

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

H.2, 1986, No. 19

Actions of the Board

**Applications and Reports Received
During the Week Ending May 10, 1986**

**APPLICABLE
RESERVE BANK**

ACTIONS OF THE BOARD

Statement by Chairman Volcker before the Subcommittee on Financial Institutions Supervision, Regulation and Insurance of the House Committee on Banking, Finance and Urban Affairs regarding the Financial Institutions Emergency Acquisition Amendments of 1986 that would make a number of changes in the emergency provisions of the Garn St Germain Depository Institutions Deregulation Act of 1982, on May 7, 1986.

Boston	Border Trust Company, Jackson, Maine, proposed merger with Jackman Trust Company, Jackman, Maine -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
Boston	Mutual Bank, FSB, Boston, Massachusetts, proposed merger with Lincoln Savings Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
Boston	Amoskeag Bank Shares, Inc., Manchester, New Hampshire -- extension of time to August 6, 1986, within which to acquire Portsmouth Savings Bank, Portsmouth, New Hampshire. 1/
New York	BNY International Investments, Inc., Miami, Florida -- to extend its corporate existence for a period not to exceed twenty years. 1/
New York	Manufacturers Hanover Trust Company, New York, New York -- to make an investment in bank premises in connection with purchase of branches of Dollar Dry Dock Savings Bank. 1/

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

ACTIONS OF THE BOARD - Continued

- New York Manufacturers Hanover Trust Company, New York, New York -- investment in bank premises. 1/
- Philadelphia Shawnee Financial Services Corporation, Everett, Pennsylvania -- extension of time to September 24, 1986, within which to consummate the formation of a bank holding company. 1/
- Richmond State Bank of Remington, (Incorporated), Remington, Virginia -- investment in bank premises. 1/
- Richmond United Virginia Bankshares Incorporated, Richmond, Virginia -- extension of time to June 2, 1986, within which to engage de novo in discount securities brokerage through United Virginia Brokerage, Inc. 1/
- Richmond Dominion Bankshares Corporation, Roanoke, Virginia -- extension of time to August 9, 1986, within which to engage de novo in discount securities brokerage through Dominion Financial Services, Inc.
- Atlanta Holiday Bank, Holiday, Florida, proposed merger with Allied Banks, Inc. -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Atlanta Investors Bank & Trust Company, Gretna, Louisiana, proposed merger with New Investors Bank & Trust Company -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Atlanta Kaplan State Bank, Kaplan, Louisiana, proposed merger with Cushing Interim Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Chicago Davenport Bank and Trust Company, Davenport, Iowa -- investment in bank premises. 1/
- Chicago Dairyman's State Bank, Randolph, Wisconsin, proposed merger with The Cambria State Bank -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/
- Chicago Lincoln Financial Corporation, Fort Wayne,

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

ACTIONS OF THE BOARD - Continued

- Indiana -- extension of time to June 6, 1986, within which to merge with First Community Financial Corp., Decatur, Indiana and acquire The First State Bank of Decatur. 1/
- Chicago CSB, Inc., Chesterton, Indiana -- extension of time to July 29, 1986, within which to become a bank holding company through the acquisition of Chesterton State Bank. 1/
- St. Louis Simmons First National Corporation, Pine Bluff, Arkansas -- extension of time to July 30, 1986, within which to commence engaging de novo in certain activities through Simmons First Agriculture Corporation. 1/
- Kansas City The First National Bank of Hutchinson, Hutchinson, Kansas, proposed merger with The First Interim National Bank of Hutchinson (in organization) -- report to the Comptroller of the currency on competitive factors. 1/
- Dallas Promenade Bancshares, Inc., Richardson, Texas -- extension of time to July 31, 1986, within which to acquire Plano National Bank, Plano, Texas. 1/
- Dallas Hub Financial Corporation, Lubbock, Texas -- extension of time to acquire City Bank, N.A. 1/ (Denied)
- San Francisco American Ban Corporation, Boise, Idaho -- extension of time to divest certain properties. 1/

