

**ANNOUNCEMENT BY  
BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM**

**H.2, 1986 No. 8**

**Actions of the Board  
Applications and Reports Received  
For the Week Ended February 22, 1986**

**APPLICABLE  
RESERVE BANK**

**ACTIONS OF THE BOARD**

Statement by Chairman Paul A. Volcker before the House Committee on Banking, Finance and Urban Affairs to present the Federal Reserve's monetary policy objectives for 1986, February 19, 1986.

The Board of Governors of the Federal Reserve System submits its Monetary Policy Report to the Congress pursuant to the Full Employment and Balanced Growth Act of 1978.

Federal Reserve Board renewed in a modified form the temporary simplified seasonal credit program for 1986, which is designed to make funds available at the discount window to agricultural banks experiencing especially strong loan demands.

- |              |  |
|--------------|--|
| New York     | Valley National Bank, Passaic, New Jersey, proposed merger with The First National Bank & Trust Company of Kearny, Kearny, New Jersey -- report to the Comptroller of the Currency on competitive factors. 1/                    |
| New York     | Citibank, N.A., New York, New York, proposed purchase of assets and assumption of the liabilities of four branches of Republic National Bank of New York -- report to the Comptroller of the Currency on competitive factors. 1/ |
| Philadelphia | National American Bancorp, Towanda, Pennsylvania -- extension of time to April 3, 1986, within which to consummate the proposal to establish National Security American Life Insurance Company, Phoenix, Arizona. 1/             |

---

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

**ACTIONS OF THE BOARD - Continued**

- Philadelphia Mid-State Bank and Trust Company, Altoona, Pennsylvania, proposed merger with First Blair County National Bank, Tyrone, Pennsylvania, under the charter and title of the former, report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Richmond FMB of S.C. Bancshares, Inc., Holy Hill, South Carolina -- extension of time to April 19, 1986, within which to become a bank holding company through the acquisition of Farmers & Merchants Bank of South Carolina. 1/
- Richmond State National Bank of Maryland, Rockville, Maryland, proposed merger with Dominion Bank of Maryland, National Association, an organizing bank -- report to the Comptroller of the Currency on competitive factors. 1/
- Atlanta First National Bancorp, Gainesville, Georgia -- extension of time to April 30, 1986, within which to acquire First Jackson Bancorp, Jefferson, Georgia, parent holding company of The First National Bank of Jackson, through merger. 1/
- Atlanta Gulf Coast National Bank, Sarasota, Florida, proposed merger with National Bank of Sarasota -- report to the Comptroller of the Currency on competitive factors. 1/
- Atlanta Barnett Bank of Martin County, N.A., Hobe Sound, Florida, proposed merger with Barnett Bank of Hobe Sound, N.A., report to the Comptroller of the Currency on competitive factors. 1/
- Chicago The Bank of Illinois in Normal, Normal, Illinois -- extension of time to establish a banking facility at Morrissey Drive (U.S. Route 150) and Veterans Parkway, Bloomington, Illinois, and an investment in bank premises. 1/
- Chicago Citizens Commercial & Savings Bank, Flint, Michigan -- investments in bank premises. 1/
- Chicago PSB BANCSHARES, LTD., Postville, Iowa --

---

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

**ACTIONS OF THE BOARD - Continued**

- extension of time to May 3, 1986, within which to become a bank holding company through the acquisition of 54.4 percent or more of the voting shares of Postville State Bank. 1/
- Chicago Blue Water Bancshares, Inc., Port Huron, Michigan -- extension of time to May 18, 1986, within which to become a bank holding company through the acquisition of 80.4 percent of the voting shares of Peoples Bank of Port Huron. 1/
- Chicago Comerica Bank-Detroit, Detroit, Michigan -- extension of time to May 27, 1986, within which to merge with Comerica Bank-Grosse Point, National Association, Grosse Point, Michigan. 1/
- Chicago Centra Financial, Inc., West Allis, Wisconsin extension of time to April 11, 1986, within which to become a bank holding company through the acquisition of 80 percent of the voting shares of Central Bank. 1/
- St. Louis Union of Arkansas Corporation, Little Rock, Arkansas -- additional one year extension to divest shares of a bank.
- St. Louis United Citizens Financial Corporation, New Castle, Kentucky -- extension of time to May 6, 1986, within which to become a bank holding company through the acquisition of United Citizens Bank and Trust Co. 1/
- Kansas City First National Bank in Battlement Mesa, Battlement Mesa, Colorado, proposed merger with First National Bank of Glenwood Springs, Glenwood Springs, Colorado, under the charter and title of the latter -- report to the Comptroller of the Currency on competitive factors. 1/
- Kansas City First National Bank, Manhattan, Kansas, proposed transfer of its assets and liabilities to First Savings Bank F.S.B. (in organization), under the charter and title of the latter -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/

