ANNOUNCEMENT BY
BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

H.2, 1986, No. 21

Actions of the Board
Applications and Reports Received
During the Week Ending May 24, 1986

APPLICABLE
RESERVE BANK Statement by Governor Emmett J. Rice before
the subcommittee on Financial Institutions and Consumer
Affairs of the Senate Committee on Banking, Housing, and
Urban Affairs regarding disclosure requirements of
S. 2140, S. 2264, and S. 2421, three bills dealing with
credit card applications and solicitations, May 21, 1986.

Federal Reserve announced a new policy to deal with
exceptionally large borrowings from the discount window that
arise from computer breakdowns or other operating problems
associated with the payments mechanism.

Request by the Federal Reserve Board for public comment no
later than June 27, 1986, on whether conditions it imposed
on the acquisition of thrift institutions by bank holding
companies should be modified.

New York Business Bank of Westchester, White Plains,
New York -- extension of time to August 23,
1986, within which to become a member of the
Federal Reserve System. 1/

Cleveland Banc One Corporation, Columbus, Ohio --
extension of time to August 19, 1986, within
which to acquire Purdue National Corporation,
Lafayette, Indiana. 1/

Cleveland Pennbancorp, Titusville, Pennsylvania --
extension of time to August 15, 1986, within
which to engage de novo in securities
brokerage through Pennbancorp Brokerage
Services Company. 1/

1/ Application processed on behalf of the Board of Governors
under delegated authority.
Cleveland  
Society Corporation, Cleveland, Ohio -- extension of time to September 21, 1986, within which to engage de novo through Society Investor Services Corporation in certain activities. 1/

Richmond  
First Virginia Bank - Colonial, Richmond, Virginia -- extension of time to August 31, 1986, within which to establish a branch at the Stony Point Shopping Center, Richmond, Virginia. 1/

Richmond  

Richmond  
Kanawha Valley Bank, N.A., Charleston, West Virginia, proposed merger with Bank of West Virginia -- report to the Comptroller of the Currency on competitive factors. 1/

Richmond  
The Planters National Bank and Trust Company, Rocky Mount, North Carolina, proposed merger with First National Bank of Smithfield, Smithfield, North Carolina -- report to the Comptroller of the Currency on competitive factors. 1/

Atlanta  
Atlantic National Bank of Florida, Jacksonville, Florida, proposed merger with The First Bankers, N.A., Pompano Beach; The Bankers of Florida, N.A., Cape Canaveral; The First Bankers of Indian River County, Vero Beach; The First Bankers of Orange County, N.A., Winter Garden; The First Bankers of Palm Beach County, N.A., Boca Raton; The First Banker of Polk County, Haines City; The First Bankers of Tampa Bay, N.A., St. Petersburg; and The First Bankers of Volusia County, N.A., New Smyrna Beach, Florida. 1/

1/ Application processed on behalf of the Board of Governors under delegated authority.
H.2, 1986, No. 21

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ACTIONS OF THE BOARD - Continued

Atlanta
First Polk Bankshares, Inc., Cedartown, Georgia -- extension of time to August 14, 1986, within which to become a bank holding company through acquisition of First National Bank of Polk County. 1/

Atlanta
The First Bancrossville, Inc., Crossville, Tennessee -- extension of time to August 22, 1986, within which to become a bank holding company through acquisition of The First National Bank of Crossville. 1/

Atlanta
Big Lake Financial Corporation, Okeechobee, Florida -- extension of time to July 26, 1986, within which to become a bank holding company through acquisition of Big Lake National Bank. 1/

Atlanta
Cumberland County Bank, Crossville, Tennessee -- extension of time to August 7, 1986, within which to acquire Cumberland County Bank. 1/

Chicago
Fort Madison Bank & Trust Co., Fort Madison, Iowa -- investment in bank premises. 1/

Chicago
Sparta State Bank, Sparta, Michigan -- investment in bank premises. 1/

Chicago
KBT Merger Bank, Kendallville, Indiana -- proposed merger with Kendallville Bank & Trust Co., -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Chicago
State Bank of Kewaunee, Kewaunee, Wisconsin, proposed consolidation with First State Bank of Algoma, Algoma, Wisconsin -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Chicago
Citizens Bankshares, Inc., Shewano, Wisconsin -- extension of time to August 22, 1986, within which to become a bank holding company through acquisition of the successor by merger to Citizens State Bank. 1/