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

- Philadelphia Commerce Bank/Harrisburg, Camp Hill, Pennsylvania -- to establish a branch office to be located at the intersection of Route 22 and Houcks Road, Lower Paxton Township, Pennsylvania. 1/ (5/8/86)
- Richmond Bank of Gassaway, Gassaway, West Virginia -- to establish a branch on Route 4, Sutton, West Virginia. 1/ (5/7/86)

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

ACTIONS OF THE BOARD - Continued

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

Approved

Richmond County Bank of Chesterfield, Midlothian,
Virginia. 1/ (5/7/86)

Richmond Security Bank Corporation, Manassas. 1/
(5/7/86)

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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

New York Westpac Banking Corporation, Sydney,
Australia -- to engage indirectly in the
United States in the activities of buying,
selling, lending, borrowing and otherwise
dealing in gold and silver bullion, bars,
rounds and coins, dealing on exchanges and
otherwise in gold and silver futures, dealing
in gold and silver options, financing the
production, refining and fabrications of, and
other transactions in, gold and silver
including hedging operations incidental to
such financing arbitraging gold and silver in
markets through the world and engaging in
such incidental activities as are necessary
to carry on the foregoing activities.

Philadelphia Fidelity Bank, Philadelphia, Pennsylvania --
grants consent to establish an Edge Act
Corporation, Fidelity Overseas Investment,
Inc., Wilmington, Delaware and to invest the
entire capital and surplus of Fidelity
Overseas Investment Inc. in an as yet to be
formed Hong Kong registered deposit taking
company, Fidelity, Asia, Ltd., Hong Kong.
(5/8/86)

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

ACTIONS OF THE BOARD - Continued

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

Returned

- Atlanta Atrium Capital Corporation, Boca Raton,
Florida -- for approval to acquire 100
percent of the voting shares of Landmark Bank
of Palm Beach County, Boca Raton, Florida.
(5/5/86)
- San Francisco Premier Bancorp, Northridge, California --
for approval to acquire over 50 percent of
the voting shares of Premier Bank,
Northridge, California. (5/5/86)

Approved

- Cleveland Huntington Bancshares Indiana, Inc.,
Columbus,
Ohio -- for approval to acquire Central
Bancorp, Inc., Plainfield, Indiana and
indirectly First National Bank of Danville,
Danville, Indiana. 1/ (5/9/86)
- Cleveland Mellon Bank Corporation, Pittsburgh,
Pennsylvania -- to acquire all of the voting
shares of Mellon Bank (MD), Bethesda,
Maryland, a proposed new bank. (5/7/86)
- Cleveland Whitley-Williamsburg Financial Corporation,
Williamsburg, Kentucky -- for approval to
acquire 100 percent of the voting shares of
Farmers National Bank of Williamsburg,
Williamsburg, Kentucky. 1/ (5/5/86)
- Chicago MarBanc Financial Corporation, Markle,
Indiana -- for approval to acquire 100
percent of the voting shares of State Bank of
Markle, Markle, Indiana. 1/ (5/7/86)
- Chicago Readlyn Bancshares, Inc., Readlyn, Iowa --
for approval to acquire 52 percent of the
voting shares of The Readlyn Savings Bank,
Readlyn, Iowa. 1/ (5/8/86)
- St. Louis First Sandoval Bancorp, Inc., Sandoval,
Illinois -- for approval to acquire at least
90 percent of the voting shares of The First