---

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

**ACTIONS OF THE BOARD - Continued**

- Dallas Central Bank, Monroe, Louisiana -- payment of a dividend. 1/
- Dallas FNB National Bank, Arcadia, Louisiana, proposed merger with First National Bank in Arcadia -- report to the Comptroller of the Currency on competitive factors. 1/
- San Francisco The Sumitomo Bank, Limited, Osaka, Japan -- extension of time to May 21, 1986, within which to form a limited purpose trust company, Sumitomo Bank of New York Trust Company. 1/
- San Francisco Bank of Hawaii, Honolulu, Hawaii, proposed purchase of certain assets and assumption of certain liabilities of the Guam Branches of Bank of America N.T. & S.A., San Francisco, California, report to the Federal Deposit Insurance Corporation on competitive factors. 1/

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

Approved

- Richmond Bank of Virginia, Richmond, Virginia -- to establish a branch at 8330 Boone Boulevard, Vienna, Virginia. 1/ (2/21/86)
- Atlanta Carney Bank, Boynton Beach, Florida -- to establish a branch at West Linton Boulevard, Delray Beach, Florida, to be known as the Linton Branch of Carney Bank. 1/ (2/19/86)
- Atlanta Carney Bank of Broward County, Sunrise, Florida -- to establish a branch at 2701 West Oakland Park Boulevard, Fort Lauderdale, Florida to be known as the Carney Bank of Broward County Oakland Forest Branch. 1/ (2/29/86)
- San Francisco First Interstate Bank of California, Los Angeles, California -- to establish a branch in the vicinity of 1200 West 7th Street, City and County of Los Angeles, California. 1/ (2/20/86)

---

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

**ACTIONS OF THE BOARD - Continued****Issued Intent Not To Disapprove Change of Control  
Pursuant to Change in Bank Control Act of 1978****Approved**

- Cleveland      Intercounty Bancshares, Inc., Wilmington,  
Ohio, as filed by B. Anthony Williams. 1/  
(2/19/86)
- Minneapolis    Madison Lake Bancorporation, Inc., Madison  
Lake, Minnesota 1/ (2/21/86)
- Kansas City    American National Bancshares, Inc., Baxter  
Springs, Kansas. 1/ (2/19/86)

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

- St. Louis      First Exchange Bank of St. Louis, St. Louis,  
Missouri, a proposed new bank. 1/ (2/21/86)

**International Investments and Other Actions Approved  
Pursuant to Sections 25 and 25(a) of the Federal  
Reserve Act and Sections 4(c)(9) and 4(c)(13) and 4(c)(14)  
of the Bank Holding Company Act of 1956, as Amended****Approved****Forty-Five Day Notification Allowed to Expire**

- Boston          The First National Bank of Boston, Boston,  
Massachusetts -- no objection to convert  
Boston Credit-Bail, Paris, France, the direct  
leasing subsidiary of Bank's Edge subsidiary,  
Boston Overseas Financial Corporation, into a  
full service commercial bank subsidiary to be  
name Banque de Boston, S.A., Paris, France.
- San Francisco   Security Pacific Corporation, Los Angeles  
California -- no objection to increase its  
investment in Security Pacific International  
Finance, Inc., San Diego, California.