St. Louis
National Bancorporation, Memphis, Tennessee -- extension of time to August 1, 1986, within which to commence operation of NBC Knoxville Bank, Knoxville, Tennessee. 1/

1/ Application processed on behalf of the Board of Governors under delegated authority.
ACTIONS OF THE BOARD - Continued

Kansas City  Community Bancshares, Inc., Grants, New Mexico -- extension of time to August 17, 1986, within which to acquire Grants State Bank. 1/

Kansas City  United Banks of Colorado, Inc., Denver, Colorado -- extension of time to August 27, 1986, within which to commence insurance agency activities nationwide. 1/

Dallas  Overton Financial Corporation, Overton, Texas -- extension of time to August 5, 1986, within which to acquire First State Bank. 1/

Dallas  New Goliad State Bank, Goliad, Texas, proposed merger with First National Bank of Goliad -- report to the Federal Deposit Insurance Corporation on competitive factors. 1/

Dallas  Hull State Bancshares, Inc., Hull, Texas -- extension of time to August 21, 1986, within which to acquire Bank of the Trinity, N.A., Liberty, Texas. 1/

San Francisco  Valley Capital Corporation, Las Vegas, Nevada -- extension of time to August 27, 1986, within which to engage de novo in discount brokerage through Valley Financial Services, Inc. 1/

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

Richmond  First Interstate Bank of California, Los Angeles, California -- to establish a branch in the vicinity of 17870 Castleton Street, Suite 445, City of Industry, County of Los Angeles, California. 1/ (5/17/86)

Richmond  Farmers and Merchants of Summersville, Summersville, West Virginia -- to establish a branch on State Route 20 South, Nettie, West Virginia. 1/ (5/22/96)

1/ Application processed on behalf of the Board of Governors under delegated authority.
ACTIONS OF THE BOARD - Continued

Chicago

Dallas
Application to establish and use an off-site electronic facility from Provident Bank-Denton, Denton, Texas Golden Triangle Mall, Denton, Texas 1/ (5/23/86)

San Francisco
Valley Bank of Nevada, Las Vegas, Nevada -- to establish a branch in the vicinity of the Southwest corner of Flamingo and Decatur Boulevard, City of Las Vegas, County of Clark, Nevada. 1/ (5/16/86)

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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
Castle Rock Industrial Bank, Castle Rock, Colorado. 1/ (5/23/86)

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

Approved

Cleveland
The Central Trust Company, Newark, Ohio -- to merge with The Clear Creek Valley Banking Company, Amanda, Ohio. 1/ (5/22/86)

Richmond
First Community Bank, Inc., Princeton, West Virginia -- to merge with First Community Bank - Castle Rock, Pineville, West Virginia. 1/ (5/23/86)

1/ Application processed on behalf of the Board of Governors under delegated authority.
To Form a Bank Holding Company Pursuant to Section 3(a)(1) of the Bank Holding Company Act of 1956

Returned

Chicago
The First State Bank of Thornton, Iowa Employee's Stock Ownership Plan and Trust, Thornton, Iowa -- for approval to acquire 51 percent of the voting shares of Thornton Bancshares, Inc., Thornton, Iowa and indirectly acquire The First State Bank of Thornton, Thornton, Iowa. (5/19/86)

Dallas
San Diego Bancshares, Inc., San Diego, Texas -- for approval to acquire 99.05 percent of the voting shares of First State Bank of San Diego, San Diego, Texas. (5/21/86)

Approved

Richmond
First Union Corporation of North Carolina, Charlotte, North Carolina -- for approval to acquire 100 percent of the voting shares of First Union National Bank, Charlotte, North Carolina. 1/ (5/19/86)

Atlanta
Coastal Commerce Bancshares, Inc., Kaplan, Louisiana -- for approval to acquire 100 percent of the voting shares of Kaplan State Bank, Kaplan, Louisiana. 1/ (5/21/86)

Chicago
NBD Western Corporation, Detroit, Michigan -- for approval to acquire 100 percent of the voting shares of Union Bancorp, Inc., Grand Rapids, Michigan and indirectly acquire Union Bank and Trust Company (N.A.) Grand Rapids, Michigan; First National Bank and Trust Company, Petoskey, Michigan; and The Peoples Bank and Trust Company, Grand Haven, Michigan. 1/ (5/22/86)

