

ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

H.2, 1986 No. 1

Action of the Board
Applications and Reports Received
During the Week Ending January 4, 1986

**APPLICABLE
RESERVE BANK**

ACTIONS OF THE BOARD

Proposed amendments to Regulation Q (Interest on Deposits) that would redefine the categories of deposit and would also have the effect of eliminating the \$150,000 limit on business savings accounts as well as the sections of Regulation Q defining time and savings deposits, governing withdrawals from such deposits, setting early withdrawal penalties, and establishing account characteristics and interest rate ceilings (Docket R-0566).

Comment requested by March 6, 1986, for revisions to Regulation Q governing the advertising of interest on deposits by member banks (Docket R-0514).

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| Secretary | Extension until February 3, 1986, of the period for comment on proposals published in November 1985 concerning Federal Reserve float (Docket R-0558). |
| Boston | Pelham Bank and Trust Company, Pelham, New Hampshire, proposed merger with Pelwinal Bank and Trust Company -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/ |
| Boston | HNC Trust Company, Boston, Massachusetts, proposed merger with Provident Institution For Savings -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/ |
| New York | First Fidelity Savings Bank, Morristown, New Jersey, proposed merger with the Morris County Savings Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/ |

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

ACTIONS OF THE BOARD - Continued

- New York Community National Bank, Addison, New York, proposed merger with Community Bank. National Association -- report to the Comptroller of the Currency on competitive factors. 1/
- New York Rock Financial Corporation, North Plainfield, New Jersey -- extension of time to January 13, 1986, within which to become a bank holding company through the acquisition of North Plainfield State Bank, North Plainfield, New Jersey. 1/
- Philadelphia Hamburg Savings and Trust Company, Hamburg, Pennsylvania, proposed merger with Interim Hamburg Savings and Trust Company, under the charter and title of the former -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Philadelphia Community National Bank, Shamokin, Pennsylvania, proposed merger with Interim Community National Bank, under the charter of the latter and with the title of the former -- report to the Comptroller of the Currency on competitive factors. 1/
- Cleveland F.N.B. Corporation, Hermitage, Pennsylvania -- extension of time to March 31, 1986 in which to acquire The Metropolitan Savings Bank of Youngstown, Youngstown, Ohio. 1/
- Cleveland Mellon Bank Corporation and Mellon Bank, N.A., Pittsburgh, Pennsylvania -- extension of time within which to divest convertible preferred stock and common stock of a company. 1/
- Chicago FBO National Bank, Oglesby, Illinois, proposed merger with First National Bank of Oglesby -- under the charter of the former and the title of the latter -- report to the Comptroller of the Currency on competitive factors. 1/
- Chicago Farmers State Savings Bank, Independence, Iowa, proposed merger to acquire the assets and assume the liability to pay deposits of the Fairbank State Bank, under the charter and title of the Farmers State Savings Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/

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

ACTIONS OF THE BOARD - Continued

- Chicago Adrian State Bank, Adrian, Michigan, proposed merger with ASB State Bank, under the charter and title of the letter -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Chicago Memorial Acquisition Bank, Sheboygan, Wisconsin, proposed merger with Memorial Drive Bank, under the charter of Memorial Acquisition Bank and title of Associated Sheboygan Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Chicago HCB Financial Corp., Hastings, Michigan -- extension of time to March 24, 1986, within which to become a bank holding company through the acquisition of 100 percent of the voting shares of The Hastings City Bank. 1/
- St. Louis Charleston National Bank, Charleston, Illinois, proposed merger with Ashmore State Bank, Ashmore, Illinois -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Dallas RepublicBank Corporation, Dallas, Texas -- extension of time to March 31, 1986, within which to acquire RepublicBank Delaware, Newark, Delaware. 1/
- San Francisco Brierley Investments Limited, Wellington, New Zealand; Citizens & Graziers Live Assurance Co., Limited, Sydney, Australia; Industrial Equity Limited, Sydney, Australia; Shanghai Electric Company Limited, Hong Kong; and Industrial Equity (Pacific) Limited, Hong Kong -- extension of time to February 3, 1986, within which to increase ownership of Central Pacific Corporation, Bakersfield, California, which owns American National Bank, Bakersfield, California. 1/

