., Cozad, Nebraska, notification of intent to engage in de novo activities (to engage in all types of insurance including, but not limited to: life, auto, fire, marine and allied lines, hail insurance, fidelity bonds, health and accident insurance, etc.) at 920 Meridian, Cozad, Nebraska, through its subsidiary, C.S.B. Insurance Agency (11/21/80) 3/

Reactivated

Kansas City United Missouri Bancshares, Inc., Kansas City, Missouri, notification of intent to engage in de novo activities (to engage in mortgage banking activities) to be located on the premises of United Missouri Bank of Ferguson, Ferguson, Missouri, through its subsidiary, United Missouri Mortgage Company (11/17/80) 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

- Kansas City      Farmers Enterprises, Inc., Albert, Kansas, notification of intent to engage in de novo activities (to engage in personal and real property leasing activities) at an office in Albert, Kansas (11/21/80) 3/
- Kansas City      United Missouri Bancshares, Inc., Kansas City, Missouri, notification of intent to engage in de novo activities (to engage in mortgage banking activities) to be located on the premises of United Missouri Bank of Ferguson, Ferguson, Missouri, through its subsidiary, United Missouri Mortgage Company (11/17/80) 3/
- San Francisco      Wells Fargo & Company, San Francisco, California, notification of intent to engage in de novo activities (to engage in acting as agent for credit property and casualty insurance and associated liability insurance related to WFCC's extensions of credit to the extent permissible under applicable State insurance laws or regulations) these activities would be conducted from offices in Phoenix and Tucson, Arizona, through its subsidiary, Wells Fargo Credit Corporation, (11/17/80) 3/

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

Atlanta	Marion Bancshares, Inc., Jasper, Tennessee, for approval to acquire at least 80 percent of the voting shares of Marion Trust and Banking Company, Jasper, Tennessee. <u>2/</u>
Atlanta	South Georgia Bankshares Corp., Lyons, Georgia, for approval to acquire at least 80 percent of the voting shares of The Peoples Bank of Lyons, Lyons, Georgia. <u>2/</u>
Chicago	PTD Bancorp., Inc., Potosi, Wisconsin, for approval to acquire to acquire 80 percent of the voting shares of Potosi State Bank, Potosi, Wisconsin. <u>2/</u>
St. Louis	Firstsub, Inc., St. Louis, Missouri for approval to acquire 84.2 percent of the voting shares of Columbia Union National Bank and Trust Company, Kansas City, Missouri. <u>2/</u>
St. Louis	Planters Holding Company, Indianola, Mississippi, for approval to acquire at least 80 percent of the voting shares of Planters Bank & Trust Company, Ruleville, Mississippi. <u>2/</u>
Minneapolis	Dakota County Bancshares, Inc., Mendota Heights, Minnesota for approval to acquire 100 percent of the voting shares of Dakota County State Bank, Mendota Heights, Minnesota. <u>2/</u>
Minneapolis	FINANCIAL BANCSHARES COMPANY, Becker, Minnesota, for approval to acquire at least 93.3 percent of the voting shares of Santiago State Bank, Santiago, Minnesota. <u>2/</u>
Minneapolis	Middle River Bancshares, Inc., Middle River, Minnesota, for approval to acquire 94.11 percent of the voting shares of the First National Bank, Middle River, Minnesota. <u>2/</u>
Minneapolis	New Salem Bancorporation, Inc., New Salem, North Dakota, for approval to acquire 88.3 percent of the voting shares the Security State Bank of New Salem, New Salem, North Dakota. <u>2/</u>
Minneapolis	Security State Holding Company, Lindstrom, Minnesota, for approval to acquire 96 percent of the voting shares of Security State Bank of Lindstrom, Lindstrom, Minnesota. <u>2/</u>

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

Kansas City      Galena Bancshares Inc., Galena, Kansas, for approval to acquire 100 percent of the voting shares of Citizens State Bank in Galena, Galena, Kansas. 2/

Dallas            Childress Bancshares, Inc., Childress, Texas, for approval to acquire at least 80 percent of the voting shares of The First National Bank in Childress, Childress, Texas. 2/

Dallas            Jersey Village Bancshares, Inc., Houston, Texas, for approval to acquire 100 percent (Less Directors Qualifying Shares) of the voting shares of Jersey Village Bank, Jersey Village, (P.O.Houston) Texas. 2/