Chicago

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

St. Louis
Security Bancshares, Inc., Des Arc, Arkansas -- for approval to acquire at least 80 percent of the voting shares of Farmers and Merchants Bank, Des Arc, Arkansas. 1/ (5/23/86)

Kansas City
Madison Bancshares, Inc., Madison, Nebraska -- for approval to acquire 94 percent of the voting shares of the Bank of Madison, Madison, Nebraska. 1/ 5/23/86

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. 1/ (5/21/86)

Dallas
Valley-Hi Investment Company, San Antonio, Texas -- for approval to acquire 100 percent of the voting shares of Valley-Hi National Bank of San Antonio, San Antonio, Texas 1/ (5/19/86)

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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

Chicago
First Prairie Bankshares, Inc., Georgetown, Illinois -- for approval to acquire 100 percent of the First National Bank of Ogden, Ogden, Illinois. (5/19/86)

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. (5/20/86)

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

Boston  
First Coastal Banks, Inc., Portsmouth, New Hampshire -- for approval to acquire 100 percent of the voting shares of Merchants National Bank, Dover, New Hampshire. 1/5/20/86

Cleveland  
AmeriTrust Corporation, Cleveland, Ohio and First Indiana Bancorp, Elkhart, Indiana -- for approval to acquire 100 percent of the voting shares of State Bank of Lima, Howe, Indiana. 1/5/20/86

Richmond  
First Banc Securities, Inc., Morgantown, West Virginia -- for approval to acquire 100 percent of the voting shares of The Peoples National Bank of Martinsburg, Martinsburg, West Virginia. 1/ (5/20/86)

Chicago  
Bellwood Bancorporation, Inc., Bellwood, Illinois -- for approval to acquire at least 10 percent, and no more than 35.2 percent of the voting shares of Peterson Bank, Chicago, Illinois. 1/ (5/21/86)

Chicago  
NBD Bancorp, Inc., Detroit, Michigan -- for approval to acquire 100 percent of the voting shares of Union Bancorp, Inc., Grand Rapids, Michigan and indirectly acquire Union Bank and Trust Company (N.A.), Grand Rapids, Michigan; First National Bank and Trust Company, Petoskey, Michigan; and the Peoples Bank and Trust Company, Grand Haven, Michigan. 1/ (5/22/86)

St. Louis  
Magna Group, Inc., Belleville, Illinois -- for approval to acquire 100 percent of the voting shares of First Banc Group, Inc., Centralia, Illinois and indirectly acquire First National Bank & Trust Company; First State Bank of Centralia, both of Centralia, Illinois; Ashley State Bank, Ashley, Illinois; and Hoyleton State & Savings Bank, Hoyleton, Illinois. 1/ (5/22/86)

1/ Application processed on behalf of the Board of Governors under delegated authority.
To Expand a Bank Holding Company Pursuant to Section 4(c)(8) of the Bank Holding Company Act of 1956

Returned


Approved

Boston  Citizens Financial Group, Inc., Providence, Rhode Island — for approval to acquire Gulf States Mortgage Co., Inc., Atlanta, Georgia and thereby engage in making, acquiring and/or servicing residential mortgage loans secured by first and second mortgages on residential real estate and commercial mortgage loans. 1/ (5/22/86)

New York  Citicorp, New York, New York — for approval to acquire all of the voting shares of Quotron Systems, Inc., Los Angeles, California. (5/19/86)

Chicago  NBD Bancorp, Inc., Detroit, Michigan — for approval to acquire Bankers Leasing Services, Inc., Southfield, Michigan and thereby engage in finance leasing of personal property, primarily telecommunications and office equipment. 1/ (5/22/86)

Chicago  NBD Western Corporation, Detroit, Michigan — for approval to acquire Bankers Leasing Services, Inc., Southfield, Michigan and thereby engage in finance leasing of personal property, primarily telecommunications and office equipment.