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

ACTIONS OF THE BOARD - Continued

- National Bank of Sandoval, Sandoval,
Illinois. 1/ (5/9/86)
- Minneapolis Franklin Bancorp, Inc., Minneapolis,
Minnesota -- for approval to acquire 98.75
percent of the voting shares of Franklin
National Bank of Minneapolis, Minneapolis,
Minnesota. 1/ (5/9/86)
- Minneapolis Houston State Holding, Inc., Houston,
Minnesota -- for approval to acquire 100
percent of the voting shares of Houston State
Bank, Houston, Minnesota. 1/ (5/7/86)
- Kansas City Citizens Bancshares of Waterville, Inc.,
Waterville, Kansas -- for approval to acquire
100 percent of the voting shares of The
Citizens State Bank of Waterville,
Waterville, Kansas. 1/ (5/7/86)
- Kansas City CS Bancshares, Inc., Chillicothe, Missouri --
for approval to acquire up to 92.8 percent of
the voting shares of Chillicothe State Bank,
Chillicothe, Missouri. (5/5/86)
- Kansas City Simmer Development Company, Chillicothe,
Missouri -- for approval to acquire up to
50.5 percent of the voting shares of CS
Bancshares, Inc., Chillicothe, Missouri and
indirectly Chillicothe State Bank,
Chillicothe, Missouri. (5/5/86)
- Dallas Trinity Bancorp, Inc., Benbrook, Texas -- for
approval to acquire 100 percent of the voting
shares of Trinity National Bank, Benbrook,
Texas. 1/ (5/9/86)
- San Francisco Met Financial Corporation, Oakland,
California -- for approval to acquire by the
conversion of its existing wholly owned
subsidiary, Metropolitan Thrift and Loan
Association, Oakland, California, to a
national bank with the legal title of
Metropolitan National Bank. 1/ (5/6/86)
- San Francisco Montecito Bancorp, Santa Barbara, California
-- for approval to acquire 100 percent of the
voting shares of The Bank of Montecito,
Monticeto, California. 1/ (5/8/86)

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

ACTIONS OF THE BOARD - Continued

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

Philadelphia First Lehigh Corporation, Walnutport,
Pennsylvania -- for approval to acquire 5.32
percent of the outstanding shares of
Knoblauch Bank, Reading, Pennsylvania, a
proposed new bank. 1/ (5/9/86)

Approved

New York First Fidelity Bancorporation, Newark, New
Jersey -- for approval to acquire 100 percent
of the voting shares of The Morris County
Savings Ban, Morristown, New Jersey.
(5/9/86)

Philadelphia Penn Central Bancorp, Inc., Huntington,
Pennsylvania -- for approval to acquire 100
percent of the voting shares of The First
National Bank of Saxton, Saxton,
Pennsylvania. 1/ (5/5/86)

Cleveland The Central Bancorporation, Inc., Cincinnati,
Ohio -- for approval to acquire 100 percent
of the voting shares of Citizens National
Bank, Fort Wright, Kentucky. 1/ (5/6/86)

Cleveland Huntington Bancshares, Incorporated,
Columbus, Ohio -- for approval to acquire
Huntington Bancshares Indiana, Inc.,
Columbus, Ohio and indirectly First National
Bank of Danville, Danville, Indiana. 1/
(5/9/86)

Cleveland Mellon Bank Corporation, Pittsburgh,
Pennsylvania -- to acquire all of the voting
shares of Mellon Bank (MD), Bethesda,
Maryland, a proposed new bank that will be
formed through the purchase of certain assets
and assumption of certain liabilities of
Community Savings and Loan, Inc., Bethesda,
Maryland. (5/7/86)

Richmond First Wachovia Corporation, Winston-Salem,
North Carolina -- for approval to acquire 100
percent of the voting shares of First Atlanta
Bank, National Association, New Castle,
Delaware, a proposed new bank. 1/ (5/9/86)

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

ACTIONS OF THE BOARD - Continued

- 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. 1/ (4/11/86)
- Chicago Lincoln Financial Corporation, Fort Wayne, Indiana -- for approval to acquire 100 percent of the voting shares of Akron Financial, Inc., Akron, Indiana and indirectly Akron Exchange State Bank, Akron, Indiana. 1/ (5/8/86)
- Chicago Thurman State Corporation, Sidney, Iowa -- for approval to acquire 100 percent of the voting shares of American National Bank, Bedford, Iowa, a proposed new bank. 1/ (5/1/86)
- St. Louis Old National Bancorp, Evansville, Indiana -- for approval to acquire 100 percent of the voting shares of People's Bank & Trust Company, Mount Vernon, Indiana. 1/ (5/9/8)

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

Approved

- New York The First of Long Island Corporation, Glen Head, New York -- to engage de novo through its subsidiary, Island Computer Corporation, Bohemia, New York in the processing of incoming and outgoing cash letters, DDA checking and account reconciliation, time deposits accounting, club accounting and certain certificate of deposit accounting which includes the computation and posting of interest. 1/ (5/5/86)
- New York Hamptons Bancshares, Inc., East Hampton, New York -- to acquire Island Computer Corporation, Bohemia, New York and thereby engage in the processing of incoming and outgoing cash letters, DDA checking and account reconciliation, time deposit accounting, club accounting, and certain certificate of deposit accounting, which includes computation and posting of interest. 1/ (5/5/86)