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**TO ESTABLISH A DOMESTIC BRANCH
PURSUANT TO
SECTION 9 OF THE FEDERAL RESERVE ACT**

Approved

New York Chemical Bank, New York, New York -- to

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

ACTIONS OF THE BOARD - Continued

establish a branch at 17 Battery Place, New York, New York. 1/ (12/23/85)

New York

Peapack-Gladstone Bank, Gladstone, New Jersey -- establish a branch office at the "Victorian Square" Shopping Center, Calfon, New Jersey. 1/ (12/23/85)

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TO BECOME A MEMBER OF THE FEDERAL RESERVE SYSTEM PURSUANT TO SECTION 9 OF THE FEDERAL RESERVE ACT

Approved

Kansas City

Arvada 1st Industrial Bank, Arvada, Colorado, Longmont 1st Industrial Bank, Longmont, Colorado, and Littleton 1st Industrial Bank, Littleton, Colorado. (12/31/85)

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ISSUED INTENT NOT TO DISAPPROVE CHANGE OF CONTROL PURSUANT TO CHANGE IN BANK CONTROL ACT OF 1978

Approved

Minneapolis

United Bancorporation, Baker, Montana. (12/31/85)

Kansas City

First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma. (12/31/85)

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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), 4(c)(13) and 4(c)(14) of the Bank Holding Company Act of 1956, as amended

Approved

Sixty-Day Notification Period Allowed to Expire

Minneapolis

Hill Samuel Group PLC, London, England -- no objection to acquire 100 percent of the shares of Investment Advisers, Inc., Minneapolis, Minnesota, a company that

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

ACTIONS OF THE BOARD - Continued

- for approval to acquire 100 percent of the voting shares of the successor by merger to Valley National Bank of Aurora, Aurora, Illinois. 1/ (12/30/85)
- Kansas City Fairlawn Plaza Investments, Inc., Topeka, Kansas -- for approval to acquire 80.274 percent of the voting shares of Fairlawn Plaza State Bank, Topeka, Kansas. 1/ (12/30/85)
- Dallas Alice Financial Corporation, Alice, Texas -- for approval to acquire 100 percent of the voting shares of First National Bank, Alice, Texas. 1/ (12/30/85)
- Dallas Lamar Bancorporation, Inc., Paris, Texas -- for approval to acquire 80 percent of the voting shares of Lamar National Bank, Paris, Texas. 1/ (12/30/85)

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

Returned

- Philadelphia Central Wisconsin Bankshares, Inc., Wausau, Wisconsin -- for approval to acquire 80 percent of the voting shares of Valley View Bank, LaCrosse, Wisconsin. (12/31/85)
- Kansas City American National Kimball Corp., Kimball, Nebraska -- for approval to acquire 100 percent of the voting shares of Sidney National Corporation, Sidney, Nebraska and indirectly Sidney National Bank, Sidney, Nebraska. (1/2/86)
- Dallas Woodville Bancshares, Inc., Waco, Texas -- for approval to acquire 99.75 percent of the voting shares of The First State Bank, Colmesneil, Texas. (1/13/86)

Approved

- Boston Green Mountain Financial Services Corporation, Wilmington, Delaware -- for approval to acquire an additional 20.83

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

ACTIONS OF THE BOARD - Continued

percent of the voting shares of The Green Mountain Bank, Winhall Township, Vermont. 1/ (12/31/85)

Chicago American Fletcher Corporation, Indianapolis, Indiana -- for approval to acquire 100 percent of the voting shares of the successor by merger to First American National Bancorp, Plainfield, Indiana, and indirectly First American National Bank, Plainfield, Indiana. 1/ (12/31/85)

Chicago North Community Bancorp, Inc., Chicago, Illinois -- for approval to acquire 77 percent of the voting shares of Metropolitan Bancorp, Inc., Chicago, Illinois, and indirectly Metropolitan Bank and Trust Company, Chicago, Illinois. 1/ (12/30/85)

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**To Expand a Bank Holding Company Pursuant to
Section 3(a)(5) of the Bank Holding
Company Act of 1956**