1/ Application processed on behalf of the Board of Governors under delegated authority.
Minneapolis
Norwest Corporation, Minneapolis, Minnesota -- to acquire the assets of McKinney Wudel Insurance Service, Rapid City, South Dakota. 1/ (5/21/86)

Dallas
Texas American Bancshares, Inc., Fort Worth, Texas -- to engage de novo through its wholly owned subsidiary, TABrokerage, Inc., Fort Worth, Texas, in the purchase and sale of gold and silver bullion and coins for the account of its customers. (5/22/86)

San Francisco
Security Pacific Corporation, Los Angeles, California -- to acquire certain assets of Brokers Data Management Services, Inc., New York, New York. 1/ (5/22/86)

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1/ Application processed on behalf of the Board of Governors under delegated authority.
Dallas  
Texas American Bancshares, Inc., Fort Worth, Texas -- to engage de novo through its wholly owned subsidiary, TABrokerage, Inc., Fort Worth, Texas, in the purchase and sale of gold and silver bullion and coins for the account of its customers. (5/22/86)

San Francisco  
Security Pacific Corporation, Los Angeles, California -- to acquire certain assets of Brokers Data Management Services, Inc., New York, New York. 1/ (5/22/86)

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1/ Application processed on behalf of the Board of Governors under delegated authority.
 ACTIONS OF THE BOARD - Continued

**Permitted**

**Boston**

Central Financial Corporation, Randolph, Vermont -- to engage **de novo** (providing management consulting services to depository institutions). The activity would be conducted in Vermont. 3/ (5/24/86)

Fleet Financial Group, Inc., Providence, Rhode Island -- to engage **de novo** (underwriting credit life and disability insurance on consumer loans) through Consumer Life Insurance Company. The activity would be conducted in the States of Alabama, Colorado, Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio, Oklahoma, Utah, Wisconsin. 3/ (5/22/86)

**Cleveland**

Toledo Trustcorp, Inc., Toledo, Ohio -- to engage **de novo** (engaging in the activities of a trust company of a fiduciary agency, or custodial nature) through Trustcorp of Florida, N.A., Naples, Florida. 3/ (5/21/86)

**Richmond**

Southern National Corporation, Lumberton, North Carolina, to engage **de novo** (underwriting credit life and disability insurance on consumer loans) through its subsidiary, Unified Investors Life Insurance Company, Phoenix, Arizona. The activities will be conducted in the State of South Carolina. 3/ (5/19/86)

**Chicago**


Keystone Bancshares, Inc., Monona, Iowa -- to engage **de novo** (making, acquiring and/or servicing loans for itself or for others of the type made by a commercial finance company) 3/ (5/21/86)

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3/ Notification processed by Reserve Bank on behalf of the Board of Governors under delegated authority.
ACTIONS OF THE BOARD - Continued

Chicago

Summcorp, Fort Wayne, Indiana -- to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through its subsidiary, Summcorp Financial Services, Inc., Fort Wayne, Indiana. The geographic area to be served will be the entire United States. 3/ (5/23/86)

Kansas City

Nebraska National Corporation, Omaha, Nebraska, to engage de novo (engaging in insurance agency activities if the bank holding company has $50 million or less in total consolidated assets) through an agency to be located in the Nebraska National Bank, Tekamah, Nebraska, the activity would be conducted in the Banks trade area. 3/ (5/22/86)

Dallas

Ameritex Bancshares Corporation, Dallas, Texas -- to engage de novo (providing to others financially related data processing and data transmission services, facilities, and data bases; or access to them) through the acquisition of Ameritex Service Corporation, Dallas, Texas 3/ 5/23/86

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Redemption of Shares

Approved

Dallas

Mineola Bancshares, Inc., Mineola, Texas. 1/ (5/22/86)

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.
APPLICATIONS RECEIVED

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

Received

New York
Manufacturers Hanover Trust Company, New York, New York -- to establish a branch office at 535 Broad Hollow Road, Melville, New York. 2/

Richmond
Heritage Bank and Trust, Norfolk, Virginia -- to establish a branch at 1450 South Military Highway, Chesapeake, Virginia. 2/

Chicago
First of America Bank - Central, Lansing, Michigan -- to install an off-premise automated teller machine at Capital City Airport, Capital City Blvd., Lansing, Michigan. 2/

To Merge Pursuant to Section 18(c) Of the Federal Deposit Insurance Act

Received

Dallas
New Goliad State Bank, Goliad, Texas -- to merge with The First National Bank of Goliad, Goliad, Texas 2/

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

Received

Atlanta
First Vernon Bancshares, Inc., Vernon, Alabama -- for approval to acquire 80 percent of the voting shares of The Bank of Vernon, Vernon, Alabama. 2/

Chicago
APPLICATIONS RECEIVED - Continued

Kansas City

Logan Bancshares, Inc, Logan, Kansas -- for approval to acquire at least 80 percent of the voting shares of First National Bank of Logan, Logan, Kansas 2/