Dallas            Northern Bancshares, Inc., Chillicothe, Texas for approval to acquire at least 80 percent of the voting shares of The First National Bank of Chillicothe, Chillicothe, Texas. 2/

Dallas            Union Bancshares, Incorporated, San Antonio, Texas, for approval to acquire at least 80 percent of the voting shares of Union State Bank, San Antonio, Texas. 2/

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

Chicago           First Southeast Banking Corp., Darien, Wisconsin, for approval to acquire 87.75 percent of the voting shares of First Bank Southeast N.A., Kenosha, Wisconsin. 2/

Chicago           First Southeast Banking Corp., Darien, Wisconsin for approval to acquire 88.05 percent of the voting shares of First Bank Southeast of Lake Geneva, N.A., Lake Geneva, Wisconsin. 2/

Chicago           First Southeast Banking Corp., Darien, Wisconsin, for approval to acquire 88.75 percent of the voting shares of First Bank Southeast of Silver Lake, Silver Lake, Wisconsin. 2/

Chicago           First Southeast Banking Corp., Darien, Wisconsin, for approval to acquire 88.75 percent of the voting shares of First Bank Southeast of Twin Lakes, Twin Lakes, Wisconsin. 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

Chicago First Southeast Banking Corp., Darien, Wisconsin, for approval to acquire 80 percent of the voting shares of First Bank Southeast of West Kenosha, Kenosha, Wisconsin. 2/

St. Louis First Union Bancorporation, St. Louis, Missouri, for approval to acquire 84.2 percent of the voting shares of Columbia Union National Bank and Trust Company, Kansas City, Missouri. 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

Boston First National Boston Corporation, Boston, Massachusetts, notification of intent to engage in de novo activities (in data processing services activities for the internal operations of Baltimore Federal Savings and Loan association) at an office to be located at Fayette and St. Paul Streets, Baltimore, Maryland, through its indirect subsidiary, First of Boston Computeristics, Inc.(11/20/80) 3/

Boston Industrial National Corporation, Providence Rhode Island, notification of intent to engage in de novo activities (acting as insurance agent for the sale of credit property insurance offered in connection with extensions of credit) at Highway 41 South, John Acuff Professional Building, Jasper, Tennessee, through its indirect subsidiary, Southern Discount Company of Tennessee (11/21/80) 3/

Boston Old Stone Corporation, Providence, Rhode Island, notification of intent to engage in de novo activities (the origination, sale and servicing of first and second mortgage loans and the sale of credit life and credit health and accident insurance offered in connection with extensions of credit) at an office located at Suite 227, 10999 Reed Hartman Highway, Cincinnati, Ohio, through its indirect subsidiary UniMortgage Corporation of Ohio (11/20/80) 3/

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

- New York Chemical New York Corporation, New York, New York, notification of intent to engage in de novo activities (in activities that may be carried on by an investment advisor, including offering portfolio investment advice to individuals, corporations, governmental entities and other institutions on both a discretionary and non-discretionary basis) at 215 Madison, Tampa, Florida, through its subsidiary, ICM of the South, Inc., (11/21/80) 3/
- New York JCT Trust Company Limited, Tel Aviv, Israel  
 Otzar Hityashvuth Hayedudim B.M., Tel Aviv, Israel  
 Bank Leumi le-Israel B.M., Tel Aviv, Israel  
 for approval to continue to engage in making, acquiring and servicing commercial loans and other extensions of credit secured by a borrower's inventory, accounts receivable, or other assets, indirectly through their subsidiary, Leumi Financial Corporation
- Philadelphia Heritage Bancorporation, Cherry Hill, New Jersey, notification of intent to engage in de novo activities (making or acquiring for its own account or for the account of others, loans secured by mortgages on commercial or residential property, construction projects or vacant land; servicing of mortgage loans which will include FHA, VA and commercial loans; and acting as sales agent for credit life insurance and credit accident and health insurance on mortgage loans originated or serviced by the company) at Suite 103, 1675 Palm Beach Lake Boulevard, West Palm Beach, Florida, through its subsidiary, Heritage Mortgage Finance Company (11/19/80) 3/
- Cleveland Mellon National Corporation, Pittsburgh, Pennsylvania, notification of intent to engage in de novo activities (leasing of real or personal property or acting as agent, broker, or advisor in the leasing of such property, in addition the company will make or acquire for its own account, or the account of others, loan or other extensions of credit to be secured by real or personal property. This lending activity will include, but would not be limited to, financing real or personal property through conditional sales agreements; finally, the company will service leases on real or personal property and loans secured by real or personal property for its own account or the account of others) at 3629 Mellon Bank Building, Pittsburgh, Pennsylvania, through its subsidiary, Mellon Leasing and Management Company. (11/7/80) 3/