Approved

Kansas City American Bancorporation, Inc., Sapulpa, Oklahoma -- for approval to merge with Beggs Bancshares, Inc., Beggs, Oklahoma, and indirectly acquire The Bank of Beggs, Beggs, Oklahoma. 1/ (1/3/86)

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

Withdrawn

Atlanta Quality Financial Services Corporation, Alexandria, Tennessee -- for approval to acquire George W. Corley and Son Insurance Agency, Alexandria, Tennessee, and thereby engage in general insurance agency activities in a place with a population not exceeding 5,000, 1/ (1/3/86)

Returned

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

ACTIONS OF THE BOARD - Continued

Chicago Southern Michigan Bancorp, Inc., Coldwater, Michigan -- to establish a de novo wholly-owned subsidiary, Real Estate Abstract Services, Coldwater, Michigan, and thereby acquire all of the abstract services assets of Branch County Abstract Office, Inc., for the purpose of engaging directly in the rendering of abstract services. (1/2/86)

Approved

New York Manufacturers Hanover Corporation, New York, New York -- to engage de novo in securities brokerage activities through its subsidiary Manufacturers Hanover Securities Corporation, New York, New York. 1/(1/2/86)

New York Marine Midland Banks, Inc., Buffalo, New York and its parent bank holding companies, The Hongkong and Shanghai Banking Corporation, Hong Kong, B.C.C., Kellett, N.V., Curacao, Netherlands Antilles and HSBC Holdings B.V., Amsterdam, The Netherlands -- for approval to acquire through their wholly-owned subsidiary, Marine Midland Business Loans, Inc., substantially all of the commercial finance receivables of Commercial Credit Business Loans, Inc., Los Angeles, California, Commercial Credit Business Loans, Inc., Baltimore, Maryland and Commercial Credit Business Services, Inc., New York, New York. 1/ (12/31/85)

Minneapolis First Bank System, Inc., Minneapolis, Minnesota -- to acquire 100 percent of W.W. Wallwork, Inc., Fargo, North Dakota; Wallwork Lease and Rental Company, Inc., Fargo, North Dakota; TEC Leasing, Inc., Casper, Wyoming; and Northwest Leasing Corporation, Fargo, North Dakota. 1/ (12-30-85)

Delayed

Atlanta Deposit Guaranty Corp., Jackson, Mississippi -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through its subsidiary D.G. Investments, Inc., Jackson, Mississippi. These services will be provided throughout the United States unless otherwise limited by law. (1/3/86)

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

ACTIONS OF THE BOARD - Continued

Permitted

- Boston Shawmut Corporation, Boston, Massachusetts -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through a new subsidiary, Shawmut Brokerage Services, Inc., Boston, Massachusetts. The activity would be conducted nationwide. 3/ (1/2/86)
- Atlanta Prattville Financial Services Corporation, Prattville, Alabama -- to engage de novo (making, acquiring, and/or servicing loans for itself or for others of the type made by a mortgage company; consumer finance company; commercial finance company; factor) through its subsidiary, Prattville Mortgage Company, Prattville, Alabama. The geographic area to be served will be the State of Alabama. 3/ (1/2/86)
- Atlanta Prattville Financial Services Corporation, Prattville, Alabama -- to engage de novo (making, acquiring and/or servicing loans for itself or for others of the type made by a mortgage company; consumer finance company; commercial finance company; factor) through its subsidiary, Key Finance Company of Prattville, Inc., Prattville, Alabama. The geographic area to be served will be the State of Alabama. 3/ (1/2/86)
- Chicago First of America Bank Corporation, Kalamazoo, Michigan -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through the acquisition of First of America Brokerage Services, Inc., Kalamazoo, Michigan. The activity would be conducted nationwide. 3/ (1/2/86)
- St. Louis Magna Group, Inc., Belleville, Illinois -- to engage de novo (providing to others financially related data processing and data transmission services, facilities, and data bases; or access to them) through Magna Data Services, Inc., Belleville, Illinois. 3/ (1/2/86)