Kansas City

Security National Corporation, Omaha, Nebraska -- for approval to acquire 92 percent of the voting shares of Security National Bank of Omaha, Omaha, Nebraska. 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

Boston

Hartford National Corporation, Hartford, Connecticut -- for approval to acquire 100 percent of the voting shares of First/Martha's Vineyard Bancorporation, Vineyard Haven, Massachusetts, and indirectly acquire First Bank, Chelmsford, Massachusetts 2/

Atlanta

Hibernia Corporation, New Orleans, Louisiana -- for approval to acquire 25 percent of the voting shares of South Louisiana Bank, Houma, Louisiana. 2/

Chicago

Continental Illinois Corporation, Chicago, Illinois -- for approval to acquire 100 percent of the voting shares of First National Bank of Deerfield, Deerfield, Illinois 2/

Chicago

Marisub, Inc., Milwaukee, Wisconsin -- for approval to acquire 100 percent of the voting shares of Marine Bank National Association, Milwaukee, Wisconsin, Marine Bank West, Waukesha, Wisconsin; Marine Bank South, National Association, Racine, Wisconsin; Marine Bank Dane County, Madison, Wisconsin; West Bend Marine Bank, West Bend, Wisconsin; Marine Bank of Beaver Dam, Beaver Dam, Wisconsin; Fidelity Marine Bank, Antigo, Wisconsin; and Marine First National Bank, Joneville, 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

Chicago
St. Joseph Bancorporation, Inc., South Bend, Indiana -- for approval to acquire 100 percent of the voting shares of Angola Bancorporation, Angola, Indiana, and indirectly acquire First National Bank of Angola, Angola, Indiana.  2/

St. Louis
National City Bancshares, Inc., Evansville, Indiana -- for approval to acquire 100 percent of the voting shares of Chandler State Bank, Chandler, Indiana.  2/

St. Louis
Old National Bancorp, Evansville, Indiana -- for approval to acquire 100 percent of the voting shares of The Rockville National Bank, Rockville, Indiana.  2/

St. Louis
Southside Bancshares Corp., St. Louis, Missouri -- for approval to acquire at least 92.3 percent of the voting shares of Weldon Spring Bank, Weldon Spring, Missouri  2/

Kansas City
United Banks of Colorado, Inc., Denver, Colorado -- for approval to acquire 100 percent of the voting shares of American National Bank of Aurora, Aurora, Colorado.  2/

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

Received

Atlanta
Hibernia Corporation, New Orleans, Louisiana -- for approval to merge with South Louisiana Financial Corporation, Houma, Louisiana and indirectly acquire South Louisiana Bank, Houma, Louisiana.  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

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.
New York

U.S. Trust Corporation, New York, New York -- for approval to acquire Advanced Information Management, Inc., located in Boston, Massachusetts and New York, New York, and thereby engage in licensing software and providing services to others relating to individual retirement account record keeping, mutual fund shareholder accounting and other data processing and data transmission services and facilities or access to such services or facilities by any technologically feasible means for financial, banking and economic data.

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

Atlanta  First Rainsville Bancshares, Inc., Rainsville, Alabama -- to engage de novo (selling credit life, disability, or involuntary unemployment insurance) through First National Bancshares, Rainsville, Alabama. (5/21/86)


St. Louis  Mid South Bancshares, Inc., Paragould, Arkansas, to engage de novo (providing management consulting services to depository institutions) through the acquisition of Profit Consultants, Inc., Jonesboro, Arkansas. (5/19/86)

Dallas  Sanger First National Holding Co., Inc., of Texas, Sanger, Texas, to engage de novo (providing to others financially related data processing and data transmission services, facilities, and data bases; or access to them) (5/21/96)

San Francisco  Peoples Ban Corporation, Seattle, Washington, to engage de novo (discount securities brokerage activities including certain securities credit and incidental activities) through Peoples Discount Brokerage Company, Seattle, Washington. (5/19/86)

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Applications to the Board of Governors of the Federal Reserve System for Prior Approval of an Acquisition Pursuant to Section 5(b) of the Bank Service Corporation Act as Amended

Received

Atlanta Trust Company Bank, Atlanta, Georgia -- for approval to acquire 25.3 percent of the voting common and nonvoting preferred stock of SunTrust Service Corporation, Orlando, Florida.