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

ACTIONS OF THE BOARD - Continued

- New York Suffolk Bancorp, Riverhead, New York -- to engage de novo through its subsidiary, Island Computer Corporation, Bohemia, New York, in processing of incoming and outgoing cash letters, DDA checking and account reconciliation, time deposit accounting, club accounting, and certain certificate of deposit accounting, which includes computation and posting of interest. 1/ (5/5/86)
- Chicago Citizens Banking Corporation, Flint, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- Chicago Comerica Incorporated, Detroit, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- Chicago First of America Bank Corporation, Kalamazoo, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- Chicago Manufacturers National Corporation, Detroit, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- Chicago Michigan National Corporation, Bloomfield Hills, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- Chicago Union Bancorp Inc., Grand Rapids, Michigan -- to engage in providing data processing services through the organization and joint ownership of ML, Inc., Detroit, Michigan. 1/ (5/8/86)
- San Francisco Met Financial Corporation, Oakland, California -- for approval to engage in mortgage banking activities including underwriting, brokering and servicing real estate loans. 1/ (5/6/86)

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

ACTIONS OF THE BOARD - Continued

San Francisco Ventura County National Bancorp, Oxnard, California -- for approval to retain Strathearn Cattle Company, Simi Valley, California -- to engage de novo in making and servicing loans. 1/ (5/8/86)

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Permitted

New York National Westminster Bank PLC, London, England and Natwest Holdings Inc., New York, New York -- to engage de novo (underwriting and dealing in obligations of United States, general obligations of states and political subdivision, and other obligations in which state member banks are authorized to underwrite and deal) through County Natwest Government Securities Inc., New York, New York 3/ 5/9/86)

New York The Summit Bancorporation, Summit, New Jersey -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through its subsidiary, Beechwood Securities Corp., Summit, New Jersey. 3/ (5/6/86)

Minneapolis Claremont Bancshares, Inc., Claremont, Minnesota -- to engage de novo (engaging in insurance agency activities in a town of less than 5,000 persons). The activity will be conducted in Claremont, Minnesota. 3/ (5/7/86)

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Redemption of Shares

Approved

Chicago B and K Bancorporation, Inc., Hampton, Iowa. 1/ (5/2/86)

Chicago Union-Calhoun Investments, Ltd., Rockwell, City, Iowa. 1/ (5/8/86)

Kansas City Lull and Rush Agency, Inc., Smith Center, Kansas. 1/ (5/9/86)

Kansas City Security Financial Services Corporation, Enid, Oklahoma. 1/ (5/5/86)

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

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

ACTIONS OF THE BOARD - Continued

Dallas

Centerville Bancshares, Inc., Centerville,
Texas. 1/ (5/6/86)

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

ACTIONS OF THE BOARD - Continued**APPLICATIONS RECEIVED**

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

Received

New York	Gateway State Bank, Staten Island, New York -- to establish an offsite walk-up facility at 1200 Forest Avenue, Staten Island, New York. 2/
Richmond	Bank of Virginia, Richmond, Virginia -- to establish a branch at 12791 Harbor Drive, Woodbridge, Virginia. 2/
Richmond	First Community Bank, Inc., Princeton, West Virginia -- to establish an electronic funds transfer facility at Short Stop Exxon, Oakvale, Road, Princeton, West Virginia. 2/
Richmond	Central Fidelity Bank, Richmond, Virginia -- to establish a branch at 2129 General Booth Boulevard, Virginia Beach, Virginia. 2/
Chicago	Midwest Commerce Banking Company, Elkhart, Indiana -- to establish a branch at 100 East Wayne Street, South Bend, Indiana. 2/
Dallas	To establish and use an off-site electronic facility from Provident Bank-Denton, Denton, Texas, Golden Triangle Mall, Denton, Texas. 2/