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

APPLICATIONS RECEIVED-Continued

- Atlanta Levy County Bancorporation, Chiefland, Florida, notification of intent to engage in de novo activities (to act as agent or broker for the sale of credit life, credit accident and health insurance directly related to extensions of credit by its subsidiary bank or branches, act as agent or broker in the sale of any insurance for the holding company and its subsidiary bank or branches and to act as agent or broker in the sale of any insurance sold in a community that has a population not exceeding 5,000) at offices located in Chiefland, Inglis and Bronson, Florida (11/18/80) 3/
- Atlanta Southwest Florida Banks, Inc., Fort Myers, Florida, notification of intent to engage in de novo activities (to originate residential real estate mortgage loans and hold the loans until sale in the secondary market) at an office located in Fort Myers, Florida, through a subsidiary, Southwest Mortgage Services, Inc. (11/17/80) 3/
- Chicago Harris Bankcorp, Inc., Chicago, Illinois, notification of intent to engage in de novo activities (making or acquiring for its own account first mortgage residential real estate loans, secured and unsecured installment loans and other extensions of credit (including through acceptance of drafts), primarily to individuals, and selling participating in (but not acting as underwriter, agent or broker with respect thereto) group mortgage and credit life and group mortgage and credit health and accident insurance coverage directly relating to such loans and other extensions of credit.) at 425 Stratford Square, Bloomingdale, Illinois, through a wholly owned subsidiary known as Harriscorp Finance, Inc. (11/12/80) 3/
- Minneapolis FINANCIAL BANCSHARES COMPANY, Becker, Minnesota, continue to engage in the sale of general insurance in communities with population not exceeding 5,000
- Minneapolis NORTHWEST INVESTMENT COMPANY OF CLOQUET, INC., Cloquet, Minnesota, for approval to continue to engage in equipment leasing activities

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

APPLICATIONS RECEIVED-Continued

Dallas            Mercantile Texas Corporation, Dallas, Texas, notification of intent to engage in de novo activities (to engage in the activity of acting as a managing agent pursuant to Texas law) through a subsidiary, John Rathmall & Company, Inc., Dallas (11/14/80) 3/

San            Old National Bancorporation, Spokane, Washington,  
Francisco      to engage, through its subsidiary, Old National Financial Services, Inc. (in 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 the making of loans to small businesses and in acting as an insurance agent or broker for the purpose of selling credit life and credit accident and health insurance in connection with extensions of credit by Old National Financial Services, Inc., and acting as an agent or broker for the purpose of selling property and casualty insurance on personal property subject to security interests held by Old National Financial Services, Inc., and to engage, through its subsidiary, Union Securities Co., in acting as an insurance agent or broker for the purpose of selling credit life and credit accident and health insurance in connection with extensions of credit by Old National Financial Services, Inc., and acting as an agent or broker for the purpose of selling property and casualty insurance on personal property subject to security interests held by Old National Financial Services, Inc.) from an office in Seattle, Washington, serving the State of Washington (11/17/80) 3/

San            Seafirst Corporation, Seattle, Washington, notification of  
Francisco      intent to engage in de novo activities (making and acquiring loans and other extensions of credit secured by real estate mortgages and deeds of trust; and acting as agent for the sale of credit life and accident and health insurance directly related to its extensions of credit) at 3305 Spring Mountain, Suite 20, Las Vegas, Nevada, through its Sutter Trust Company Division (11/17/80) 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 RECEIVED-Continued

REPORTS RECEIVED

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

The Maplewood Bank and Trust Company, Maplewood, New Jersey

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PETITIONS FOR RULEMAKING

None.