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

- Chicago          Success Financial Group/Indiana, Inc.,

---

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

**ACTIONS OF THE BOARD - Continued**

Wilmington, Delaware -- approval to acquire 82.6 percent of the voting shares of Industrial National Bank of East Chicago, East Chicago, Indiana. (2/20/86)

Dallas Harper Bancshares, Inc., Harper, Texas -- for approval to acquire 80 percent of the voting shares of First State Bank, Harper, Texas. (2/25/86)

Dallas New Braunfels Bancshares, Inc., New Braunfels, Texas -- for approval to acquire 100 percent of the voting shares of Citizens National Bank, New Braunfels, Texas, a proposed new bank. (2/27/86)

**Approved**

New York The Mitsubishi Trust and Banking Corporation, Tokyo, Japan -- for approval to acquire 100 percent of the voting shares of Mitsubishi Trust & Banking Corporation (U.S.A.), New York, New York, a proposed new bank. (2/19/86)

Philadelphia Farmers Banc Corp, Mullica Hill, New Jersey -- for approval to acquire 100 percent of the voting shares of The Farmers National Bank of Mullica Hill, Mullica Hill, New Jersey. 1/ (2/18/86)

Atlanta Farmers and Merchants Bancorp, Inc., Dover, Tennessee -- for approval to acquire 100 percent of the voting shares of Farmers and Merchants Bank of Bumpus Mills, Bumpus Mills, Tennessee. 1/ (2/18/86)

St. Louis KBT Bancshares, Inc., Louisville, Kentucky -- for approval to acquire 100 percent of the voting shares of The Kentucky Bank and Trust Company, Madisonville, Kentucky. 1/ (2/18/86)

Dallas First White Oak Bancshares, Inc., White Oak, Texas -- for approval to acquire 100 percent of the voting shares of White Oak State Bancshares, Inc., White Oak, Texas and indirectly White Oak State Bank, White Oak, Texas. 1/ (2/21/86)

Dallas Stratford Bancshares, Inc., Stratford, Texas

---

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

**ACTIONS OF THE BOARD - Continued**

-- for approval to acquire 87 percent of the voting shares of The First State Bank of Stratford, Stratford, Texas. 1/ (2/21/86)

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

Returned

- Atlanta Community Bancshares, Inc., Blountsville, Alabama -- for approval to acquire 100 percent of the voting shares of Community Bank of Marshall County, Arab, Alabama. (2/20/86)
- St. Louis Farmers & Merchants Bancshares, Inc., Wright City, Missouri -- for approval to acquire 80 percent of the voting shares of Warren County Bancshares, Inc., Warrenton, Missouri and indirectly acquire Commerce Warren County Bank, Warren, Missouri. (2/18/86)

Withdrawn

- New York Chemical New York Corporation, New York, New York -- for approval to acquire Chemical Bank of Florida, National Association, St. Petersburg, Florida. (2/20/86)

Approved

- 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 Bloomingdale State Bank, Bloomingdale, Illinois. 1/ (2/19/86)
- 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. 1/ (2/21/86)
- St. Louis First Exchange Corp., Cape Girardeau, Missouri -- for approval to acquire 100 percent of the voting shares of First Exchange Bank of St. Louis, St. Louis, Missouri, a proposed *de novo* bank. 1/ (2/21/86)

---

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

**ACTIONS OF THE BOARD - Continued**

St. Louis Liberty United Bancorp, Inc., Louisville, Kentucky -- for approval to acquire 100 percent of the voting shares of The Kentucky Bank and Trust Company, Madisonville, Kentucky. 1/ (2/18/86)

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

Returned

Chicago Mid Town Bancorp, Inc., Chicago, Illinois -- to engage *de novo* (making, acquiring, and/or servicing loans for itself or for others of the type made by a mortgage company; a consumer finance company; a credit card company; a commercial finance company; and a factor) through its subsidiary, Mid Town Development Corporation, Chicago, Illinois. The geographic area to be served will be nationwide. (2/20/86)

Kansas City Greater Metro Bank Holding Company, Aurora, Colorado -- to engage *de novo* (making, acquiring, and/or servicing loans for itself or for others of the type made by a mortgage company. (1/6/86)

Withdrawn

Minneapolis Resource Companies, Inc., Minneapolis, Minnesota -- to engage in investment advisory services on a nationwide basis through its subsidiary, Resource Capital Advisors, Inc., Minneapolis, Minnesota (2/13/86)