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

Received

Chicago	Independent Bankers' Bank of Illinois, Springfield, Illinois, a proposed new bank. 2/
San Francisco	The Bank of Verde Valley, Cottonwood, Arizona, a proposed new bank. 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**

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 - Continued**Received**

Atlanta Atrium Capital Corporation, Boca Raton, Florida -- for approval to acquire 100 percent of the voting shares of Landmark Bank of Palm Beach County, Boca Raton, Florida 2/

Atlanta CNB Holding Company, Daytona Beach, Florida -- for approval to acquire 80 percent of the voting shares of Commercial National Bank, Daytona Beach, Florida. 2/

Atlanta First State Bancshares of Blakely, Inc., Blakely, Georgia -- for approval to acquire 100 percent of the voting shares of First State Bank of Blakely, Blakely, Georgia. 2/

Atlanta Midcontinental Holding Corporation, Atlanta, Georgia -- for approval to acquire 100 percent of the voting shares of Richland Banking Company, Richland, Georgia. 2/

Chicago Bankers' Bancorp of Illinois, Springfield, Illinois -- for approval to acquire 100 percent of the voting shares of Independent Bankers' Bank of Illinois, Springfield, Illinois, a proposed new bank. 2/

St. Louis Omni Bancorp, Inc., Effingham, Illinois -- for approval to acquire 100 percent of the voting shares of Crossroads Bank, Effingham, Illinois. 2/

Dallas NBC Bancshares, Inc., Pampa, Texas -- for approval to acquire 80 percent of the voting shares of National Bank of Commerce, Pampa, Texas. 2/

San Francisco Verde Valley Bancorp, Inc., Cottonwood, Arizona -- for approval to acquire 80 percent of the voting shares of The Bank of Verde Valley, Cottonwood, Arizona, a proposed new bank. 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

Chicago First Prairie Bankshares, Inc., Georgetown,

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 - Continued

- Illinois -- for approval to acquire 100 percent of the voting shares of The First National Bank of Ogden, Ogden, Illinois. 2/
- Chicago Suburban Bancorp, Inc., Palatine, Illinois -- for approval to acquire 100 percent of the voting shares of Marengo State Bank, Marengo, Illinois. 2/
- Chicago Suburban Bancorp, Inc., Palatine, Illinois -- for approval to acquire 95 percent or more of the voting shares of West Brook Bank, Westchester, Illinois. 2/
- Chicago Thurman State Corporation, Sidney, Iowa -- for approval to acquire 100 percent of the voting shares of American National Bank, Bedford, Iowa, a proposed new bank. 2/
- St. Louis Bancorp of Mississippi, Inc., Tupelo, Mississippi -- for approval to acquire at least 7.76 percent of the voting shares of First Mississippi National Corporation, Hattiesburg, Mississippi and indirectly acquire First Mississippi National Bank, Hattiesburg, Mississippi. 2/
- St. Louis Smith Associated Banking Corporation, Little Rock, Arkansas -- for approval to acquire at least 98 percent of the voting shares of Stephens Security Bank, Stephens, Arkansas. 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

- New York J. P. Morgan & Co., Inc., New York, New York -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through one or more wholly-owned subsidiaries. The activities will be conducted throughout the United States. (5/5/86)
- Atlanta Hibernia Corporation, New Orleans, Louisiana

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 - Continued

-- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through its subsidiary, Hibernia Investment Securities, Inc., New Orleans, Louisiana. (5/7/86)

Chicago Lincoln Financial Corporation, Fort Wayne, Indiana -- to establish a de novo subsidiary, Midwest Life Insurance Company, Fort Wayne, Indiana, and to engage de novo (selling credit life, disability, or involuntary unemployment insurance). The geographic scope will be the State of Indiana. (5/9/86)

Chicago Old Kent Financial Corporation, Grand Rapids, Michigan -- to acquire Great Lakes Computer Center, Inc., Portage, Michigan and thereby engage in data processing activities.

St. Louis Resource Companies, Inc., Minneapolis, Minnesota -- to continue to engage de novo (providing portfolio investment advice to any person) through the Milwaukee, Wisconsin, office of Resource Capital Advisors, Inc., Minneapolis, Minnesota. The activity will be conducted nationwide. (5/8/86)

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.