3/ Notification processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

ACTIONS OF THE BOARD - Continued

- St. Louis Siloam Springs Bancshares, Inc., Bentonville, Arkansas -- to engage de novo (making, acquiring, and/or servicing loans for itself or for others of the type made by a mortgage company). 3/ (1/3/86)
- St. Louis Smith Associated Banking Corporation, Little Rock, Arkansas -- to engage de novo (selling credit life, disability, or involuntary unemployment insurance). 3/ (1/3/86)
- Kansas City Nebraska National Corporation, Omaha, Nebraska -- to engage de novo (making, acquiring and/or servicing loans for itself or for others of the type made by a mortgage company; engaging in full payout personal and real property leasing; providing management consulting services to depository institutions). These activities will be conducted in the greater Omaha metropolitan area. 3/ (1/3/86)

Redemption of Shares**Approved**

- Minneapolis Goose Rive Holding Company, Mayville, North Dakota. 1/ (1/2/86)

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

3/ Notification processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

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

- New York Chemical Bank, New York, New York -- requests permission to establish a branch at 333 West 34th Street, New York, New York. 2/
- New York Norstar Bank Upstate NY, Albany, New York -- requests permission to establish an offsite electronic facility at One Norstar Plaza, Albany, New York. 2/
- Philadelphia Laurel Bank, Ebensburg, Pennsylvania -- to establish a branch office on Route 22 East, Duncansville, Blair County, Pennsylvania. 2/
- Philadelphia Peoples Bank of Nanticoke, Nanticoke, Pennsylvania -- to establish a branch office on Route 11 in the Village of West Nanticoke, Plymouth Township, Luzerne County, Pennsylvania. 2/
- Richmond Central Fidelity Bank, Richmond, Virginia -- request for permission to establish a branch at 6549 Mechanicsville Pike, Mechanicsville, Virginia. 2/

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

- Atlanta First Franklin Corporation, Toccoa, Georgia -- for approval to acquire 100 percent of the voting shares of First Franklin Bank & Trust, Toccoa, Georgia, a proposed new bank. 2/
- Chicago Chrisman Bancorp, Inc., Springfield, Illinois -- for approval to acquire at least 88 percent of the voting shares of First National Bank of Chrisman, Chrisman, Illinois. 2/
- Chicago CSB Financial Corporation, Greenville, Michigan -- for approval to acquire 100 percent of the voting shares of Commercial Bank, Greenville, Michigan. 2/

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

APPLICATION RECEIVED - Continued

- Chicago North Shore Bancorp, Inc., Northbrook, Illinois -- for approval to acquire 100 the percent of the voting shares of Bank of the North Shore, Northbrook, Illinois. 2/
- Chicago Ossian Financial Services, Inc., Ossian, Indiana -- for approval to acquire 100 percent of the voting shares of Ossian State Bank, Ossian, Indiana. 2/
- Minneapolis Crow River Holding Company, Delano, Minnesota -- for approval to acquire 97.72 percent of the voting shares of Crow River State Bank, Delano, Minnesota. 2/
- Minneapolis Great Northern Bancshares, Inc., Kalispell, Montana -- for approval to acquire at least 80 percent of the voting shares of First Security Bank of Kalispell, Kalispell, Montana. 2/
- Kansas City South Kipling Bankshares, Ltd., Denver, Colorado -- for approval to acquire 99 percent of the voting shares of North American National Bank, Littleton, Colorado. 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**

Received

- Cleveland PNC Financial Corp., Pittsburgh, Pennsylvania -- for approval to acquire 100 percent of the voting shares of The Hershey Bank, Hershey, Pennsylvania. 2/
- Richmond Mountaineer Bankshares of West Virginia, Inc., Martinsburg, West Virginia -- for approval to acquire 100 percent of the voting shares of City National Bank of Fairmont, Fairmont, West Virginia. 2/
- Atlanta Louisiana Bancshares, Inc., Baton Rouge, Louisiana - for approval to acquire 100 percent of the voting shares of St. Tammany National Bank, Mandeville, Louisiana. 2/