Minneapolis Resource Companies, Inc., Minneapolis, Minnesota -- for approval to engage *de novo* in making loans to Resource Companies, Inc., Employee Stock Option Plan. (2/13/86)

Approved

Boston Bank of New England Corporation, Boston, Massachusetts -- to continue to engage in certain mortgage banking activities through the retention of Mariner Mortgage Corporation, Providence, Rhode Island. 1/ (2/19/86)

New York Norstar Bancorp Inc., Albany, New York -- to

---

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



**ACTIONS OF THE BOARD - Continued**

acquire all the outstanding common shares of Intercounty Mortgage Corp., Hempstead, New York, and thereby to engage in mortgage banking activities. 1/ (2/21/86)

- Philadelphia Fidelcor, Inc., Philadelphia, Pennsylvania, through Latimer & Buck, Inc. -- to acquire Florida Commercial Mortgage Corporation, Orlando, Florida. 1/ (2/18/86)
- Cleveland Mellon Bank Corporation, Pittsburgh, Pennsylvania -- to acquire Carleton Financial Computations, Inc., South Bend, Indiana which is engaged in providing data processing and data transmission services to financial institutions located throughout the U.S. 1/ (2/20/86)
- Atlanta First Springfield National Corp., Springfield, Tennessee -- 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. 1/ (2/21/86)

**Permitted**

- New York Key Bancshares of New York, Inc., Albany, New York -- to engage *de novo* (underwriting credit life and disability insurance on consumer loans) through Key Bank Life Insurance, Ltd., Phoenix, Arizona. 3/ (2/19/86)
- Philadelphia Guaranty Bancshares Corporation, Shamokin, Pennsylvania -- to engage *de novo* (engaging in the activities of a trust company of a fiduciary, agency, or custodial nature) through its proposed subsidiary, Guaranty Trust Company, Shamokin, Pennsylvania. The activities will be conducted in the Commonwealth of Pennsylvania. 3/ (2/21/86)
- Richmond NBSC Corporation, Sumter, South Carolina -- to engage *de novo* (underwriting credit life and disability insurance on consumer loans)

- 
- 1/ 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.

**ACTIONS OF THE BOARD - Continued**

through its subsidiary, Sumbank Life Insurance Company, Phoenix, Arizona. The activities would be conducted in the State of South Carolina. 3/ (2/22/86)

Richmond

Washington Bancorporation, Washington, D.C., Colson, Inc., Wilmington, Delaware, and Washington National Holdings, N.V., Curacao, Netherlands Antilles -- to engage *de novo* (making, acquiring, and/or servicing loans for itself or for others of the type made by a mortgage company; performing real estate appraisals) through its subsidiary, Washington Mortgage Group, Inc., Washington, D.C. The activities would be conducted nationwide. 3/ (2/22/86)

---

3/ 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****Received**

- New York            Chemical Bank, New York, New York -- to establish branches at (1) General Food Corp., 800 Westchester Avenue, Rye Brook, Westchester County; and (2) General Food Corp., 250 North Street, White Plains, Westchester County. 2/
- Richmond           Peoples Bank of Virginia, Richmond, Virginia -- to establish a branch at 9970 Ironbridge Road, Chesterfield, Virginia. 2/

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

- Cleveland           Toledo Trust Company, Toledo, Ohio -- to merge with First Buckeye Bank, N.A., Mansfield, Ohio. 2/
- Dallas                FNB National Bank, Arcadia, Louisiana -- to merge with First National Bank in Arcadia, Arcadia, Louisiana. 2/
- Dallas                The Harlingen National Bank South, Harlingen, Texas -- to merge with The Harlingen National Bank, Harlingen, Texas. 2/
- San Francisco      Bank of Coronado, Coronado, California -- to merge with Capital Bank of Carlsbad, Carlsbad, California. 2/

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

- St. Louis            Old National Bancshares, Inc., Centralia, Illinois. 2/

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

- Chicago              Bank of Elmwood, Racine Wisconsin. 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.