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

APPLICATION RECEIVED - Continued

- Chicago First United Financial Services, Inc.,
Arlington Heights, Illinois -- for approval
to acquire 100 percent of the voting shares
of Acorn Bankshares, Inc., Bloomingdale,
Illinois and indirectly acquire Bloomingdale
State Bank, Bloomingdale, Illinois. 2/
- Chicago Gainer Corporation, Merrillville, Indiana --
for approval to acquire 100 percent of the
voting shares of Northern Indiana Bancshares,
Inc., Valparaiso, Indiana and indirectly
acquire Northern Indiana Bank and Trust
Company, Valparaiso, Indiana. 2/
- Chicago Illini Community Bancorp, Inc., Springfield,
Illinois -- for approval to acquire 80
percent of the voting shares of Auburn
Peoples Bank, Auburn, Illinois. 2/
- Chicago Illini Community Bancorp, Inc., Springfield,
Illinois -- for approval to acquire 100
percent of the voting shares of Sherman Banc
Shares, Inc., Sherman, Illinois and
indirectly acquire Sherman Community Bank,
Sherman, Illinois. 2/
- Chicago Marshall & Ilsley Corporation, Milwaukee,
Wisconsin -- for approval to acquire 100
percent of the voting shares of M&I Marytown
Corporation, Marytown, Wisconsin and
indirectly acquire Farmers & Merchants Bank,
Marytown, Wisconsin. 2/
- St. Louis Egyptian Bancshares, Inc., Carrier Mills,
Illinois -- for approval to acquire 100
percent of the voting shares of Saline County
State Bank, Stonefort, Illinois. 2/
- St. Louis Farmers Capital Bank Corporation, Frankfort,
Kentucky -- for approval to acquire at least
95.86 percent of the voting shares of
Citizens Bank of Elizabethtown, Inc.,
Elizabethtown, Kentucky. 2/
- Dallas Longview Bancshares, Inc., Longview, Texas --
for approval to acquire 100 percent of the
voting shares of First State Bank, Rusk,
Texas. 2/
- Dallas Longview Bancshares, Inc., Longview, Texas --

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

APPLICATION RECEIVED - Continued

for approval to acquire 100 percent of the voting shares of First State Bank, Big Sandy, Texas. 2/

San Francisco Norban Financial Group, Inc., Coeur D'Alene, Idaho -- for approval to acquire 99.98 percent of the voting shares of Seaport Citizens Bank, Lewiston, Idaho. 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

Received

Boston BayBanks, Inc., Boston, Massachusetts -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through BayBanks Brokerage Services, Inc., Boston, Massachusetts. The activity would be conducted nationwide. (12/30/85)

Boston Washington Trust Bancorp, Inc., Westerly, Rhode Island -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through its direct subsidiary, Washington Trust Brokerage Services, Inc., Westerly, Rhode Island. The activities will be conducted at an office in Westerly, Rhode Island. (12/25/85)

New York KeyCorp, Albany, New York -- to engage de novo (underwriting credit life and disability insurance on consumer loans) through its subsidiary, Key Bank Life Insurance, Ltd., Phoenix, Arizona. (1/2/86)

Atlanta First Franklin Corporation, Toccoa, Georgia -- for approval to acquire First Franklin Financial Corporation, Toccoa, Georgia, thereby indirectly engaging in the activities of making consumer loans, and selling credit life and accident and health insurance in connection with loans written by Applicant's subsidiaries.

Atlanta First Springfield National Corp.,

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

APPLICATION RECEIVED - Continued

Springfield, Tennessee -- for approval to acquire First Trust Company of Springfield, Springfield, Tennessee and thereby engage in performing functions or activities that may be performed by a trust company including activities of a fiduciary, agency, or custodial nature in the manner authorized by federal or state law so long as the institution is not a bank and does not make loans or investments or accept deposits.

Chicago

American Fletcher Corporation, Indianapolis, Indiana -- for approval to acquire Morris Plan Financial Services Corporation, Inc., Indianapolis, Indiana and thereby engage in the operation of a general consumer finance business.

Dallas

Reagan Bancshares, Inc., Big Lake, Texas -- for approval to acquire Credit Bureau of Big Lake, Inc., Big Lake, Texas and thereby engage in the activities of providing credit references and acting as a collection agency for bad checks and trade accounts.