## APPLICATIONS RECEIVED - Continued

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

New York	State Bancorp, Inc., New Hyde Park, New York -- for approval to acquire 100 percent of the voting shares of State Bank of Long Island, New Hyde Park, New York. 2/
Atlanta	Peoples Exchange Bancshares, Inc., Beatrice, Alabama -- for approval to acquire 80 percent of the voting shares of Peoples Exchange Bank of Monroe County, Beatrice, Alabama. 2/
Chicago	NBD Indiana, Inc., Detroit, Michigan -- for approval to acquire 100 percent of the voting shares of Midwest Commerce Corporation, Elkhart, Indiana and indirectly acquire Midwest Commerce Banking Company, Elkhart, Indiana. 2/
St. Louis	Grenada Sunburst System Corporation, Grenada, Mississippi -- for approval to acquire 100 percent of the voting shares of Grenada Bank, Grenada, Mississippi. 2/
Minneapolis	Roscoe Financial Services, Inc., Roscoe, South Dakota -- for approval to acquire 90.3 percent of the voting shares of First State Bank of Roscoe, Roscoe, South Dakota. 2/
Kansas City	Enterprise Bancshares, Inc., Del City, Oklahoma -- for approval to acquire 100 percent of the voting shares of First National Bank of Del City, Del City, Oklahoma. 2/
Dallas	Capital Reserves Group, Inc., College Station, Texas -- for approval to acquire 100 percent of the voting shares of UnitedBank-College Station, N.A., College Station, Texas. 2/
Dallas	Security Dallas Bancshares, Inc., Dallas, Texas -- for approval to acquire 100 percent of the voting shares of Security Bank, Dallas, Texas. 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.

## APPLICATIONS RECEIVED - Continued

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

- Boston Saver's Bancorp, Inc., Littleton, New Hampshire -- for approval to acquire United Savings Bank, Manchester, New Hampshire. 2/
- Philadelphia National Penn Bancshares, Inc., Boyertown, Pennsylvania -- for approval to acquire 20 percent of the voting shares of Constitution Bank, Philadelphia, Pennsylvania, a proposed new bank. 2/
- Cleveland Union National Corporation, Lebanon, Pennsylvania -- for approval to acquire 100 percent of the voting shares of Valley National Bank, Freeport, Pennsylvania. 2/
- Chicago First Busey Corporation, Urbana, Illinois -- for approval to acquire 100 percent of the voting shares of Champaign County Bank and Trust Company, Urbana, Illinois. 2/
- Chicago Marshall and Ilsley Corporation, Milwaukee, Wisconsin -- for approval to acquire 100 percent of the voting shares of The Home State Bank of South Milwaukee, South Milwaukee, Wisconsin. 2/

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

- Cleveland S&T Bancorp, Inc., Indiana, Pennsylvania -- for approval to merge with Union Bancorp of DuBois, Pennsylvania, Inc., DuBois, Pennsylvania and indirectly acquire The Union Banking & Trust Company of DuBois, DuBois, Pennsylvania. 2/
- Richmond United Bankshare, Inc., Parkersburg, West Virginia -- for approval to merge with Intermountain Bankshares, Inc., Charleston, West Virginia and indirectly acquire Kanawha Banking & Trust Company, N.A., Charleston, West Virginia and Halph Dollar Trust and Savings Bank, Wheeling, West Virginia. 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.

## APPLICATIONS RECEIVED - Continued

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

- New York            European American Bancorp, New York, New York  
-- to engage **de novo** (making, acquiring,  
and/or servicing loans for itself or for  
others of the type made by a mortgage  
company) through its subsidiary, EAB Mortgage  
Company, Inc., Uniondale, New York.  
(2/21/86)
- New York            Westpac Banking Corporation, Sydney,  
Australia -- to engage **de novo** (providing  
portfolio investment advice to any person)  
through its subsidiary, American and  
Australian Portfolio Managers, Inc., New  
York, New York (2/21/86)
- San Francisco      The Mitsubishi Bank, Limited, Tokyo, Japan  
-- to engage **de novo** (engaging in full  
pay-out real property leasing) through an  
indirect subsidiary, Diamond Lease (USA)  
Inc., New York, New York. (2/11/86)